

# Review by the CEO

## Jorma Wiitakorpi

Annual General Meeting 12.4.2018

# EFORE Overview

## KEY FACTS

Net Sales 69,.9 M€ (2017)

432 employees (average 2017)

Established in 1975

About 4000 shareholders

Quoted on Nasdaq Helsinki

Efore Plc is an international group specialised in design, development and production of demanding power products.

Efore designs and manufactures cutting edge power conversion products; that offer superior energy efficiency, reliability, more intelligent designs, flexibility and creativity for the telecommunications including networks and broadcasting, industrial, medical, LED lighting and transportation markets.

Efore competences and know-how are embodied in the solutions we provide to our customers: high efficiency and high reliability.



-  **Headquarters**
-  **Technology and Development**
-  **Production**
-  **Sales office**

Efore Plc is headquartered in Espoo, Finland, with major offices in Italy, China and Sweden, production unit in Tunisia, and Sales and Marketing organizations in Europe, North America and Asia.

Industry leading customers globally recognize Efore Group as a reliable and trusted partner for their power supply applications.

## DEFENCE



## INDUSTRIAL DC SYSTEM



## DIGITAL POWER



## TELECOM



## LIGHTING



## MEDICAL



## HOUSEHOLD APPLIANCES



2013



**SUPPLIER OF THE YEAR**

ABB Substation Automation Products

**SUPPLIER OF THE YEAR**

Ericsson

2014



**SUPPLIER OF THE YEAR  
&  
BEST IN CLASS SUPPLIER**

National Instruments

2015



**BEST IN CLASS SUPPLIER**  
National Instruments

2016



**BEST IN CLASS SUPPLIER  
QUALITY AWARD  
&  
TOP TIER 1 SUPPLIER**  
National Instruments

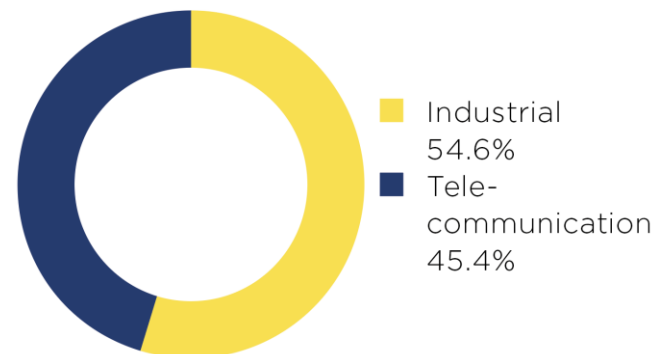
# Financial Statements 2017

- Despite the decline in the net sales, the operating result remained slightly negative but improved clearly compared to the previous year.
- Annual fixed costs decreased significantly and active measures to streamline the consolidated balance sheet yielded results.
- The outsourcing of manufacturing in China was finalised, and the functions related to manufacturing, procurement, R&D and sales at Suzhou facility were relocated on the site of the manufacturing partner in Wuxi.
- In the industrial sector, the Digital Power product portfolio was expanded and a new standard power platform was commercialized.
- Development projects concerning system level solutions for the telecom market were continued.
- A review process to evaluate different structural alternatives for securing the long-term profitability of the telecom business was initiated.

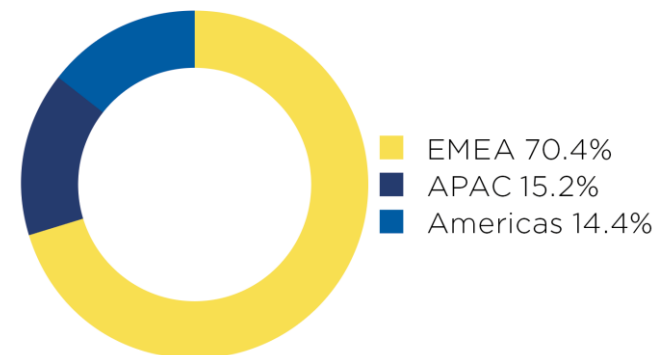


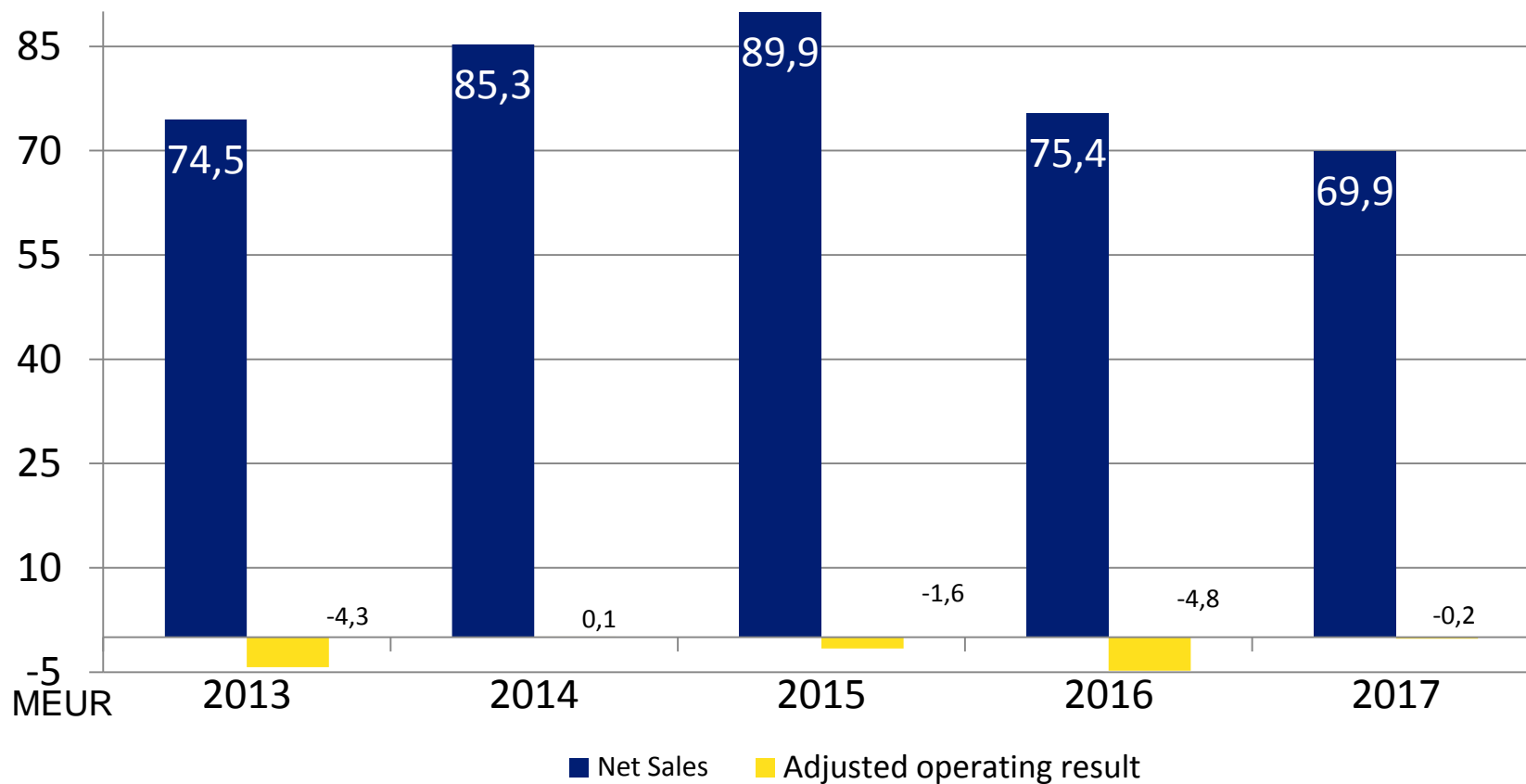
Key indicators, EUR million	2017	2016
<b>Net Sales</b>	69,9	75,4
-Telecommunication sector	31,7	34,2
-Industrial sector	38,2	41,2
<b>Adjusted operating result</b>	-0,2	-4,8
<b>Operating result</b>	-0,2	-9,7
<b>Result before taxes</b>	-1,0	-10,4
<b>Net result</b>	-0,6	-11,4
<b>Earnings per share, EUR</b>	-0,01	-0,22
<b>Solvency ratio, %</b>	17,9	15,7
<b>Gearing, %</b>	115,6	99,5
<b>Cash flow from business operations</b>	4,6	-1,1

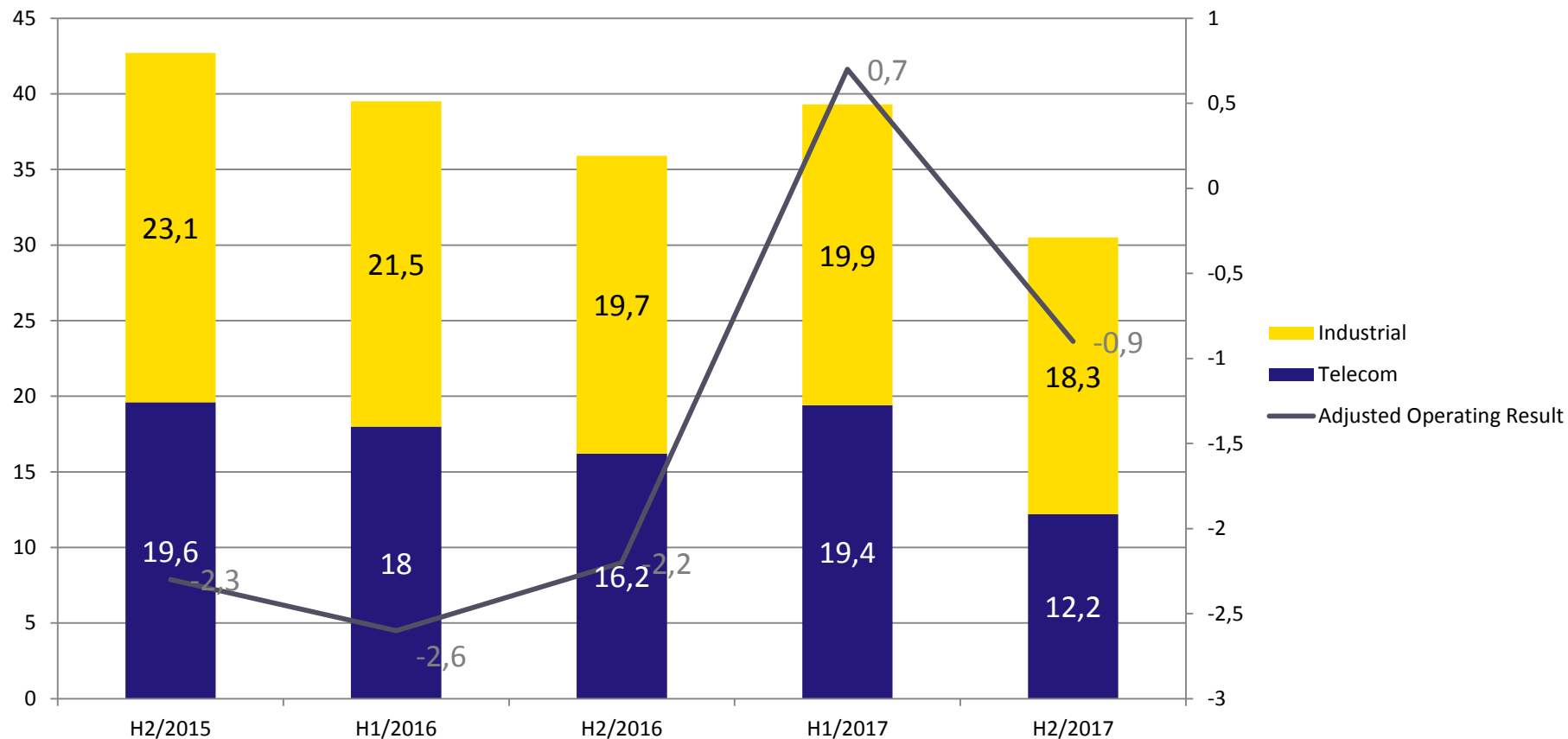
### Net sales by sectors

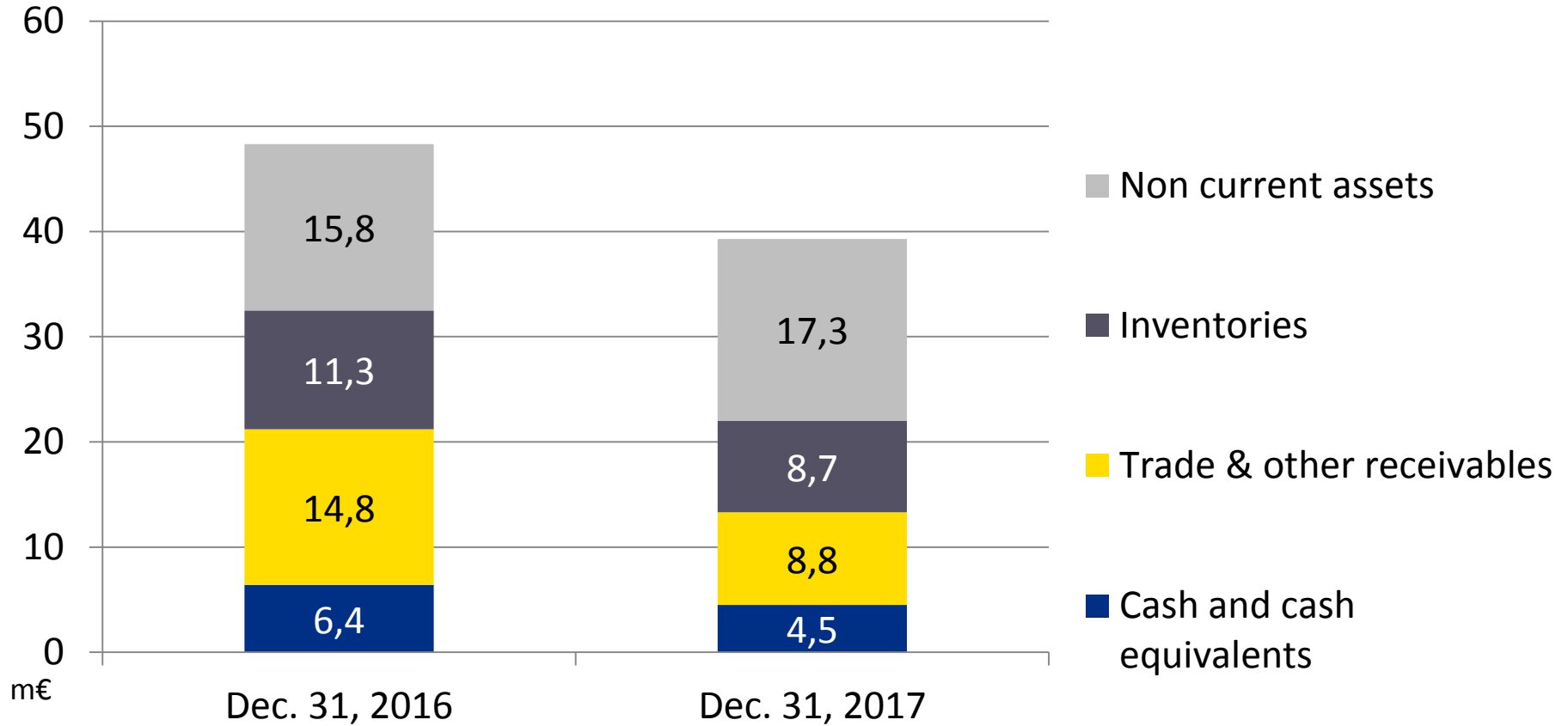


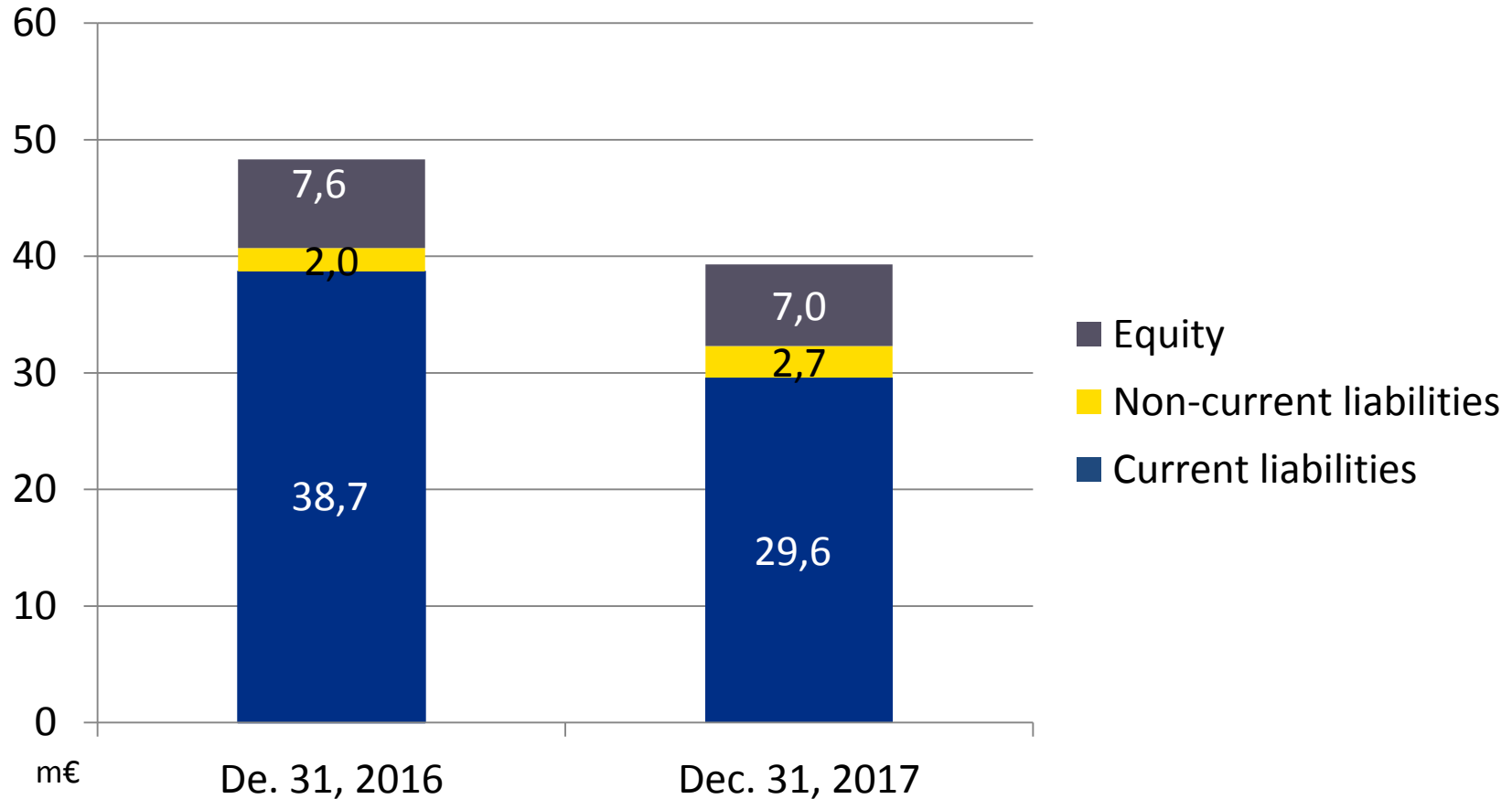
### Net sales by areas











- Detailed information on Annual Accounts can be found in Annual Report 2017
  - Group level from page 13
  - Parent company from page 53
  - Auditor's report from page 67

- Due to the financial situation of the Group and especially uncertainty related to the development of the telecommunications sector giving earnings guidance is exceptionally challenging. Due to this reason the company does not give earnings guidance for 2018. Efore investigates different structural alternatives to secure the long-term profitability of the telecom business

Thank You