

| | |
|------------------|-------------|
| Price (€) | 3.05 |
| 12 Month H/L (€) | 3.6 / 0.9 |

Key Data

| | |
|------------------------|--------------|
| Reuters Code | OHTI.DE |
| Bloomberg Code | OHT |
| ISIN | IL0010838071 |
| Financial Year | 31/12 |
| Acc. Standard | US GAAP |
| Market Cap. (USD m) | 44.5 |
| Adj. No. Of Shares (m) | 10.8 |
| Free Float | 54.1 |

| Valuation (x) | 06 | 07e | 08e | 09e |
|----------------|-------|------|------|------|
| MC/Sales | 1.6 | 2.1 | 1.7 | 1.4 |
| P/E | 44.0 | 30.2 | 14.6 | 10.2 |
| Div. Yield (%) | 0.0 | 0.0 | 0.0 | 0.0 |
| EV/Tot. Sales | 1.1 | 1.6 | 1.2 | 0.9 |
| EV/EBIT | 108.7 | 27.9 | 11.6 | 7.0 |

| Per Share Data (USD) | 06 | 07e | 08e | 09e |
|----------------------|------|------|------|------|
| EPS | 0.06 | 0.14 | 0.28 | 0.41 |
| Net DPS | 0.00 | 0.00 | 0.00 | 0.00 |
| BVPS | 0.85 | 0.99 | 1.27 | 1.68 |

| Financials (USD m) | 06 | 07e | 08e | 09e |
|--------------------|------|------|------|------|
| Tot. Output | 17.7 | 21.6 | 26.0 | 31.0 |
| EBIT | 0.2 | 1.2 | 2.7 | 3.9 |
| % Tot. Output | 1.0 | 5.6 | 10.2 | 12.5 |
| EBT | 0.6 | 1.5 | 3.0 | 4.4 |
| % Tot. Output | 3.6 | 6.8 | 11.7 | 14.1 |
| Adj. Net Profit | 0.6 | 1.5 | 3.0 | 4.4 |
| % Tot. Output | 3.6 | 6.8 | 11.7 | 14.1 |

| Performance | 1m | 3m | 6m | 12m |
|--------------------|--------|-------|--------|--------|
| Abs. Change | -4.7% | 22.5% | 103.3% | 144.0% |
| Chg. Rel. To Index | -10.2% | 10.8% | 74.8% | 107.8% |

Main Shareholders (%)

| | |
|-------------------------------------|------|
| ISMM Participations BV | 21.2 |
| Avi Sharir (CEO) | 18.6 |
| Daniel Furmann (Board of Directors) | 6.1 |

Author

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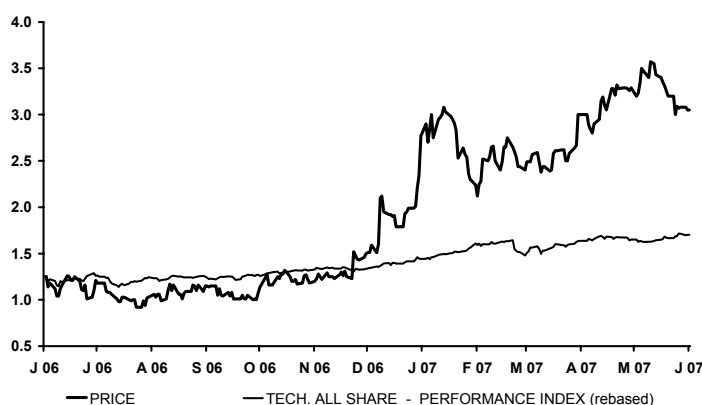
HDTV paves the way for the long-awaited turnaround

The use of 3D graphics in TV programmes has become more and more important in recent years. Rising demand for graphics applications can be explained by the progressive digitisation of television technology, which has far-reaching implications for TV producers and broadcasting stations: increasing competition, including competition for revenues, and a technology-related shift in viewing habits.

The Israeli company Orad has been providing real-time visualisation solutions for more than ten years. However, a combination of its hardware-oriented product offering and the global economic downswing after 2000 plunged it into what turned out to be a long drawn-out crisis. Despite this, the company has managed to go on working on innovative developments (infrared tracking technology, sensor-free virtual advertising) and has placed its products on a scalable, primarily software-based footing. Alongside its technology base, which includes a number of patents, the principal feature of its products are that they are not exclusively suitable for HDTV. They are also downwardly compatible with SDTV systems, which are still widely used, and are thus uniquely placed to meet the requirements of TV stations.

The wave of investment by TV stations prompted by the switch to HDTV has provided the tailwind Orad needed for the long-awaited turnaround. Orad's technologies are focused on the market of the future and should thus enable it to open a new chapter in its history.

Share price (EUR) and Tech. All Share Index (rebased)



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Brief profile

Orad Hi-Tec Systems Ltd. was established in 1993 and has been listed in the Prime Standard on the Frankfurt stock exchange since 1999. In 2003 the share was also placed on the London Stock Exchange's Alternative Investment Market (AIM) through a dual listing. 21.2% of the shares are currently held by the liquidator in charge of winding up a former major shareholder. This could potentially put downward pressure on the share price. Orad ranks alongside Vizrt as the global market leader in virtual studio technologies, virtual advertising and graphics software for news broadcasts and sports events. In addition to its products for the television industry, Orad markets real-time visualisation solutions for industrial companies. Orad operates worldwide. Three strategic acquisitions in 2000 extended its product range and, above all, its global presence. It has 130 employees and a network of 70 distributors worldwide. In 2006 sales amounted to around USD 17.7m.

Investment case

Convergence driven by digitisation

Digitisation and the resultant convergence of technologies and communications channels are changing the media landscape. IPTV and interactive television, video-on-demand, TV-on-demand and digital production and broadcasting of television programmes are direct results of this process of convergence.

TV stations face increased competition and lower advertising revenues

The switch to digital broadcasting, which is scheduled for completion in Europe by 2012 at the latest, will result in full digitisation of the television sector. At the moment, analogue broadcasting channels are still used, although the majority of content is produced using digital technology. At the same time, this is altering the commercial basis on which conventional TV stations operate. Competitive pressure in the media sector will increase because the cost of providing digital content is declining, thus increasing the choice of programmes available. Backed up by innovative technologies, this trend will be accompanied by a shift in viewing habits. Set-top boxes giving viewers access to TV-on-demand will force television stations to rethink their policies because digital content can be stored for time-shifted viewing and, most importantly, replayed without being interrupted by commercials.

Higher viewing rates thanks to innovative reporting

Orad offers TV stations production technology that takes account of these developments. Its product range comprises virtual sets, 2D and 3D graphics systems, virtual advertising tools and visualisation and simulation solutions. The products are based on a proprietary HDVG (high definition video graphics) platform that is comparable to a computer. The processors and graphics chips for this scalable platform are fully programmable and thus suitable for universal use. Orad offers TV companies a technical platform that they can use to differentiate themselves from competitors by providing high-quality broadcasting, either for innovative reporting formats or through high-definition TV (HDTV).

Effective advertising

In addition, Orad develops innovative products tailored to the changing needs of the media, for example, to enable them to insert virtual advertising in programmes. Its revolutionary "ADVision" solution enables TV stations to place advertising in programmes without the need for sensors or other technical devices.

Expertise in virtual reality

The company also markets virtual studios. These are unique in terms of their universality (SD/HD switch), precision (tracking technology) and software-based graphics tools. The virtual reality sector makes particularly high demands on graphic systems. Orad has a reputation as a quality supplier. This is reflected in a large number of orders and successful alliances with well-known industrial companies.

Prospect of profitable growth

Following a long lean period in which the company made hefty losses, the market for its technology now seems to be taking off. Given the scalability of its product range, the coming years should be a period of profitable growth.

Company profile

Overview

Origins and core competence

Orad's innovative new technologies open up new opportunities for TV stations. It received its first orders for virtual advertising tools in 1995 (TV Globo, ISL). Shortly afterwards it installed virtual studios (ABC, 1996) and secured large orders in connection with major sports events (1998 Soccer World Cup in Paris). Given the broad functionality of its proprietary platform, Orad has managed to create new applications in the area of virtual reality. Industrial companies and research facilities use its virtual worlds as a basis for new methods of product design and to simulate scenarios.

Open systems for digital broadcasting

The potential of Orad's technology, which can process high-quality 3D graphics in real time, is rooted in its versatility and its compatibility with other systems. As one of the world leaders in software and hardware-based 3D graphics tools for TV productions (e.g. live broadcasts from sports events or elections), Orad markets future-oriented technology that is compatible with both conventional TV standards (SDTV) and HDTV. This enables TV stations to engineer the switch to digital production in stages. Compared with SDTV, HDTV has larger vertical, horizontal and/or temporal resolution. If the entire process is digitised it gives a completely new viewing experience (at present almost all content is produced digitally but is still often broadcast via analogue channels).

Wide range of applications for its proprietary technology

Orad's customer reference list includes well-known broadcasting stations such as Canal+ (France), TeleMadrid (Spain), WDR (Germany) and NDTV (India). Alongside customers that use its graphics tool for broadcasts, Orad has acquired customers in the automotive, advertising, aviation, construction and defence sectors. In these sectors Orad's technology is mainly used to visualise three-dimensional objects and simulate parametrised environmental conditions. Customers like EADS (Germany), the US government, VW (Germany) and Toyota (Japan) underscore its expertise in computer-aided visualisation technology.

Orad is a quality supplier

Orad consciously positions its technology and applications at the higher end of the market where quality, reliability, security and universality are key factors, offering customers access to completely new processes. The programmability of the HDVG platform gives enormous flexibility in computer-aided visualisation and image processing. The system can also be adapted to the latest technical developments by upgrading the graphics cards or processors.

Seven-member management team

Management

Orad Hi-Tec Systems Ltd. is run by an experienced seven-member management team. Avi Sharir founded the company and is its president and CEO. He studied electrical engineering and worked in the technology sector for nearly 20 years before setting up Orad. Ehud Ben Yair (CFO) spent nine years working for various high-tech companies before joining Orad in 2005. He has an economics degree and is a certified auditor.

Moshe Nissim (CTO) has been responsible for technology since 1993. He studied mathematics, information technology and physics, then worked for Orbotech and in research. He is supported by Andrew Wojdala (VP R&D),

who joined Orad in 2000 when it acquired the virtual reality unit of Accom, and by Eli Katzir (VP Engineering), who has a degree in electrical engineering. Andrew Wojdala studied computer science at Warsaw University. Orna Nehushstan (COO) and Ofir Benovici (Director of Marketing) are in charge of organisation and project planning.

Business model

Single source supplier

Orad sets itself apart from its competitors through the quality, functionality and universality of its products. Its applications and systems solutions involve greater use of hardware components compared to competitors. That optimises performance compared with PC-based software products. This improves the speed, quality and security of its applications. Orad's goal is to be a single-source supplier of 3D graphics solutions for the most promising areas of application so it can position itself on the market as a one-stop shop for real-time visualisation technologies.

Customers influence product development

Customers can program systems to meet their needs and specifications. Orad's product development options are equally wide-ranging. To ensure timely identification of customers' changing requirements, Orad maintains contact to leading TV production companies and broadcasting stations, graphics designers and companies that use 3D graphics applications and simulation products. This supports the development of applications that give TV stations an edge over competitors that do not have such applications or that use inferior technology as real-time 3D graphics are becoming more and more important worldwide as a source of additional televised information. These days, major sports events are normally enhanced by the use of 3D graphics software that give viewers additional information or provide new opportunities for advertising. Elections, business and economics reports and other live broadcasts that incorporate graphics need technologies that can flash information onto the screen at the press of a button.

Expansion of distribution

Strategy

Despite its high-quality products, the sales revenues generated by Orad's 3D graphics applications fell short of the sector average in 2005. To remedy this situation, it is expanding its sales force and stepping up account management to ensure more intensive marketing to existing customers and more selective acquisition of new business.

Stepping up service

This includes an intention of raising service-based revenues by identifying customers' needs more clearly and responding faster to them. Services account for 15% of sales at Orad, which is below the sector average. The longer term goal is around 25% which would be in line with the sector average. In addition, Orad is hiring new sales staff to drive expansion. In future it will be making a greater effort to tap volume sales potential, predominantly major sporting events, the North American market (attractive HDTV market) and emerging markets (especially India and China) where demand is likely to be high due to the lack of TV equipment and the need to replace outdated technology. The Middle East is also an attractive market.

R&D to drive success

In the virtual reality market, PC-based systems and applications, whose performance is steadily improving, are the principal competitors for Orad's technology. Orad plans to go on investing considerable amounts in R&D to enter new areas of business.

New products for new broadcasting systems

Digital broadcasting is the basis for HDTV and IPTV (television via the internet). This provides massive potential, not just for the rising number of digital content providers. In future, there will be 3D graphics tools developed specifically for IPTV to meet the needs of interactive television. Orad sees the general shift to digital content and the increased interaction with viewers as an opportunity and intends to develop products that offer internet content providers and users a genuine alternative to conventional TV.

Common technology platform

Business areas

Orad generates revenues by selling software and hardware for three areas of application: TV production (virtual studios, 3D graphics and sport enhancements), virtual reality and tracking systems for horse racing. Its proprietary technological platform (HDVG) forms the basis for computer-aided image processing and simulation. In the same way as a computer comprises a processor and graphics components, the HDVG platform provides the technological basis for specific software applications. Given the broad functionality of the technology, Orad's software tools can be used without the need to invest in additional hardware.

Virtual studios

TV production

The TV production segment can be subdivided into three segments. In the Virtual Studios segment Orad markets an extremely efficient system for a wide range of uses (weather reports, broadcasting of sports events, election reports, news and magazine shows etc.). The heart of the system is the HDVG platform. Scalable hardware brings together different channels in real time, regardless whether they use analogue or digital signals. Pre-prepared 3D graphics can thus be added to live reports, broadcasting of sports events can be enhanced by supplementary information or country-specific advertising can be inserted. The main advantage of virtual studios is that they are very flexible. Besides, commercials can be targeted more directly at viewers via new 3D technologies. This tends to raise their impact and thus increases the revenues of TV stations. What is more, virtual studios mean less studio space has to be rented and prepared for broadcasting. Additional screens are not required to accommodate constantly changing information in weather reports because all content can be integrated into the TV channel via software applications. High-quality technology is needed to combine photo-style graphics and live broadcasting which integrates presenters into a range of 3D worlds, in order to merge the virtual and real worlds convincingly.

On-air graphics

The second segment is On-Air Graphics. These applications enable TV stations to superimpose special 3D graphics during live broadcasts to enhance the look of the studio. The TV stations extend their existing systems by adding the HDVG platform and the 3D software applications they require. These days, many TV stations use real-time 3D graphics.

Virtual advertising

The third segment is Virtual Advertising. This offers TV stations opportunities to insert advertising during live sports broadcasts. For example, Cyber Sport and ADVision use a soccer pitch as virtual advertising space. Orad

ADVision is a USP

markets a range of technologies for 2D or 3D advertising. Sensors are positioned at the edge of the pitch (Cyber Sport). This technology enables different stations to broadcast different commercials.

As an alternative to this technology Orad also markets ADVision, a proprietary system that inserts advertising without the use of sensors. This reduces costs considerably by obviating the need to install sensors. This patented technology triggers advertising via TV signals. There is particularly high demand for ADVision in central and southern America. In many European countries marketing of these innovative technologies is currently being held back by legal constraints but they are likely to gain ground as competitive pressure alters the legal position, because advertising is the major source of funding in the TV industry.

Special 3D graphics tools for sports stations

Orad's product portfolio also includes Track Vision for graphic enhancement of sports events, slow-motion replays and the insertion of arrows to aid commentators. Track Vision differs from competing products in that it is based on unique patented technology allowing graphic analyses without the use of sensors based on the tracking system.

Exceptionally demanding technology

Virtual reality

Demand for data-based virtual reality products is rising in the design departments of major industrial companies. Computer-aided visualisation of graphics cuts out time-consuming steps such as the construction of prototypes and thus greatly reduces development times and costs. Orad offers real-time visualisation solutions that meet the most demanding specifications.

Visual Cluster Management (VCM) provides an impressive example of the complex tasks involved in virtual simulation of real objects. Visualisation clusters (individual computers that simulate specific parts of a model) are brought together via a platform so that the full virtual design can be projected in any file format. Orad's 'VR-X' technology pools individual 3D graphics clusters to provide realistic compositions.

Market entry in 2002

Tracking systems for horse racing

In 2002 Orad entered the horse racing and betting sector with a newly developed 3D graphics system. This comprises a platform (SporTrack) that displays visual effects and information during live broadcasts so that real-time data are available on every horse and jockey. Databases store the information and link it to the latest data so statistics on horses and jockeys can be updated during every race. Very high demands are made on accuracy and reliability in this field because the outcome of horse races provides valuable information for many viewers who use them as a basis for the placement of bets.

Horse Track is a system that provides statistics on winners and losers, which horses and jockeys came second and third, the speed of the horses, acceleration rates, the race course and a good deal of other information on horses and jockeys for media use. For this it uses sensors installed under the jockeys' caps. This versatile technology takes account of the needs of a wide variety of different target groups (TV and internet viewers, spectators at the race course, trainers, and those who place money on horses) who use different sources of information and have different information requirements to get the most out of a race.

Sector analysis

Digital broadcasting is replacing analogue technology

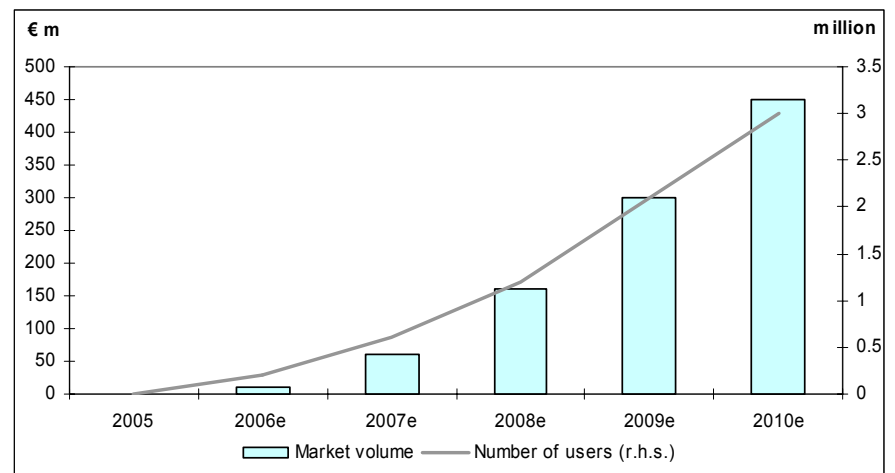
Digital TV increases programmes on offer

Technological progress

Progressive digitisation is leading to a convergence of different technologies and communications media. Germany is planning to switch off all analogue broadcasting frequencies by 2010. From then on, all broadcasting will have to be digital. EU-wide the changeover should be completed by 2012 at the latest. During the transition period TV stations will use analogue and digital broadcasting channels in parallel ("simulcast"). Almost all content is already produced using digital technology.

The changeover is due to the improved efficiency in the transmission of signals. Digitisation of signals increases transmission capacity (a digital TV programme only needs a fraction of the bandwidth required for analogue broadcasts) and lower interference during transmission also reduces costs. Another major advantage is that it is compatible with computer systems so new bundled offers can be provided via communication channels that were previously used for other purposes. The development of increasingly fast internet connections is opening up new business opportunities for the sector. Modern broadband connections via phone lines and cable TV networks provide scope to combine internet access, online telephony and online TV (triple play). This suggests that telecoms companies will become more important as providers of internet television (IPTV) services, especially video-on-demand.

IPTV market forecast for Germany



Source: Mercer Management Consulting

These innovative products, which are a direct result of the digitisation of content, are breaking down the old, one-sided information flow from broadcaster to viewer by introducing interactive television. At the same time, new technologies for computer-aided real-time visualisation enable TV stations to digitise the production process, up to and including broadcasting technology. These trends affect the costs and revenues of TV production companies by opening up completely new options for the processing and presentation of content and the placement of advertising.

HDTV as a source of differentiation

HDTV provides a new viewing experience

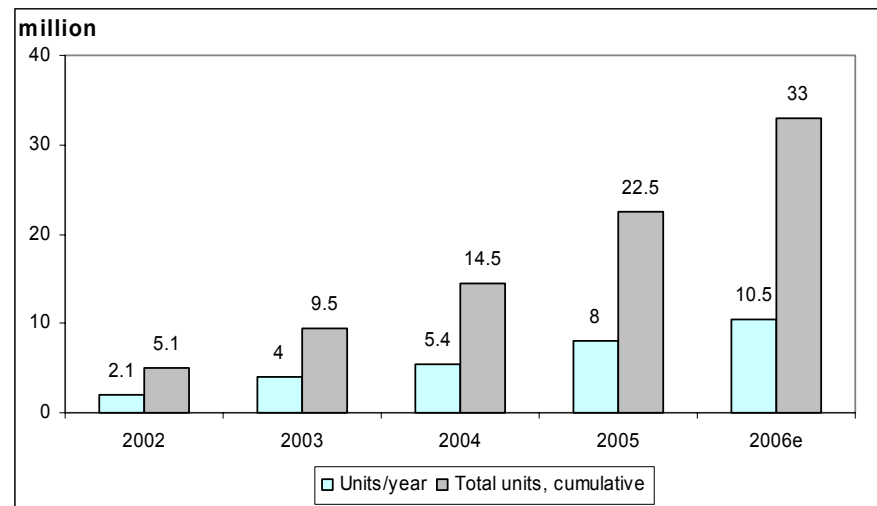
Massive market for the replacement of TV production systems

Digital technology also enables broadcasters to set new standards for TV and set themselves apart from their competitors. HDTV stands for high-definition TV. Unlike SDTV (standard definition TV) it is based on the digitisation of content. High definition gives a finer texture on the screen so finer and more detailed TV images can be produced.

HDTV signals have about five times higher resolution than conventional PAL signals, providing impressively sharp images with very good detail. Excellent contrast and brilliant colour give viewers a completely new feeling using 16:9 wide-screen technology. Moreover, HDTV signals transmit Dolby Digital sound, which is far superior to the 'old' TV standard. However, HDTV is only possible if broadcasters use HD quality and viewers have an HD-compatible TV.

HDTV standard is already reality in some countries such as the USA, where sales of HDTV sets is rising steadily. The US TV standard (NTSC) is far poorer than PAL, which is used in Europe so viewers are far more interested in obtaining better quality images. There are already about 40 HDTV stations in the USA. Market momentum is equally high in Japan as all major TV stations broadcast in HDTV quality. Other major stations that use this standard include NBC, Channel 7 Australia, NHK Japan, Korean BS, China CTV and TV Global Brasil. However, there are still a large number of broadcasting stations throughout the world that still use the PAL standard definition (SDTV) system. At present, many TV stations are shying away from the switch to HDTV because it requires high investment in equipment. However, that is likely to change in the near future.

Volume sales of HDTV sets in the USA



Source: Sony

Market trends

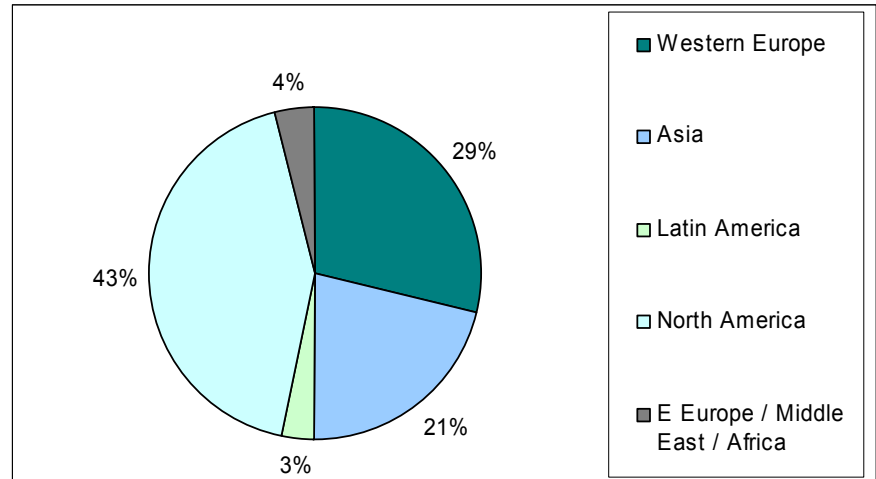
Over the next few years, global trends in the media and entertainment sector will be driven by the progressive digitisation of content and broadcasting channels. The "Global Entertainment and Media Outlook: 2006-2010" published by auditors and consultants PricewaterhouseCoopers (PwC) predicts that new sources of revenues and a reduction in sales lost as a

Digital technologies are driving growth

result of product piracy will increase global sales in this sector by around 6.6% between 2006 and 2010 to USD 1.8 trillion.

Sales split in the global media and entertainment business

(Global media sales in 2005: USD 1.3 trillion)



Source: PricewaterhouseCoopers 2005

9.2% growth in Asia

Growth momentum will probably be particularly high in Asia-Pacific. In this region, sales growth is expected to be in the low double-digit region. Experts expect the Asian market alone to grow by 9.2% p.a. to USD 425bn by 2010 as a result of population growth and economic expansion. Growth in Europe/the Middle East and Africa is expected to be 6.1% p.a. to USD 580bn by 2010, with the main impetus coming from Eastern Europe and Russia.

Increased competition

TV networks are expected to raise sales by 8.3% p.a. between 2006 and 2010 to just over USD 230bn. The digital revolution combined with low transmission costs for digital terrestrial broadcasts and digital satellite channels enables smaller providers to broadcast to other regions and benefit from the favourable market trend. It also means that major TV corporations can expand their offering cheaply by adding a range of different channels and thus target programmes at specific niche markets. New channels allow multiple use of content and create new advertising opportunities. At the same time, that increases competition between TV stations by increasing the variety of programmes. Consequently, stations that are financed by advertising are likely to experience a reduction in revenues.

Advertising is the main revenue source

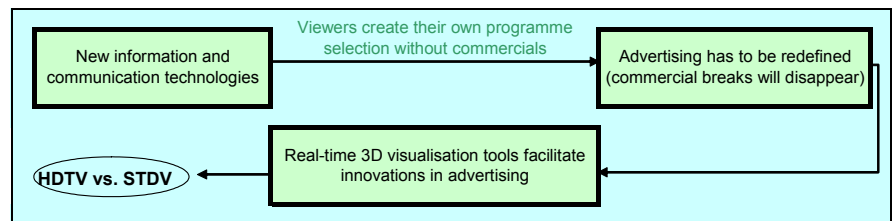
Although global spending on advertising is expected to grow by 6.2% between 2006 and 2010, thus lagging behind overall sector growth, advertising will remain a major source of income for the media and entertainment industry. The experts at PwC forecast that global advertising revenues will rise to USD 512bn by 2010 (2005: USD 385bn). The internet will probably become far more important as an advertising medium. Based on forecast growth rates of over 18% p.a., it should account for nearly ten percent (USD 52bn) of total advertising revenues by 2010. In 2001 the market share of online advertising was under three percent.

Demand for HDTV production systems

The market trends outlined above increase the incentive for the media to use innovative production technology as a means of differentiation in order

to stabilise advertising revenues by achieving higher and more stable viewing figures. HDTV enables TV stations to set themselves apart from their competitors through image quality. As a knock-on effect, this should boost demand for HDTV production systems. Innovative information and communication technologies enable viewers to put together their own personalised programme without annoying commercial breaks and watch them outside the time when they are broadcast. TV stations use real-time 3D graphics applications to ensure that commercials are nevertheless inserted and to maintain their impact (measured in price per thousand contacts). This technology embeds commercials into the content so they cannot be removed. Essentially, this technology could be integrated into SDTV systems, but quality would be inferior to HDTV systems because of the high level of detail and high resolution required.

Indirect impact of demand for HDTV equipment



Source: Concord Equity Research

Competitive situation

Orad's proprietary solutions dominate the market for virtual studios. It claims to have a market share of around 50% in this sector. This strong market position is mainly due to the innovative technologies underlying its complete systems packages. A good example is its tracking technology (XYNC infrared tracking). Orad is the only company that markets this technology with such high-precision, specialist properties. This technology combines virtual and real elements that are to be broadcast together in a realistic manner. Every time the camera angle changes, the relationship between the virtual studio and the real presenter alters. The real-time calculations thus have to ensure that the background looks real and is synchronised to the camera movement.

As a quality supplier, Orad markets universal HDTV systems for various budgets so even TV stations with STDV equipment can gradually switch to HDTV technology. The company sees enormous potential in the fast-growing emerging markets where TV stations tend to have outdated studio equipment, so there is high replacement demand. Competitors in this field are Vizrt, Brain Storm and local technology companies specialising in the manufacture of TV equipment.

Experts put the market volume for 3D graphics tools at around USD 200m p.a. Orad entered this market relatively late and only had a full range of 3D graphics tools for all applications in this segment towards the end of 2005. Well-known reference customers such as MTV (Germany), RTL (Belgium), TeleMadrid (Spain), NDTV (India), TV Global (Brasil) and MBC (Korea) confirm its successful entry into this market. However, its market share is

Orad is the market leader in virtual studios

High demand for replacement systems in emerging markets

3D graphics tools offer enormous potential

still only a modest 2%. Since demand for such products is rising steadily, Orad therefore has enormous growth potential. Its main competitors, apart from small niche suppliers, are Chyron and Vizrt. Pinnacle and Inscribe also have a presence in this market segment but following the acquisition of Pinnacle by Avid Technologies and Inscribe by Harris, their business focus has shifted. As a result they have lost market share in the 3D graphics sector. This trend opens additional opportunities for Orad to raise its market share significantly.

ADVision is a completely unique technology

Virtual advertising is one application for 3D graphics tools. Orad has a market share of 10% in this sector but this should rise as a result of its revolutionary ADVision technology. We see especial potential in the spread of IPTV. The internet looks set to become far more important as an advertising medium. ADVision, a patented product developed by Orad, is particularly suitable for use in the internet because it is affordable and enables smaller content providers an opportunity to generate advertising revenues. Competitors include PVI, Sportvision and Wige Data and the product range is relatively small so product quality is likely to be the key to success in the future.

Growth potential for the virtual reality market

The virtual reality market is very dynamic, with annual growth rates of over 20%. This is partly due to rising demand for efficient real time 3D visualisation systems for production development (design, etc). Orad sees the main opportunities in the oil sector and urban planning, which construct extremely complex virtual worlds and therefore need powerful and reliable real-time visualisation systems. Since SGI's withdrawal from this market, Orad is the only supplier of high-end real-time 3D visualisation systems on the virtual reality market.

Horse-racing, betting and information

Four years ago Orad entered the market for horse-racing and betting through a USD 3.6m contract with the Hong Kong Jockey Club (HKJC). Global market volume is estimated at USD 100bn. Orad intends to raise investment to expand this business unit, which has been slightly neglected in the past few years. Considerable expansion of the betting industry is expected, especially in the Asia-Pacific region. In Europe, online gaming (virtual racing) is likely to increase. Information processing to suit the needs of this medium is very important. Orad's HorseTrack system is a technology platform developed specifically for racing spectators.

Profits for the first time in nearly ten years

No bank loans and an equity ratio of 52%

Turnaround in H2 2005

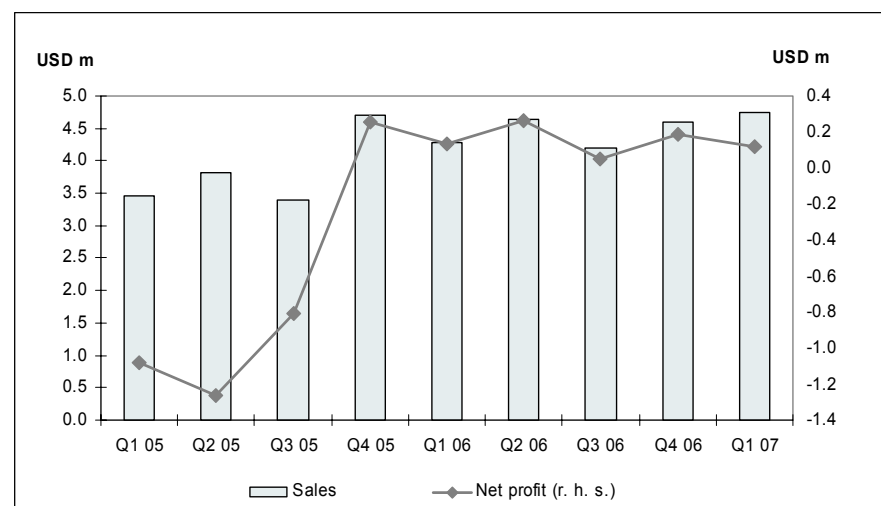
Financials

Orad achieved a profit in 2006, the first time in nearly ten years, having reported a cumulative loss of more than USD 60m in the period since 1998. Sales peaked at USD 22.1m in 2000 as a result of acquisitions, but Orad reported a loss of almost the same amount. Revenues subsequently slipped to around USD 15m, then fluctuated around this level accompanied by steady capital erosion until 2005. This sharp downtrend was triggered by the global economic downturn after 2000 and the related slump in advertising revenues at TV stations, which led to a sharp drop in demand for virtual studios. This was compounded by technical problems with some products, which impacted their stability. As a consequence, Orad has taken extensive action to cut costs and raise productivity over the past few years (staff reductions, refocusing of sales, consolidation of R&D activities, concentrating production in Israel). At the same time, it has been integrating the acquisitions made in 2000. These included the Elset Division of Accom Inc., Getris S.A., Numeric Video S.A. of France (broadcasting products), Art Technologies GmbH (real-time 3D graphics software) and Xync GmbH (PC-based infrared tracking and calibration technology).

In 2005 Orad generated sales of USD 15.4m (2004: USD 15.7m). Although earnings improved by around USD 1m, the company still reported a loss of USD 2.9m. Total assets slipped from USD 64m in 1999 (including liquid assets of around USD 50m) to USD 16.3m in 2005. However, with liquid assets of around USD 5.3m, the company had no bank loans and an equity ratio of 52%.

Looking at the quarterly figures, it is evident that the operating turnaround started in the second half of 2005. The company has generated a positive operating cash flow since Q3 2005 and has been making a profit since Q4 2005. The turnaround was confirmed in 2006 and sales picked up considerably. Revenues rose by a good 15% to USD 17.7m and the gross margin increased from 58.9% to 61.1%, leading to an earnings improvement of almost USD 1.8m. Since operating expenses declined by USD 1.0m and there was a strong swing in financial income, Orad reported a net profit of around USD 0.6m for 2006, compared with a loss of around USD 2.9m in

Orad: sales and profit trends



Source: Orad

Graphics division has the highest potential

'Electronic sponsoring' is coming

Scope to expand virtual reality and services

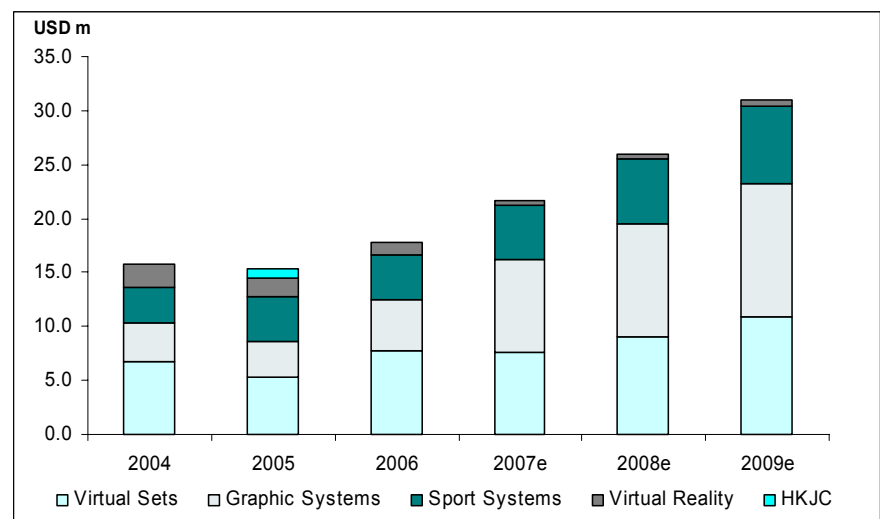
same period of 2005. In the first quarter of 2007, revenues advanced by a further 11% compared to the prior year level, while net profit was virtually unchanged at USD 0.1m.

Looking ahead, we expect the main sales and earnings impetus to come from the graphics division, where Orad has extended its value-added chain considerably in recent years. It now ranges from virtual studio technology to complete graphics solutions. There has been a massive change in the competitive landscape in this segment in the past couple of years, resulting in a reduction in the number of suppliers. Orad therefore believes that this relatively new division has good prospects of positioning the products launched in 2006 to benefit from rising demand triggered by the transition to HDTV, raising its global market share considerably (currently 2%).

The outlook for tracking and virtual advertising at sports events (Sport Systems) is very promising. These technologies enable TV stations to create new advertising space through digital modifications or to replace existing in-stadium advertising. However, so far this is only legal in a few countries such as Italy, Spain, the Netherlands and Brazil. However, it is generally assumed that sooner or later 'electronic sponsoring' will become standard everywhere. Since the Graphics and Sports Systems segments both have a high proportion of software, their business is easily scalable. This should drive the expected increase in margins. The virtual studio technology division is reporting clear growth after a long phase of stagnation. The higher level of sales should be consolidated or even increased in the next few years.

In view of the difficult business conditions and the company's financial difficulties, the virtual reality segment has been neglected in recent years. It remains to be seen whether Orad can put these operations back on a growth track following the successful turnaround of the company as a whole. Given the low reference base, our forecasts are based on the assumption of a renewed uptrend starting next year. We also see enormous scope for growth in the service business, which accounts for a good 10% of sales.

Orad: segmental development



Source: Concord Equity Research

Strong earnings growth

Overall, we feel that Orad could lift sales by around 20% p.a. in the years ahead. This should be accompanied by low capital spending and a below-average rise in its cost base. Against this background and given the rising proportion of high-earning software products, we assume that the EBIT margin will increase from 5.6% in 2006 to 12.5% by 2009. Thanks to its cash position of around USD 10.6m (including USD 1.1m restricted cash) at the end of the first quarter 2007, the non-operating result should remain positive. Including utilisation of the tax loss carryforward, we are forecasting earnings per share of USD 0.14 in 2007, rising to USD 0.28 in 2008 and USD 0.41 in 2009.

Two valuation methods

Valuation example

| | | |
|---|--------------------|--------------------|
| Fixed assets + Working capital | 1,000 | 1,000 |
| Profit | 100 | 120 |
| Return | 10% | 12% |
| Cost of capital | 10% | 10% |
| Present value of economic profit | $\frac{0}{10\%}$ | $\frac{20}{10\%}$ |
| = | 0 | 200 |
| Firm value | 1,000 | 1,200 |
| Profit = Free cash flow (FCF) (since net investment = 0) | 100 | 120 |
| Present value FCF | $\frac{100}{10\%}$ | $\frac{120}{10\%}$ |
| = | 1,000 | 1,200 |

Source: Concord Equity Research

Multi-step process

Above-average beta factor

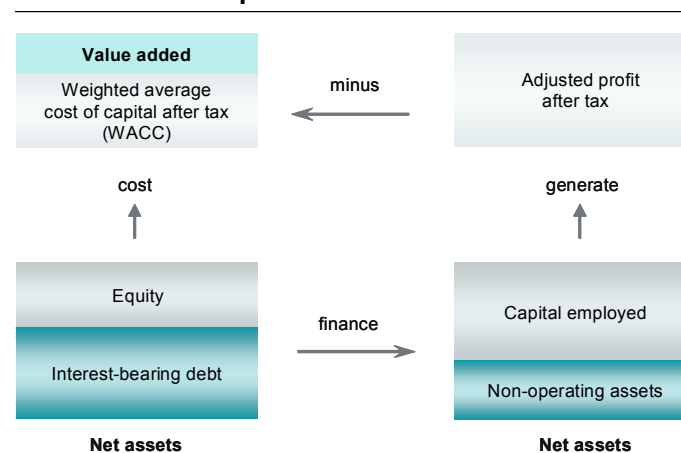
Valuation

Our valuation of Orad is based on a shareholder value analysis, which is described briefly below. From this we put the fair value of equity at around USD 50.5m. Divided by 10.8m shares and converted into euros this yields a fair share price of around EUR 3.50. The fair value calculation is backed up by a market-based peer group valuation based on key multiples. From this we derive a value of around EUR 3.60 per share.

Shareholder value analysis

Our shareholder value approach is based on the central assumption that the fair value of a company that earns exactly the opportunity cost (WACC = weight average cost of capital) of its net assets should be identical to its debt-free capital. This can be illustrated by looking at cash flow: if a company earns exactly its cost of capital, the discounted value of the future free cash flow is exactly equal to value of capital employed. A premium or discount is justified if the return on net assets (RONA) is above or below WACC (see example on left).

Value added concept



Source: Concord Equity Research

The relevant fair value of equity from the investors' viewpoint is derived using a multi-step model. First, the theoretical cost of capital is deducted from adjusted earnings after tax but before financing costs for the forecasting period (2007-2009) compared with the corresponding weighted cost of capital employed. The difference between the two shows economic profit. In a second step, the expected economic profit for the period after 2009 is modelled as the terminal value, which is split into a medium and long-term phase with different model parameters. In the next step, net assets as of December 31, 2006 are added in. The fair value of equity is calculated after deducting interest-bearing debt.

To calculate the cost of equity, we use an equity market risk premium of 4% and a beta factor of 1.3. The above-average company-specific risk factor reflects Orad's poor track record.

Spread between RONA and WACC

| | 12/06 | 12/07e | 12/08e | 12/09e |
|--------------------------|-------|--------|--------|--------|
| Value added margin (%) | 0.1 | 6.6 | 16.6 | 20.0 |
| Return on net assets (%) | 8.4 | 15.6 | 26.2 | 29.6 |
| WACC (%) | 8.2 | 9.0 | 9.6 | 9.6 |

Source: Concord Equity Research

Operating improvements and lower asset intensity

The forecast improvement in returns at Orad is based on the operational turnaround of the company and declining asset intensity. On the basis of our concrete forecasts, we anticipate that RONA will rise to almost 30% in 2009. For our terminal value calculation (phase 1) we assume a return of 25%. This is based on the assumption that the scalability of Orad's business will enable it to maintain high profitability in the medium term. However, this will be offset by taxation after utilisation of tax relief on its tax loss carryforward. We put sustainable RONA from 2015 far lower, at 17.5%, to reflect the cyclical nature of the business.

From these assumptions we calculate the fair value of equity at about USD 50.5m. Converted into euros, that gives a fair value of around EUR 3.50 per share.

Fair value calculated by shareholder value analysis and DCF method

USD m

| | Economic profit | Free cash flow | Discount factor | PV of economic profit | PV of free cash flow |
|------------------------------------|-----------------|----------------|-----------------|-----------------------|----------------------|
| 12/2007e | 0.73 | 0.29 | 0.9172 | 0.67 | 0.26 |
| 12/2008e | 2.08 | 0.24 | 0.8369 | 1.74 | 0.20 |
| 12/2009e | 3.12 | 0.24 | 0.7635 | 2.38 | 0.18 |
| Terminal- / Continuing value | | | | 34.57 | 49.79 |
| Total | | | | 39.36 | 50.43 |
| Net assets (12/2006) | | | | 11.07 | |
| Fair value (debt + equity) | | | | 50.43 | 50.43 |
| Adjustment factor per 05/06/2007 | | | | | 1.038 |
| Current fair value (debt + equity) | | | | | 52.3 |
| Debt (12/2006) | | | | | (1.8) |
| Fair value of equity | | | | | 50.5 |
| Fair value per share in EUR | | | | | 3.50 |

| Parameters used | (2010 - 2014) | (from 2015) |
|------------------------------------|---------------|-------------|
| RONA (%) | 25.0 | 17.5 |
| CAGR Net assets (%) | 11.0 | 2.0 |
| Change in CE / adjusted profit (%) | 44.0 | 11.4 |
| WACC (%) | 9.5 | 8.3 |

Source: Concord Equity Research

Impact of different assumptions on price potential

Sensitivity analysis

Since the assumptions underlying a valuation are by nature uncertain, it seems important to us to consider how different assumptions impact the valuation. The following sensitivity analysis is therefore applied to the main assumptions. The return scenarios show the change in the share price potential.

Impact of capital costs

RONA sensitivity analysis

Share price potential as a function of RONA

| | Concord | | | | |
|---------------------------|---------|------|-------------|------|------|
| MT RONA (%) | 21.0 | 23.0 | 25.0 | 27.0 | 29.0 |
| Share price potential (%) | 7 | 10 | 13 | 17 | 20 |
| LT RONA (%) | 13.5 | 15.5 | 17.5 | 19.5 | 21.5 |
| Share price potential (%) | (11) | 1 | 13 | 25 | 37 |

Source: Concord Equity Research

Moreover, the market could apply a risk assessment that differs from our assumptions, resulting either implicitly or explicitly in a higher beta factor and thus raising the cost of capital. Since we do not claim to know the “right” cost of capital, we can only endeavour to ensure maximum transparency in this respect.

Beta sensitivity analysis

Share price potential depending on medium-term beta

| | Concord | | | | |
|---------------------------|-------------|------|------|------|------|
| Medium-term beta | 1.30 | 1.10 | 1.30 | 1.50 | 1.70 |
| Share price potential (%) | 13 | 19 | 13 | 8 | 3 |

Source: Concord Equity Research

A change in current market rates can have a fairly significant impact on the valuation of a company. While lower interest rates favour the equity market by reducing the theoretical cost of capital and discount rates, higher interest rates represent a price risk for equity investors.

Interest-rate sensitivity analysis

Share price potential after a change in interest rates

| | Concord | | | | |
|---------------------------|---------|------|-------------|------|------|
| Long-term bond yield (%) | 3.49 | 3.99 | 4.49 | 4.99 | 5.49 |
| Share price potential (%) | 39 | 25 | 13 | 3 | (5) |

Source: Concord Equity Research

Peer group analysis

The aim of the peer group analysis is to derive a market-based valuation for Orad. It is important to ensure that the peer group sample comprises companies whose size (sales) and business activities are similar. A brief outline of the companies in the peer group can be found at the end of this valuation section.

As a result of the operational turnaround, profit growth at Orad is still well above the peer group average. We therefore take 2008 as our reference period (there are not sufficient consensus estimates for 2009). The valuation is based on EBIT and net profit. These are compared to market capitalisation or enterprise value (EV). From the multiples obtained (see next page), we derive a mean. This is adjusted for extremes and then applied to

Estimates for Orad

in USD m

| | 2008e |
|------------|-------|
| EBIT | 2.65 |
| Net profit | 3.05 |

Source: Concord Equity Research

the estimates for Orad shown on the left. The PER is multiplied by net profit to arrive at the market value of equity. The EBIT multiples obtained for the companies in the peer group are used to derive Orad's EV. Net debt is then deducted to arrive at the equity value.

From this approach we obtain an average value of USD 52.5m or EUR 3.60 per share. That is about the same as the fair value calculated using our shareholder value model. However, it should be noted that Orad's profits are currently benefiting from tax-loss carryforwards and that the company is just emerging from a turnaround.

Peer group multiples

| | Currency | Share price 5.6.2007 | Market cap. (in m) | EV (in m) | PER 2008e | EV / EBIT 2008e |
|-----------------------------------|----------|-------------------------|-----------------------|--------------|--------------|-----------------------|
| Avid Technology | USD | 33.50 | 1,373 | 1,205 | 20.5 | n.a. |
| EVS Broadcast Equipment | EUR | 62.00 | 860 | 846 | 18.8 | 13.1 |
| Harmonic | USD | 8.64 | 645 | 588 | 16.7 | 21.3 |
| Miranda Technologies | CAD | 9.24 | 229 | 167 | 11.9 | 6.0 |
| Vizrt | EUR | 23.29 | 471 | 431 | 20.5 | 16.2 |
| Average (without extremes) | | | | | 18.7 | 14.6 |
| Orad | | | | | 14.6 | 13.2 |

Source: Thomson Financial, Concord Equity Research

Determination of market valuation of Orad

based on 2008e, in USD m

| | Based on market cap. | Based on Enterprise value |
|---------------------------------------|-------------------------|------------------------------|
| Enterprise value | | 38.7 |
| Net cash | | 9.5 |
| Equity value | 56.9 | 48.2 |
| Percentage of weighted average | 50% | 50% |
| Weighted equity value | | 52.5 |
| Number of shares (current year, in m) | | 10.8 |
| Value per share (in €) | | 3.60 |

Source: Thomson Financial, Concord Equity Research

Brief overview of peer group companies

Avid Technology

Avid Technology specialises in digital media creation tools for film, video, audio, 3D and 2D animation, special effects and streaming. Its products are used in the production of television shows and news broadcasts, commercials, music videos, CDs and movies. The company also markets packages covering all aspects from the production to storage and transmission of digital sound and images via a wide variety of media. Avid Technology is a US company with global operations. In August 2005 it broadened its product range by acquiring Pinnacle Systems. Avid Technology reported sales of USD 910.6m and a acquisition-related net loss of USD 42.9 in 2006.

EVS Broadcasting

EVS is a Belgian company. Founded in 1994 it has been listed on the stock market since 1998. The company develops, produces and markets digital systems for TV production companies and cinemas. Its digital video recorders are widely used for replays and stills in sports broadcasting. They can also be used for automated programming, allowing broadcasting of up to 64 channels simultaneously. EVS technology is used by multi-screen digital cinemas to minimize the changeover of films. The company has about 180 employees and sells its products in more than 60 countries. Sales were around EUR 85m in 2006 and the company made a net profit of EUR 37.9m.

Harmonic

Founded in 1988, Harmonic is a US company that develops, produces and commercialises hardware and software systems for digital, internet-based TV broadcasting, fibre-optic signal transmission and IP services for cable and satellite operators, telecoms companies and TV stations. Harmonic's technology is used for interactive video, voice and data services such as video-on-demand, digital high-definition TV (HDTV), telephony and internet access. Its products and services are marketed worldwide but the US is the main sales generator. In 2006 the company reported sales of just almost USD 248m and a net profit of USD 1.0m.

Miranda

Miranda develops and markets high-tech hardware and software applications for TV productions. Its products are also used by graphics designers, content creators and other customers who rely on real-time visualisation technology. Miranda's products facilitate the transition to multi-channel HDTV systems. TV transmitters in different locations can be controlled from a single base, regardless of the technology (SDTV or HDTV) and signal type used by the individual transmitters. The product portfolio also includes real-time 3D graphics animation applications to enhance the information content of TV news broadcasts and other programmes. Sales were CAD 106.7m in 2006 and the company made a net profit of CAD 19.0m.

Vizrt

Vizrt offers companies extensive tools and systems to design, structure and manage media content. Its product range includes live and direct 3D systems, virtual studio systems and databases for the production of maps. These products are used by TV stations (for sports broadcasts and news), internet portals, museums and universities. Vizrt is an Israeli company and markets its products worldwide. In 2006 it generated sales of around USD 63m and a net profit of nearly USD 11.6m.

SWOT analysis

Strengths

- One of the leading suppliers of complete systems for TV production and real-time 3D graphics applications.
- Experienced and competent management with many years experience in relevant fields
- Three USPs (ADVision, TrackVision, zoom technology)
- One-stop shop strategy: Orad is a single source supplier of all solutions

Weaknesses

- Low market share in 3D graphics market despite high-quality products
- Large number of competing products
- Poor track record

Opportunities

- High demand for the replacement of broadcasting equipment in emerging markets
- Increasing competition in the media sector is creating demand for HDTV systems
- More widespread use of broadband internet access is increasing the number of TV stations (IPTV associated with demand pull for systems suppliers)
- Current development system is scalable and can be expanded for new products

Risks

- 21% of shares are held by a liquidator
- Switch to HDTV could prove slower than anticipated
- PC-based real-time visualisation systems could compete with Orad's proprietary platform

Tables

Orad - Shareholder value analysis

| USD m | Economic profit | Free cash flow | Discount factor | PV of economic profit | PV of free cash flow |
|------------------------------------|-----------------|----------------|-----------------|-----------------------|----------------------|
| 12/2007e | 0.73 | 0.29 | 0.9172 | 0.67 | 0.26 |
| 12/2008e | 2.08 | 0.24 | 0.8369 | 1.74 | 0.20 |
| 12/2009e | 3.12 | 0.24 | 0.7635 | 2.38 | 0.18 |
| Terminal- / Continuing value | | | | 34.57 | 49.79 |
| Total | | | | 39.36 | 50.43 |
| Net assets (12/2006) | | | | 11.07 | |
| Fair value (debt + equity) | | | | 50.43 | 50.43 |
| Adjustment factor per 05/06/2007 | | | | | 1.038 |
| Current fair value (debt + equity) | | | | | 52.3 |
| Debt (12/2006) | | | | | (1.8) |
| Fair value of equity | | | | | 50.5 |
| Market capitalisation | | | | | 44.5 |
| Upside potential (%) | | | | | 13 |
| Fair value per share in EUR | | | | | 3.50 |
| Parameters used | (2010 - 2014) | (from 2015) | | | |
| RONA (%) | 25.0 | 17.5 | | | |
| CAGR Net assets (%) | 11.0 | 2.0 | | | |
| Change in CE / adjusted profit (%) | 44.0 | 11.4 | | | |
| WACC (%) | 9.5 | 8.3 | | | |

Sensitivity analysis

Share price potential versus RONA and growth in economic profit

| | | MT RONA (%) | | | | | LT RONA (%) | | | | | | |
|--------------------|------|-------------|------|------|------|------|--------------------|-----|------|------|------|------|------|
| | | 23.0 | 24.0 | 25.0 | 26.0 | 27.0 | | | 15.5 | 16.5 | 17.5 | 18.5 | 19.5 |
| MT growth p.a. (%) | 9.0 | 4 | 6 | 8 | 9 | 11 | LT growth p.a. (%) | 1.0 | (4) | 1 | 6 | 11 | 16 |
| | 10.0 | 7 | 9 | 10 | 12 | 14 | | 1.5 | (2) | 4 | 9 | 15 | 20 |
| | 11.0 | 10 | 12 | 13 | 15 | 17 | | 2.0 | 1 | 7 | 13 | 19 | 25 |
| | 12.0 | 13 | 15 | 16 | 18 | 20 | | 2.5 | 5 | 12 | 18 | 25 | 31 |
| | 13.0 | 16 | 18 | 19 | 21 | 23 | | 3.0 | 9 | 16 | 24 | 31 | 38 |

Share price potential after a change in interest rates

| | | | | | | | | | |
|----------------------------------|------|------|------|------|-------------|------|------|------|------|
| Long-term bond yield (%) | 3.49 | 3.74 | 3.99 | 4.24 | 4.49 | 4.74 | 4.99 | 5.24 | 5.49 |
| Share price potential (%) | 39 | 32 | 25 | 19 | 13 | 8 | 3 | (1) | (5) |

Share price potential depending on the risk premium

| | | | | | | | | | |
|----------------------------------|-----|-----|-----|-----|------------|-----|-----|------|------|
| Risk premium (%) | 2.0 | 2.5 | 3.0 | 3.5 | 4.0 | 4.5 | 5.0 | 5.5 | 6.0 |
| Share price potential (%) | 78 | 57 | 40 | 25 | 13 | 3 | (6) | (14) | (20) |

Share price potential depending on medium-term beta

| | | | | | | | | | |
|----------------------------------|-------------|------|------|------|------|------|------|------|------|
| Medium-term beta | 1.30 | 1.00 | 1.10 | 1.20 | 1.30 | 1.40 | 1.50 | 1.60 | 1.70 |
| Share price potential (%) | 13 | 21 | 19 | 16 | 13 | 11 | 8 | 6 | 3 |

Orad - Economic profit

| | 12/04 | 12/05 | 12/06 | 12/07e | 12/08e | 12/09e |
|---|--------|--------|-------|--------|--------|--------|
| | USD m | USD m | USD m | USD m | USD m | USD m |
| Economic profit | (5.29) | (3.92) | 0.01 | 0.73 | 2.08 | 3.12 |
| Adjusted profit after tax | (3.71) | (2.75) | 0.90 | 1.73 | 3.28 | 4.61 |
| Weighted average cost of capital after tax | 1.6 | 1.2 | 0.9 | 1.0 | 1.2 | 1.5 |
| Value added margin (%) | (30.7) | (28.2) | 0.1 | 6.6 | 16.6 | 20.0 |
| Return on net assets (%) | (21.5) | (19.8) | 8.4 | 15.6 | 26.2 | 29.6 |
| Weighted average cost of capital after tax* (%) | 9.2 | 8.4 | 8.2 | 9.0 | 9.6 | 9.6 |

* Year-end values from prior year

Orad - Adjusted profit and value driver analysis

| Adjusted profit | 12/04 | 12/05 | 12/06 | 12/07e | 12/08e | 12/09e |
|--|---------------|---------------|--------------|---------------|---------------|---------------|
| | USD m | USD m | USD m | USD m | USD m | USD m |
| Adjusted profit after tax | (3.71) | (2.75) | 0.90 | 1.73 | 3.28 | 4.61 |
| Adjusted profit before tax | (3.71) | (2.75) | 0.90 | 1.73 | 3.28 | 4.61 |
| EBIT | (4.06) | (2.58) | 0.17 | 1.20 | 2.65 | 3.88 |
| Opportunity cost of leasing | 0.17 | 0.14 | 0.13 | 0.14 | 0.14 | 0.14 |
| Investment income | 0.19 | (0.32) | 0.60 | 0.40 | 0.50 | 0.60 |
| Adjusted operating profit after tax | (3.90) | (2.43) | 0.30 | 1.34 | 2.79 | 4.02 |
| Adjusted operating profit before tax | (3.90) | (2.43) | 0.30 | 1.34 | 2.79 | 4.02 |
| Adjusted profit before tax | (3.71) | (2.75) | 0.90 | 1.73 | 3.28 | 4.61 |
| Investment income | (0.19) | 0.32 | (0.60) | (0.40) | (0.50) | (0.60) |

Value driver analysis (adjusted)

| | | | | | | |
|---|---------------|---------------|------------|-------------|-------------|-------------|
| Return on net assets | (21.5) | (19.8) | 8.4 | 15.6 | 26.2 | 29.6 |
| Pre-tax RONA | (21.5) | (19.8) | 8.4 | 15.6 | 26.2 | 29.6 |
| Pre-tax margin | (23.6) | (17.8) | 5.1 | 8.0 | 12.6 | 14.9 |
| Cost of sales / Sales | (39.3) | (41.1) | (38.9) | (38.2) | (36.9) | (36.5) |
| (Cost of materials / Sales) | n/a | n/a | n/a | n/a | n/a | n/a |
| (Personnel expenses / Sales) | n/a | n/a | n/a | n/a | n/a | n/a |
| (Depreciation / Sales) | (6.9) | (4.0) | (3.2) | (2.1) | (1.5) | (1.3) |
| Selling expenses / Sales | (52.3) | (44.2) | (37.4) | (36.1) | (35.0) | (34.8) |
| General administrative expenses / Sales | (15.2) | (16.4) | (8.5) | (7.6) | (6.7) | (6.2) |
| R&D expenses / Sales | (18.1) | (14.9) | (14.1) | (12.5) | (11.2) | (10.0) |
| Other operating expenses / Sales | (0.9) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Adjustments / Sales | 1.1 | 0.9 | 1.5 | 1.2 | 0.9 | 0.8 |
| Net interest income / Sales | 0.4 | 0.7 | 1.3 | 1.3 | 1.5 | 1.6 |
| Other investment income / Sales | 0.8 | (2.8) | 1.3 | (0.0) | (0.0) | (0.0) |
| Capital turnover | 0.9 | 1.1 | 1.6 | 2.0 | 2.1 | 2.0 |
| Tangible assets / Sales | 18.2 | 14.3 | 10.8 | 7.1 | 4.7 | 3.2 |
| Working capital / Sales | 39.9 | 37.6 | 17.6 | 5.9 | 5.6 | 6.8 |
| Other operating capital / Sales | 4.9 | 4.6 | (0.7) | (6.9) | (7.3) | (7.2) |
| Financial assets / Sales | 5.4 | 5.0 | 4.6 | 4.7 | 4.5 | 4.2 |
| Other non-operating assets / Sales | 41.3 | 28.8 | 28.4 | 40.4 | 40.6 | 43.2 |

Orad - Cost of capital and returns on capital

| Cost of capital | 12/04 | 12/05 | 12/06 | 12/07e | 12/08e | 12/09e |
|---|--------------|--------------|--------------|---------------|---------------|---------------|
| | USD m | USD m | USD m | USD m | USD m | USD m |
| Weighted average cost of capital after tax* | 1.58 | 1.17 | 0.89 | 1.00 | 1.20 | 1.49 |
| Weighted average cost of capital after tax (%) | 8.4 | 8.2 | 9.0 | 9.6 | 9.6 | 9.6 |
| Market value of equity | 11.51 | 16.09 | 28.00 | 44.54 | 44.54 | 44.54 |
| Opportunity cost of equity capital (%) | 8.8 | 8.5 | 9.2 | 9.7 | 9.7 | 9.7 |
| Long-term bond yield (%) | 3.6 | 3.3 | 4.0 | 4.5 | 4.5 | 4.5 |
| Risk premium (%) | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 |
| Beta | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 | 1.3 |
| Value of debt | 2.55 | 2.25 | 1.85 | 1.82 | 1.82 | 1.82 |
| Minority interests | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Financial liabilities | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Leasing | 2.55 | 2.25 | 1.85 | 1.82 | 1.82 | 1.82 |
| Debt-servicing cost before tax (%) | 6.6 | 6.3 | 7.0 | 7.5 | 7.5 | 7.5 |
| Long-term bond yield (%) | 3.6 | 3.3 | 4.0 | 4.5 | 4.5 | 4.5 |
| Premium on borrowing costs (%) | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Net assets | 13.91 | 10.76 | 11.07 | 12.51 | 15.56 | 19.93 |
| Capital employed | 8.70 | 4.91 | 1.31 | 0.77 | 0.86 | 1.90 |
| Working capital | 5.80 | 3.12 | 1.28 | 1.45 | 2.10 | 3.62 |
| Other operating assets | 2.90 | 1.79 | 0.04 | (0.68) | (1.24) | (1.72) |
| Tangible assets | 2.20 | 1.91 | 1.53 | 1.23 | 0.98 | 0.78 |
| Leasing | 2.55 | 2.25 | 1.85 | 1.82 | 1.82 | 1.82 |
| Deferred income | (0.74) | (1.20) | (1.84) | (2.10) | (2.35) | (2.57) |
| Other provisions (long-term) | (1.10) | (1.17) | (1.50) | (1.63) | (1.69) | (1.75) |
| Non-operating assets | 5.21 | 5.85 | 9.75 | 11.75 | 14.70 | 18.04 |
| Excess liquid assets | 4.44 | 5.03 | 8.74 | 10.57 | 13.38 | 16.58 |
| Financial assets | 0.77 | 0.82 | 1.02 | 1.18 | 1.32 | 1.46 |

* (WACC x Net assets) per year-end from prior year

Return on capital

| | | | | | | |
|----------------------------|--------|--------|-----|-------|------|------|
| Pre-tax | | | | | | |
| Return on net assets | (21.5) | (19.8) | 8.4 | 15.6 | 26.2 | 29.6 |
| Return on capital employed | (39.3) | (28.0) | 6.2 | 101.6 | n/m | n/m |
| After tax | | | | | | |
| Return on net assets | (21.5) | (19.8) | 8.4 | 15.6 | 26.2 | 29.6 |
| Return on capital employed | (39.3) | (28.0) | 6.2 | 101.6 | n/m | n/m |

Orad - Cash flow and ratios from shareholder value analysis

| Cash flow (adjusted) | 12/04 | 12/05 | 12/06 | 12/07e | 12/08e | 12/09e |
|--|---------------|---------------|--------------|---------------|---------------|---------------|
| | USD m | USD m | USD m | USD m | USD m | USD m |
| Adjusted operating profit after tax | (3.90) | (2.43) | 0.30 | 1.34 | 2.79 | 4.02 |
| Depreciation of tangible and other intangible assets | 1.09 | 0.62 | 0.57 | 0.45 | 0.40 | 0.40 |
| Operating cash flow | (2.80) | (1.81) | 0.87 | 1.79 | 3.19 | 4.42 |
| Change in working capital | 0.48 | 2.68 | 1.84 | (0.17) | (0.65) | (1.52) |
| Investment in fixed assets | (0.30) | (0.23) | (0.15) | (0.15) | (0.15) | (0.20) |
| Divestments / Consolidation effects | (0.12) | (0.11) | (0.04) | 0.00 | 0.00 | 0.00 |
| Other changes in other op. assets (net of other liab.) | 0.07 | 0.83 | 1.37 | 0.42 | 0.31 | 0.28 |
| Operating free cash flow | (2.68) | 1.36 | 3.90 | 1.88 | 2.69 | 2.98 |
| Adjusted non-operating income after tax | 0.19 | (0.32) | 0.60 | 0.40 | 0.50 | 0.60 |
| Investment in financial assets | 0.00 | 0.00 | (0.20) | (0.16) | (0.14) | (0.14) |
| Divestments / Consolidation effects | 0.08 | (0.04) | 0.00 | 0.00 | 0.00 | 0.00 |
| Change in excess liquid assets | 2.05 | (0.59) | (3.71) | (1.83) | (2.81) | (3.20) |
| Free cash flow | (0.36) | 0.41 | 0.59 | 0.29 | 0.24 | 0.24 |
| Change in accumulated other comprehensive income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Cash flow available to investors | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

Financing flow (adjusted)

| | | | | | | |
|-----------------------------|-------------|---------------|---------------|---------------|---------------|---------------|
| After-tax interest expense | (0.00) | 0.00 | (0.14) | (0.12) | (0.10) | (0.10) |
| After-tax leasing rates | (0.17) | (0.14) | (0.13) | (0.14) | (0.14) | (0.14) |
| Incr. / (decr.) in debt | (0.02) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Incr. / (decr.) in leases | 0.13 | (0.30) | (0.40) | (0.03) | 0.00 | 0.00 |
| Minority interests | 0.29 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Proceeds from share issues | 0.13 | 0.04 | 0.08 | 0.00 | 0.00 | 0.00 |
| Other changes in equity | 0.00 | 0.00 | (0.00) | (0.00) | 0.00 | 0.00 |
| Total financing flow | 0.36 | (0.41) | (0.59) | (0.29) | (0.24) | (0.24) |

Shareholder value ratios

| | | | | | | |
|---|-----|-----|------|------|------|------|
| Market value of debt + equity / Net assets | 1.0 | 1.7 | 2.7 | 3.7 | 3.0 | 2.3 |
| Enterprise value / Capital employed | 1.0 | 2.5 | 15.3 | 45.0 | 36.7 | 14.9 |
| Market value of debt + equity / Adj. profit after tax | n/m | n/m | 33.2 | 26.8 | 14.1 | 10.1 |
| Enterprise value / Adj. operating profit after tax | n/m | n/m | 66.4 | 25.9 | 11.4 | 7.1 |

Definition of Enterprise value

| | | | | | | |
|-------------------------|-------------|--------------|--------------|--------------|--------------|--------------|
| Enterprise value | 8.86 | 12.50 | 20.09 | 34.61 | 31.66 | 28.32 |
| Market capitalisation | 11.51 | 16.09 | 28.00 | 44.54 | 44.54 | 44.54 |
| Net debt | (2.66) | (3.60) | (7.90) | (9.93) | (12.88) | (16.22) |
| Value of debt | 2.55 | 2.25 | 1.85 | 1.82 | 1.82 | 1.82 |
| Minority interests | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Financial liabilities | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Leasing | 2.55 | 2.25 | 1.85 | 1.82 | 1.82 | 1.82 |
| Excess liquid assets | (4.44) | (5.03) | (8.74) | (10.57) | (13.38) | (16.58) |
| Financial assets | (0.77) | (0.82) | (1.02) | (1.18) | (1.32) | (1.46) |

Orad - Profit and loss account

| | 12/04 | 12/05 | 12/06 | 12/07e | 12/08e | 12/09e |
|--|---------------|---------------|-------------|-------------|-------------|-------------|
| | USD m | USD m | USD m | USD m | USD m | USD m |
| Sales | 15.73 | 15.40 | 17.72 | 21.60 | 26.00 | 31.00 |
| % change | 1.9 | (2.1) | 15.1 | 21.9 | 20.4 | 19.2 |
| Cost of sales | 6.19 | 6.33 | 6.90 | 8.25 | 9.60 | 11.30 |
| % change | 10.3 | 2.4 | 9.0 | 19.5 | 16.4 | 17.7 |
| Gross profit | 9.54 | 9.07 | 10.82 | 13.35 | 16.40 | 19.70 |
| % change | (3.0) | (5.0) | 19.3 | 23.4 | 22.8 | 20.1 |
| Selling expenses | (8.22) | (6.81) | (6.63) | (7.80) | (9.10) | (10.80) |
| % change | (0.9) | (17.2) | (2.7) | 17.6 | 16.7 | 18.7 |
| General administrative expenses | (2.39) | (2.53) | (1.51) | (1.65) | (1.75) | (1.92) |
| % change | (11.6) | 5.9 | (40.5) | 9.6 | 6.1 | 9.7 |
| R&D expenses | (2.84) | (2.30) | (2.51) | (2.70) | (2.90) | (3.10) |
| % change | (18.8) | (19.1) | 9.0 | 7.7 | 7.4 | 6.9 |
| Other operating expenses | (0.15) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| % change | (86.8) | n/m | n/m | n/m | n/m | n/m |
| EBIT | (4.06) | (2.58) | 0.17 | 1.20 | 2.65 | 3.88 |
| % change | n/m | n/m | n/m | 589.7 | 120.8 | 46.4 |
| Depreciation of intangible and tangible assets | 1.09 | 0.62 | 0.57 | 0.45 | 0.40 | 0.40 |
| % change | (28.9) | (42.9) | (8.7) | (20.9) | (11.1) | 0.0 |
| Tangible assets | 1.09 | 0.62 | 0.57 | 0.45 | 0.40 | 0.40 |
| EBITDA | (2.97) | (1.95) | 0.74 | 1.65 | 3.05 | 4.28 |
| % change | n/m | n/m | n/m | 122.1 | 84.8 | 40.3 |
| Financial income | 0.19 | (0.32) | 0.46 | 0.28 | 0.40 | 0.50 |
| Net interest income / expense | 0.06 | 0.11 | 0.22 | 0.28 | 0.40 | 0.50 |
| Gain / loss from exchange rate changes | 0.19 | (0.38) | 0.24 | 0.00 | 0.00 | 0.00 |
| Other financial income | (0.06) | (0.05) | (0.01) | (0.01) | (0.01) | (0.01) |
| Profit before income tax | (3.88) | (2.89) | 0.64 | 1.48 | 3.05 | 4.38 |
| % change | n/m | n/m | n/m | 131.9 | 106.4 | 43.7 |
| Income tax | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net profit before minority interests | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| % change | n/m | n/m | n/m | n/m | n/m | n/m |
| Minority interests | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Net profit after minority interests | (3.88) | (2.89) | 0.64 | 1.48 | 3.05 | 4.38 |
| % change | n/m | n/m | n/m | 131.9 | 106.4 | 43.7 |
| Earnings per share (USD) | (0.36) | (0.27) | 0.06 | 0.14 | 0.28 | 0.41 |
| % change | (25.6) | (26.0) | n/m | 131.9 | 106.4 | 43.7 |
| Number of shares (m) | 10.7 | 10.8 | 10.8 | 10.8 | 10.8 | 10.8 |

Orad - Balance sheet

| Assets | 12/04 | 12/05 | 12/06 | 12/07e | 12/08e | 12/09e |
|---|--------------|--------------|--------------|---------------|---------------|---------------|
| | USD m | USD m | USD m | USD m | USD m | USD m |
| Non-current assets | 2.97 | 2.73 | 2.55 | 2.41 | 2.30 | 2.24 |
| in % of total assets | 16.3 | 16.7 | 13.7 | 11.4 | 9.2 | 7.5 |
| Tangible assets | 2.20 | 1.91 | 1.53 | 1.23 | 0.98 | 0.78 |
| Financial assets | 0.77 | 0.82 | 1.02 | 1.18 | 1.32 | 1.46 |
| Current assets | 15.28 | 13.59 | 16.06 | 18.65 | 22.58 | 27.65 |
| in % of total assets | 83.7 | 83.3 | 86.3 | 88.6 | 90.8 | 92.5 |
| Inventories | 4.76 | 3.28 | 3.14 | 3.50 | 3.95 | 4.65 |
| Trade accounts receivable | 4.11 | 3.75 | 2.42 | 2.65 | 2.95 | 3.60 |
| Other assets | 1.66 | 1.22 | 1.41 | 1.50 | 1.78 | 2.20 |
| Liquid assets | 4.75 | 5.34 | 9.09 | 11.00 | 13.90 | 17.20 |
| Total assets | 18.24 | 16.33 | 18.61 | 21.06 | 24.88 | 29.89 |
| Liabilities and shareholders' equity | | | | | | |
| Shareholders' equity | 11.36 | 8.51 | 9.22 | 10.69 | 13.74 | 18.11 |
| in % of total assets | 62.3 | 52.1 | 49.5 | 50.8 | 55.2 | 60.6 |
| Subscribed capital | 0.03 | 0.03 | 0.03 | 0.03 | 0.03 | 0.03 |
| Additional paid-in capital | 75.24 | 75.28 | 75.36 | 75.36 | 75.36 | 75.36 |
| Unappropriated loss | (63.36) | (66.26) | (65.62) | (64.14) | (61.10) | (56.72) |
| Accumulated other comprehensive income | (0.55) | (0.55) | (0.55) | (0.55) | (0.55) | (0.55) |
| Minority interests | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Provisions | 1.10 | 1.17 | 1.50 | 1.63 | 1.69 | 1.75 |
| in % of total assets | 6.0 | 7.2 | 8.1 | 7.7 | 6.8 | 5.9 |
| Other provisions | 1.10 | 1.17 | 1.50 | 1.63 | 1.69 | 1.75 |
| Liabilities | 5.04 | 5.44 | 6.05 | 6.63 | 7.10 | 7.45 |
| in % of total assets | 27.6 | 33.3 | 32.5 | 31.5 | 28.5 | 24.9 |
| Financial liabilities | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| thereof short-term | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Trade accounts payable | 1.76 | 1.26 | 1.35 | 1.42 | 1.60 | 1.75 |
| Other liabilities | 3.28 | 4.18 | 4.69 | 5.21 | 5.50 | 5.70 |
| thereof short-term | 3.28 | 4.18 | 4.69 | 5.21 | 5.50 | 5.70 |
| Deferred revenue | 0.74 | 1.20 | 1.84 | 2.10 | 2.35 | 2.57 |
| Total liabilities and shareholders' equity | 18.24 | 16.33 | 18.61 | 21.06 | 24.88 | 29.89 |

Orad - Cash flow and flow of funds

| Cash flow | 12/04 | 12/05 | 12/06 | 12/07e | 12/08e | 12/09e |
|--|---------------|---------------|--------------|---------------|---------------|---------------|
| | USD m | USD m | USD m | USD m | USD m | USD m |
| EBITDA | (2.97) | (1.95) | 0.74 | 1.65 | 3.05 | 4.28 |
| Change in long-term provisions | (0.03) | 0.07 | 0.33 | 0.13 | 0.06 | 0.06 |
| Cash flow | (3.00) | (1.88) | 1.07 | 1.78 | 3.11 | 4.34 |
| Change in working capital | 0.48 | 2.67 | 1.89 | (0.09) | (0.57) | (1.42) |
| Net change in other assets | 0.22 | 0.46 | 0.64 | 0.26 | 0.25 | 0.22 |
| Operating cash flow | (2.30) | 1.25 | 3.60 | 1.94 | 2.80 | 3.15 |
| Investment in fixed assets | (0.30) | (0.23) | (0.15) | (0.15) | (0.15) | (0.20) |
| Divestments / Consolidation effects | (0.04) | (0.16) | (0.04) | (0.00) | 0.00 | 0.00 |
| Operating free cash flow | (2.64) | 0.86 | 3.42 | 1.79 | 2.65 | 2.95 |
| Investment income | 0.19 | (0.32) | 0.46 | 0.28 | 0.40 | 0.50 |
| Investment in financial assets | 0.00 | 0.00 | (0.20) | (0.16) | (0.14) | (0.14) |
| Proceeds from share issues | 0.13 | 0.04 | 0.08 | 0.00 | 0.00 | 0.00 |
| Change in accumulated other comprehensive income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Other changes in equity | 0.29 | 0.00 | (0.00) | (0.00) | 0.00 | 0.00 |
| Free cash flow | (2.03) | 0.59 | 3.75 | 1.91 | 2.90 | 3.30 |

Flow of funds

| | | | | | | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| EBITDA | (2.97) | (1.95) | 0.74 | 1.65 | 3.05 | 4.28 |
| Financial income (excl. depreciation of financial assets) | 0.19 | (0.32) | 0.46 | 0.28 | 0.40 | 0.50 |
| Minority interests | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Change in provisions | (0.03) | 0.07 | 0.33 | 0.13 | 0.06 | 0.06 |
| Change in inventories (net of advance paym. received) | 0.70 | 1.47 | 0.14 | (0.36) | (0.45) | (0.70) |
| Change in receivables + other assets | 0.42 | 0.79 | 1.14 | (0.32) | (0.58) | (1.07) |
| Change in trade accounts payable + other liabilities | (0.64) | 0.40 | 0.60 | 0.59 | 0.47 | 0.35 |
| Net change in other assets | 0.22 | 0.46 | 0.64 | 0.26 | 0.25 | 0.22 |
| Cash provided by ordinary activities | (2.11) | 0.93 | 4.06 | 2.22 | 3.19 | 3.64 |
| Investment in fixed assets | (0.30) | (0.23) | (0.15) | (0.15) | (0.15) | (0.20) |
| Investment in financial assets | 0.00 | 0.00 | (0.20) | (0.16) | (0.14) | (0.14) |
| Divestments / Consolidation effects | (0.04) | (0.16) | (0.04) | (0.00) | 0.00 | 0.00 |
| Cash used for investments | (0.34) | (0.39) | (0.39) | (0.31) | (0.29) | (0.34) |
| Change in financial liabilities | (0.02) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Proceeds from share issues | 0.13 | 0.04 | 0.08 | 0.00 | 0.00 | 0.00 |
| Other changes in equity | 0.29 | 0.00 | (0.00) | (0.00) | 0.00 | 0.00 |
| Change in cash from financing activities | 0.41 | 0.04 | 0.08 | (0.00) | 0.00 | 0.00 |
| Change in liquid assets | (2.05) | 0.59 | 3.75 | 1.91 | 2.90 | 3.30 |
| Liquid assets at beginning of period | 6.80 | 4.75 | 5.34 | 9.09 | 11.00 | 13.90 |
| Liquid assets at end of period | 4.75 | 5.34 | 9.09 | 11.00 | 13.90 | 17.20 |
| Change in financial liabilities | (0.02) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Change in net liquidity | (2.03) | 0.59 | 3.75 | 1.91 | 2.90 | 3.30 |

Orad - Ratios

| | 12/04 | 12/05 | 12/06 | 12/07e | 12/08e | 12/09e |
|--|-------------|--------------|--------------|--------------|--------------|--------------|
| Definition of Enterprise value | | | | | | |
| Enterprise value | 6.76 | 10.76 | 18.91 | 33.54 | 30.64 | 27.34 |
| Market capitalisation | 11.51 | 16.09 | 28.00 | 44.54 | 44.54 | 44.54 |
| Financial liabilities | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Liquid assets | (4.75) | (5.34) | (9.09) | (11.00) | (13.90) | (17.20) |
| Investment ratios | | | | | | |
| Market capitalisation / Sales | 0.7 | 1.0 | 1.6 | 2.1 | 1.7 | 1.4 |
| Enterprise value / Sales | 0.4 | 0.7 | 1.1 | 1.6 | 1.2 | 0.9 |
| Enterprise value / EBITDA | n/m | n/m | 25.4 | 20.3 | 10.0 | 6.4 |
| Enterprise value / EBITA | n/m | n/m | 108.7 | 27.9 | 11.6 | 7.0 |
| Enterprise value / EBIT | n/m | n/m | 108.7 | 27.9 | 11.6 | 7.0 |
| Enterprise value / Operating cash flow | n/m | 8.6 | 5.3 | 17.3 | 11.0 | 8.7 |
| Operating margins | | | | | | |
| Operating cash flow / Sales | (14.6) | 8.1 | 20.3 | 9.0 | 10.8 | 10.1 |
| EBITDA / Sales | (18.9) | (12.7) | 4.2 | 7.6 | 11.7 | 13.8 |
| EBITA / Sales | (25.8) | (16.7) | 1.0 | 5.6 | 10.2 | 12.5 |
| EBIT / Sales | (25.8) | (16.7) | 1.0 | 5.6 | 10.2 | 12.5 |
| Pre-tax margin | (24.6) | (18.8) | 3.6 | 6.8 | 11.7 | 14.1 |
| After-tax margin | (24.6) | (18.8) | 3.6 | 6.8 | 11.7 | 14.1 |
| Per-share ratios | | | | | | |
| Earnings per share (USD) | (0.36) | (0.27) | 0.06 | 0.14 | 0.28 | 0.41 |
| PER | n/m | n/m | 44.0 | 30.2 | 14.6 | 10.2 |
| PCF | n/m | 12.9 | 7.8 | 22.9 | 15.9 | 14.2 |
| Dividend per share (USD) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Dividend yield (%) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Book value per share (USD) | 1.06 | 0.79 | 0.85 | 0.99 | 1.27 | 1.68 |
| Price / Book value | 1.0 | 1.9 | 3.0 | 4.2 | 3.2 | 2.5 |
| Financial ratios | | | | | | |
| Capital employed / Sales (%) | 62.6 | 42.1 | 35.9 | 34.3 | 38.7 | 45.4 |
| Capex / Sales (%) | 1.9 | 1.5 | 0.8 | 0.7 | 0.6 | 0.6 |
| Operating cash flow / Capex (%) | (772.1) | 540.3 | 2,465.8 | 1,296.0 | 1,863.3 | 1,572.5 |
| Liquidity ratios | | | | | | |
| Gearing (%) | | | | | | |
| Financial liabilities / Shareholders' equity | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Financial liabilities / Operating capital | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other | | | | | | |
| Interest cover | (4,001.0) | n/m | 3.9 | 13.3 | 31.5 | 44.8 |
| Equity ratio (%) | 62.3 | 52.1 | 49.5 | 50.8 | 55.2 | 60.6 |
| Pay-out ratio (%) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Return on equity (ROE) | | | | | | |
| Pre-tax return on equity | (29.6) | (29.1) | 7.2 | 14.8 | 24.9 | 27.5 |
| After-tax return on equity | (29.6) | (29.1) | 7.2 | 14.8 | 24.9 | 27.5 |
| DVFA return on equity | (29.3) | (29.1) | 7.2 | 14.8 | 24.9 | 27.5 |

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