


■ Financial Results Q1 2002/03



Thrane & Thrane A/S
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This presentation has been prepared and shall be construed in accordance with Danish law.

■ Highlights of Q1

- Turnover of DKK 112.5 mill. (53.0 mill.)
- Operating profit of DKK 9.1 mill. (-19.7 mill.)
- Cash flow from operating activities of DKK 10.9 mill. (11.6 mill.)
- Efforts in the market for mini-C terminals are beginning to pay off
- Sales of the Fleet77 terminal is progressing satisfactorily
- Large contract amendments have been entered into on the RAN project
- Financial expectations for the year 2002/03 are maintained



■ Financial Summary Q1 2002/03

26-08-2002

(mDKK)	For the period ended July 31		
	2002/03	2001/02	Change
Land mobile	36.8	17.2	114.0%
Maritime	39.7	28.7	28.3%
Aeronautical	9.8	2.3	326.1%
Systems	26.2	4.8	445.8%
Total turnover	112.5	53.0	112.3%
Development costs	10.5	11.2	
Capitalised development costs	3.3	12.9	
Operating profit	9.1	(19.7)	
Profit for the period	4.2	(12.8)	

- Thrane & Thrane experienced an increase in turnover in all segments in Q1 2002/03 relative to Q1 2001/02

■ Land Mobile Market

- Turnover in Q1 2002/03 was DKK 36.8 mill. (17.2 mill.)
- Thrane & Thrane's intensified efforts in the Americas are beginning to pay off as 18 fleet tracking integrators have agreed to test the mini-C
- A framework agreement has also been entered into with a Brazilian customer on delivery of 4,800 land mobile mini-C terminals of which 800 terminals have already been delivered in Q1
- In order to better reach the U.S. media industry with portable terminals an agreement has been entered into with a new distributor



■ Maritime Market

- Turnover in Q1 2002/03 was DKK 39.7 mill. (28.7 mill.)
- Turnover was positively affected by introduction of the maritime Fleet77 terminal
- Sales of the Fleet77 terminal has been satisfactorily in Q1
- Entering Q2 orders for Fleet77 equalled production capacity until beginning of October 2002
- To further increase Fleet77 demand, Thrane & Thrane has concluded an OEM agreement with EuroCom Industries A/S
- In Q1 large orders on mini-C terminals for tracking use and mini-M terminals for crew communication have been won



■ Aeronautical & Systems Market

26-08-2002

- Aeronautical turnover in Q1 2002/03 was DKK 9.8 mill. (2.3 mill.)
- Turnover is on level with last three quarters when excluding the Honeywell/Thales milestone payment in Q4 2001/02
- Systems turnover in Q1 2002/03 was DKK 26.2 mill. (4.8 mill.)
- DKK 17.2 mill. of turnover in this segment relates to the RAN project. Amendment contracts of DKK 40 mill. were concluded with Inmarsat of which roughly DKK 33 mill. is based on deliveries from sub-supplier
- In Q1 Thrane & Thrane also received land earth station orders totalling about DKK 10 mill.



■ Product Development

- Development costs were DKK 10.5 mill. in Q1 (11.2 mill.) of which maintenance and depreciation of existing products accounted for DKK 4.4 mill. and DKK 6.1 mill., respectively
- During the period, DKK 3.3 mill. was capitalised concerning ongoing development projects
- The number of staff employed in product development rose by 15 in Q1 resulting in a total of 195 employees in product development. Only a small increase is expected for the remainder of the financial year
- Both the RAN and the BGAN terminal projects are fully staffed
- All development projects are progressing satisfactorily



■ Profit & Loss Statement

26-08-2002

(tDKK)	For the period ended July 31	
	2002/03	2001/02
Net turnover	112,522	52,965
Development costs	(10,475)	(11,194)
Cost of goods sold	(73,456)	(44,266)
Gross profit	28,591	(2,495)
Distribution costs	(10,332)	(8,643)
Administrative expenses	(9,183)	(8,539)
Profit on primary operations (EBIT)	9,076	(19,677)
Interest payable/receivable etc.	(3,046)	1,488
Ordinary profit	6,030	(18,189)
Profit for the period	4,199	(12,749)

■ Balance Sheet

26-08-2002

(tDKK)	July 31, 2002	July 31, 2001
Intangible fixed assets	122,252	107,567
Tangible fixed assets	34,944	38,084
Stocks	71,779	88,003
Debtors	145,910	101,209
Cash at bank and in hand	91,081	47,469
Securities	3	6
Total assets	465,969	382,338
Shareholders' equity	321,080	276,260
Provisions	44,081	25,598
Bank loans	0	8,650
Trade creditors	43,264	18,569
Other creditors	32,443	32,887
Total liabilities	465,969	382,338

■ Cash Flow Statement

26-08-2002

(tDKK)	For the period ended July 31	
	2002/03	2001/02
Turnover	112,522	52,965
Costs	(94,923)	(65,167)
Net financial income	(3,046)	1,488
Taxes paid for the period	0	0
Profit adjusted for items of a non-cash nature	14,553	(10,714)
Change in working capital	(3,692)	22,294
Cash flow from operating activities	10,861	11,580
Cash flow from investment activities	(6,108)	(14,906)
Cash flow from financing activities	15,572	4,332
Cash flow for the period	20,325	1,006

■ Forward Exchange Contracts

26-08-2002

- During the period, the company closed a USD forward contract at a gain of DKK 7.3 mill.
- In addition, the company has unrealised forward contracts at a value of DKK 14.6 mill. included in "other debtors" to be realised in Q2 2002/03
- The value of forward contracts and realised currency gains totals DKK 20.4 mill., which will be recognised as the RAN projects proceeds and concurrently with the receipt of milestone payments concerning the BGAN terminal project



■ Financial Expectations 2002/03

26-08-2002

- Turnover of DKK 620-640 mill. (477 mill.)
 - Land mobile turnover is expected to increase in coming quarters compared to Q1 due to mini-C penetration in the Americas
 - Maritime turnover in coming quarters is expected to increase due to increased sales of Fleet77 plus new applications of mini-C and mini-M
 - Aeronautical turnover in coming quarters is expected to stay at Q1 level
 - Systems turnover in coming quarters excluding RAN is expected to stay at Q1 level
 - RAN turnover for 2002/03 is expected to be DKK 185-195 mill.

- Operating profit is expected to be DKK 75-85 mill. (42 mill.)





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