

# Presentation of 4<sup>th</sup> quarter 2000

Oslo, 21. February 2001

# Powering the world's telecom infrastructure

# Key Figures

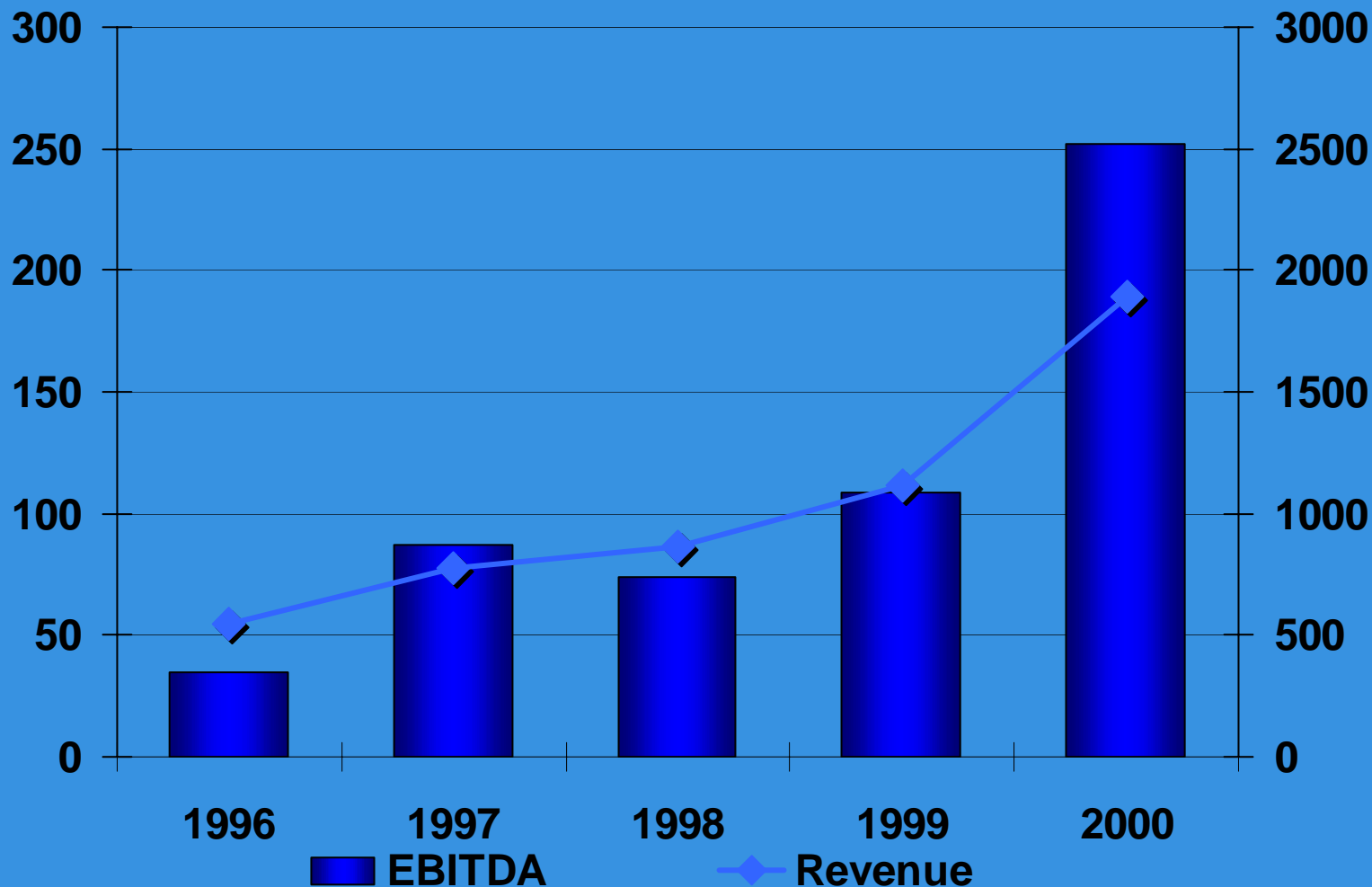


	Whole year			4th quarter		
	2000	1999	Growth rate	2000	1999	Growth rate
Revenue	1 894,0	1 117,5	69 %	538,3	370,1	45 %
EBITDA	252,1	108,6	132 %	73,1	46,6	57 %
EBIT	189,1	55,0	244 %	54,3	31,8	71 %
Profit before tax, cont. operations	205,6	56,2	266 %	60,2	32,7	84 %
Net profit, cont. operations	135,4	37,8	258 %	41,6	19,5	113 %
Disc.oper./Equity part.	161,2	153,1	5 %	-33,6	135,7	
Net profit	296,6	190,9	55 %	8,0	155,2	
EPS	5,36	1,48	262 %	1,72	0,81	112 %
Cash EPS	7,14	3,06	133 %	2,21	1,20	84 %

Integration costs of NOK 7 million in 4th quarter 2000.

EPS figures are calculated excluding discontinued operations and equity participation compensation.

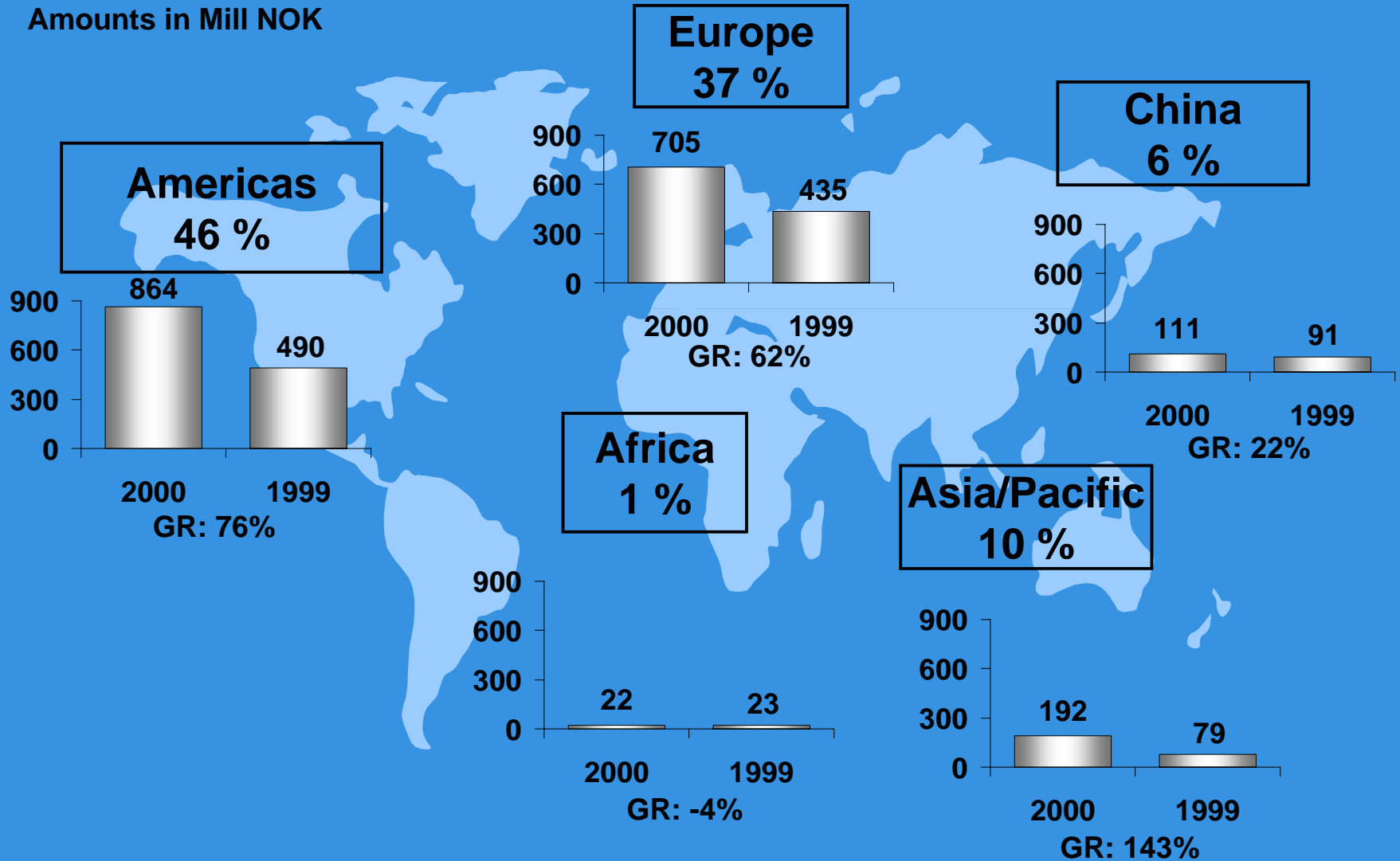
# Financial development 1996-2000



# Global sale per 4<sup>th</sup> quarter



Amounts in Mill NOK

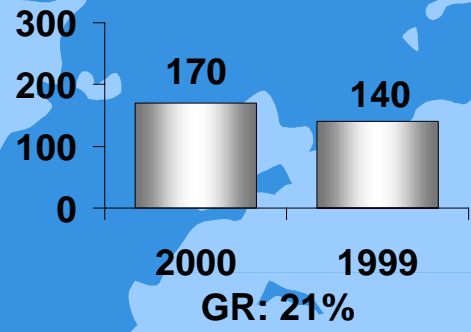


# Global sale 4<sup>th</sup> quarter

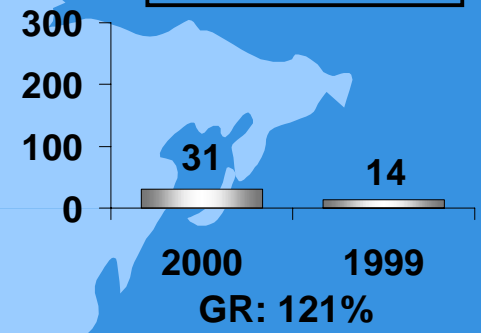


Amounts in Mill NOK

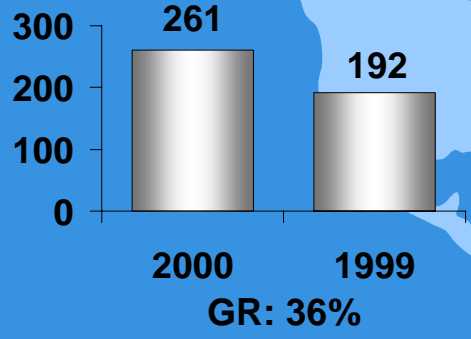
**Europe**  
32 %



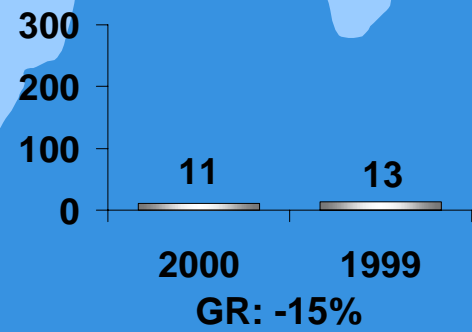
**China**  
6 %



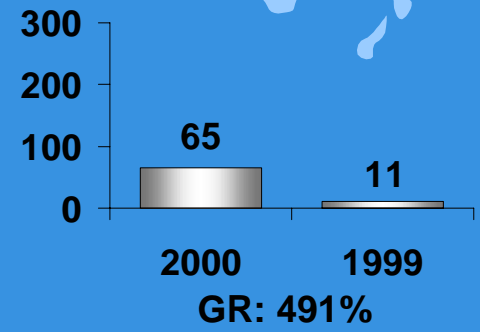
**Americas**  
48 %



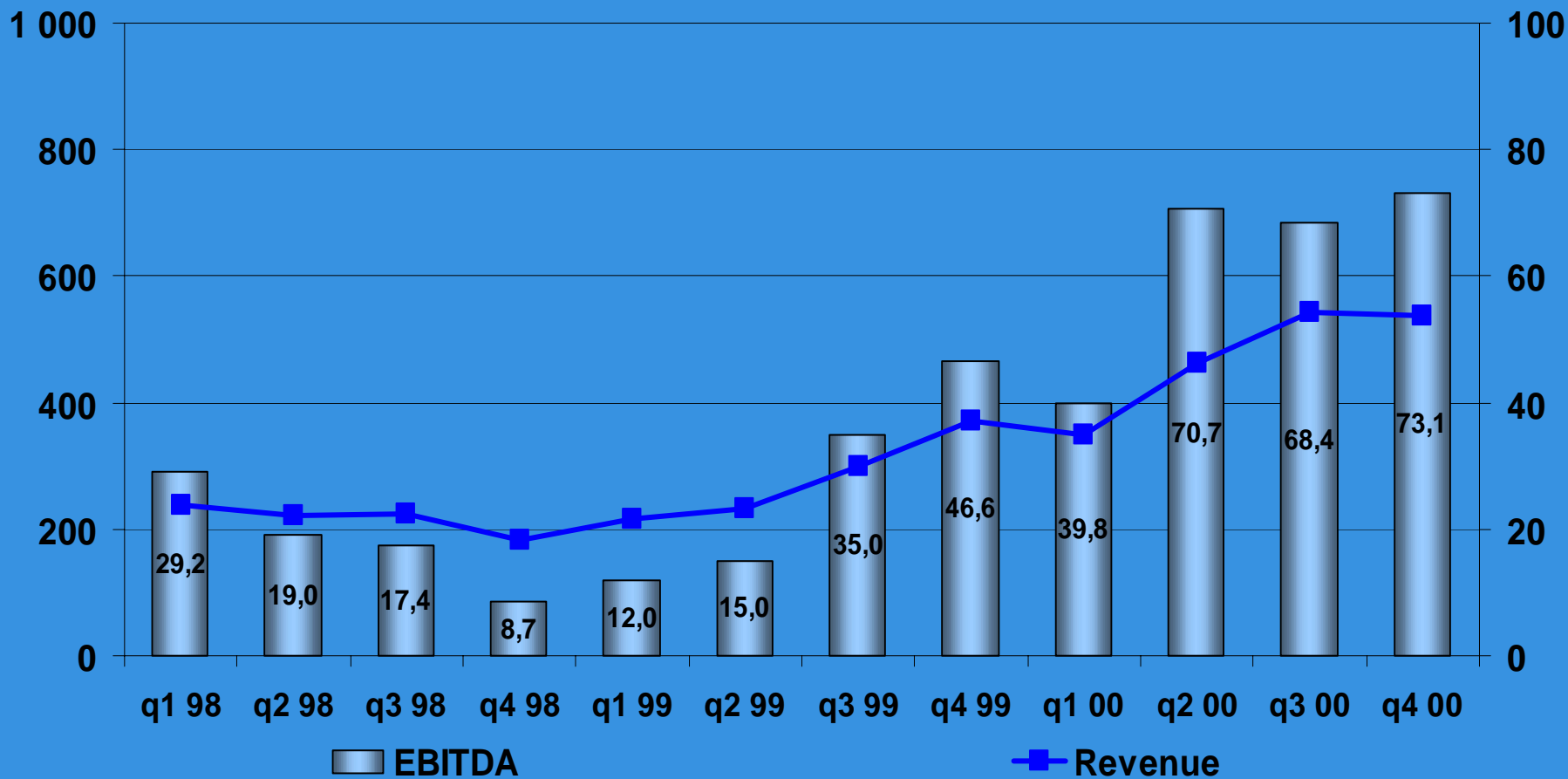
**Africa**  
2 %



**Asia/Pacific**  
12 %

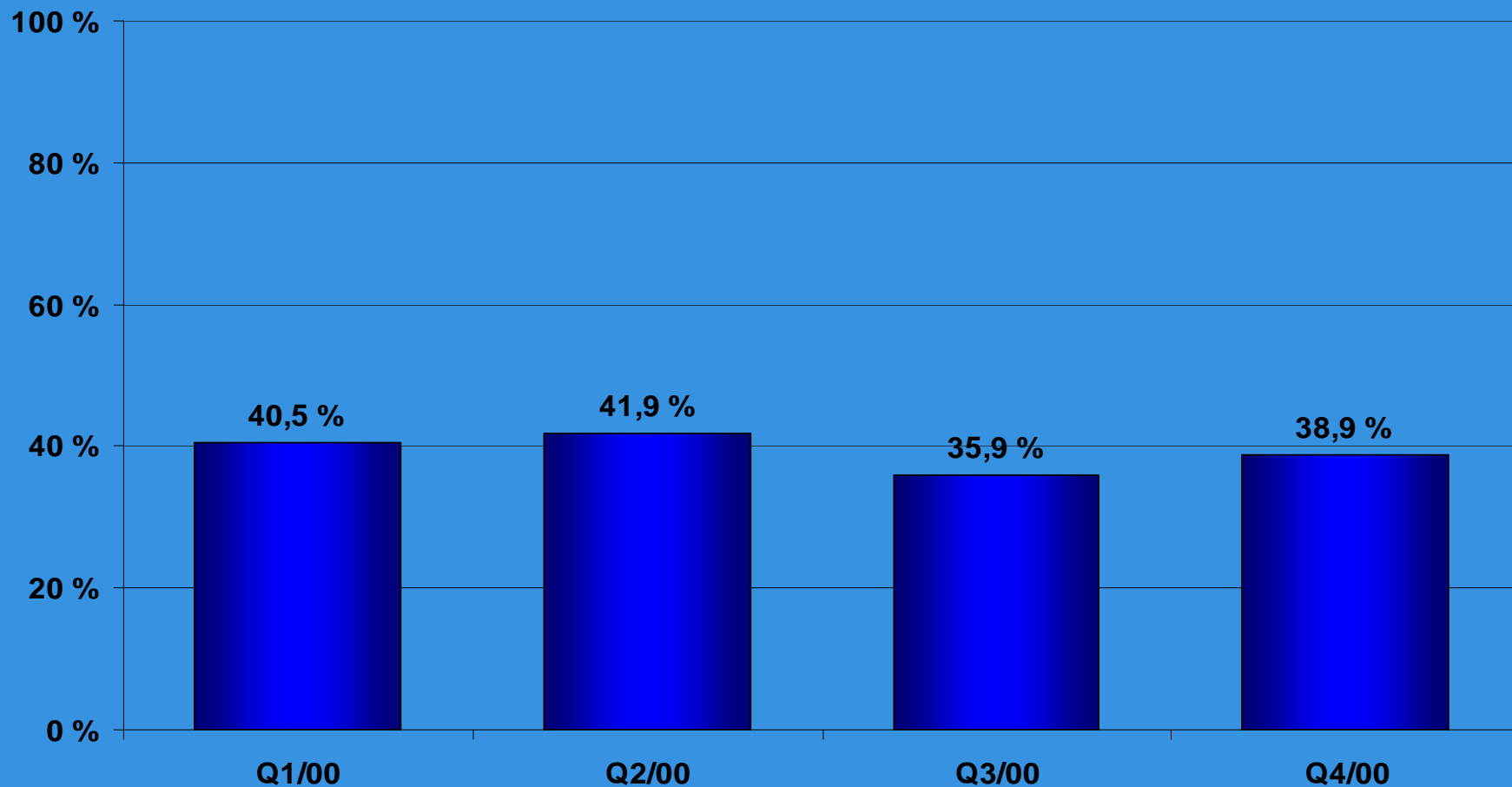


# Revenue and EBITDA



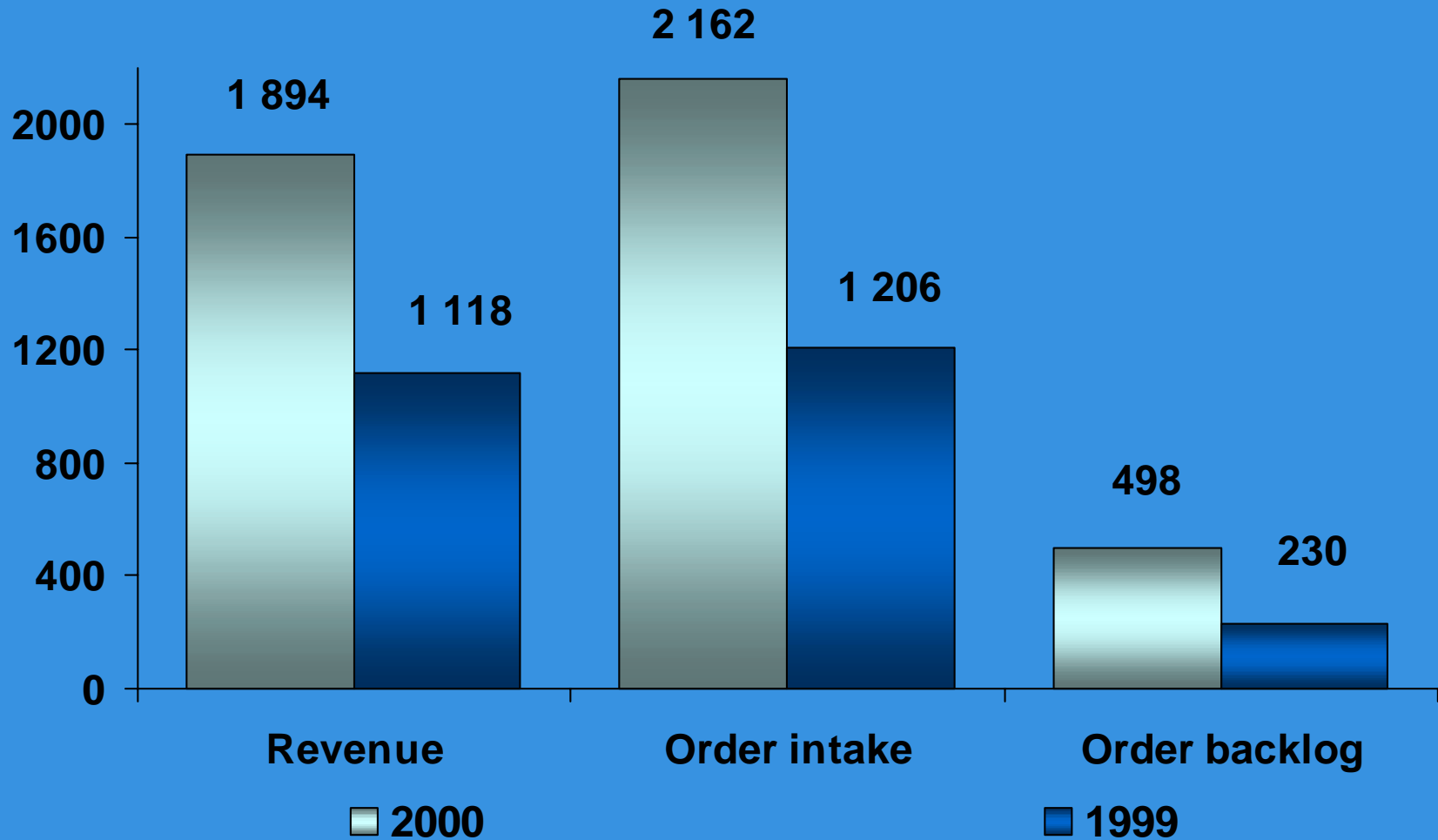
Including employer's tax on stock options  
Amounts in MNOK

# Development Gross Margin 2000



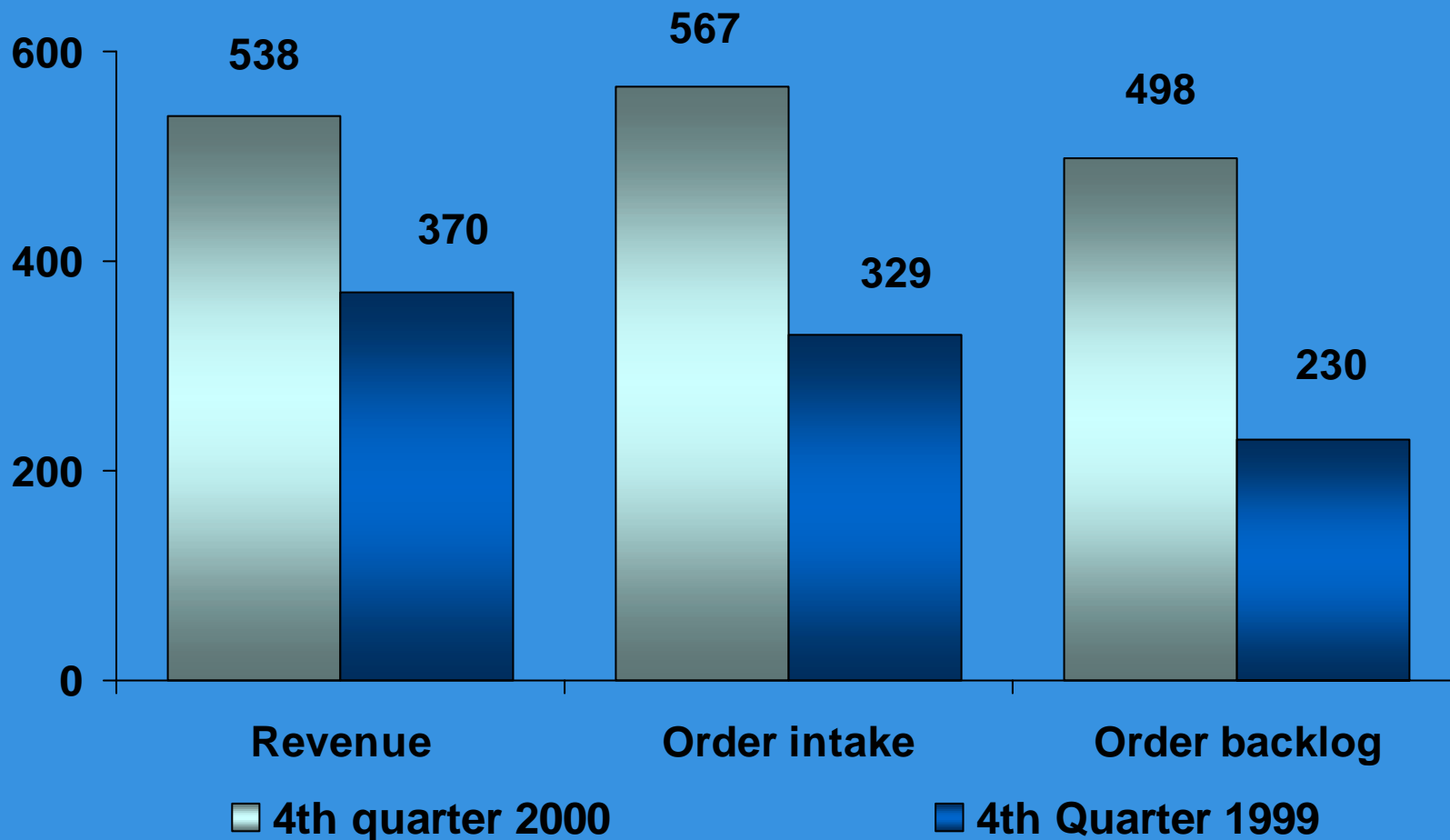
**Correction made to pro forma q3**

# Revenue and Order per 4<sup>th</sup> quarter



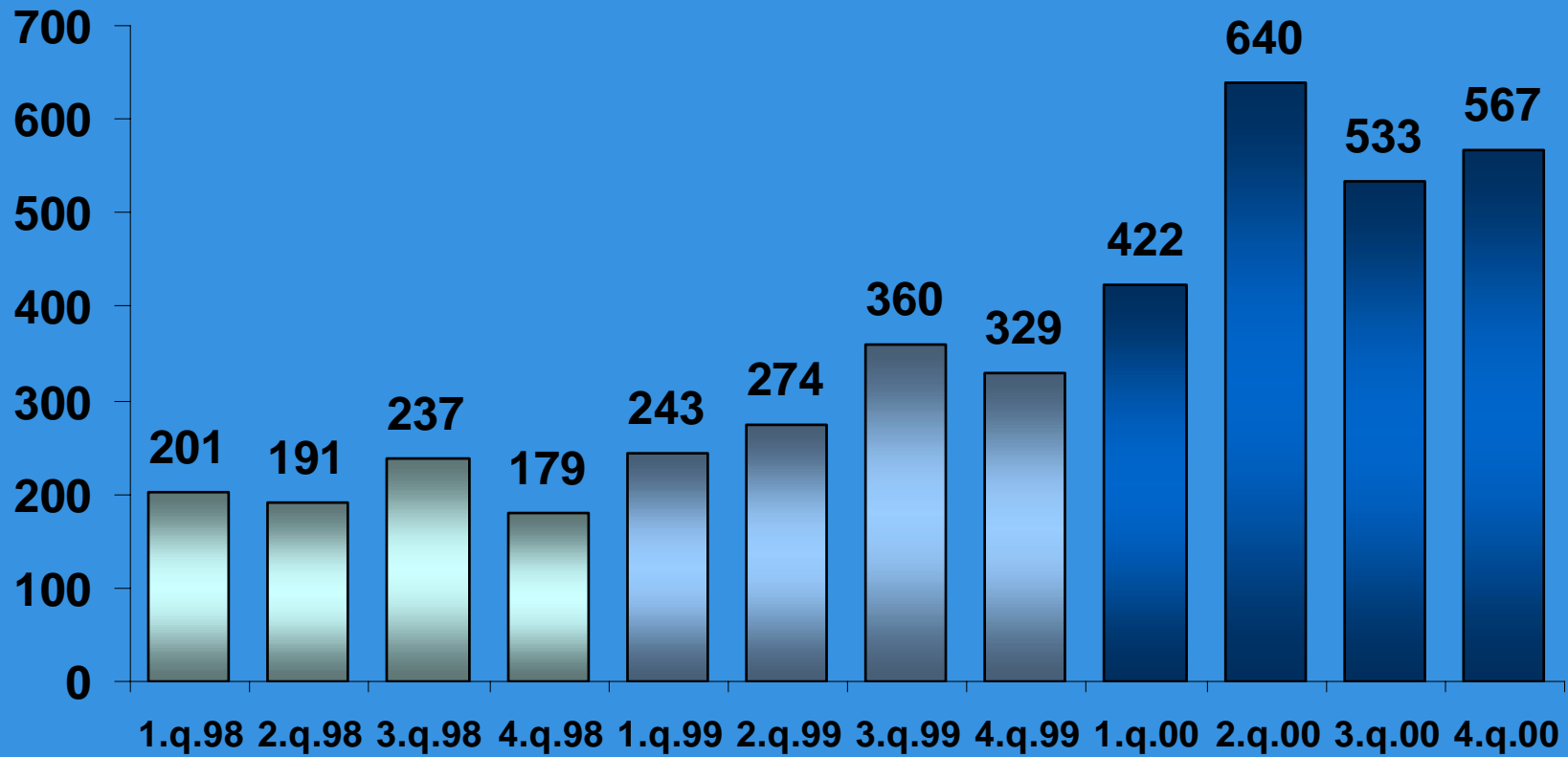
Amounts in MNOK

# Revenue and Order 4<sup>th</sup> quarter



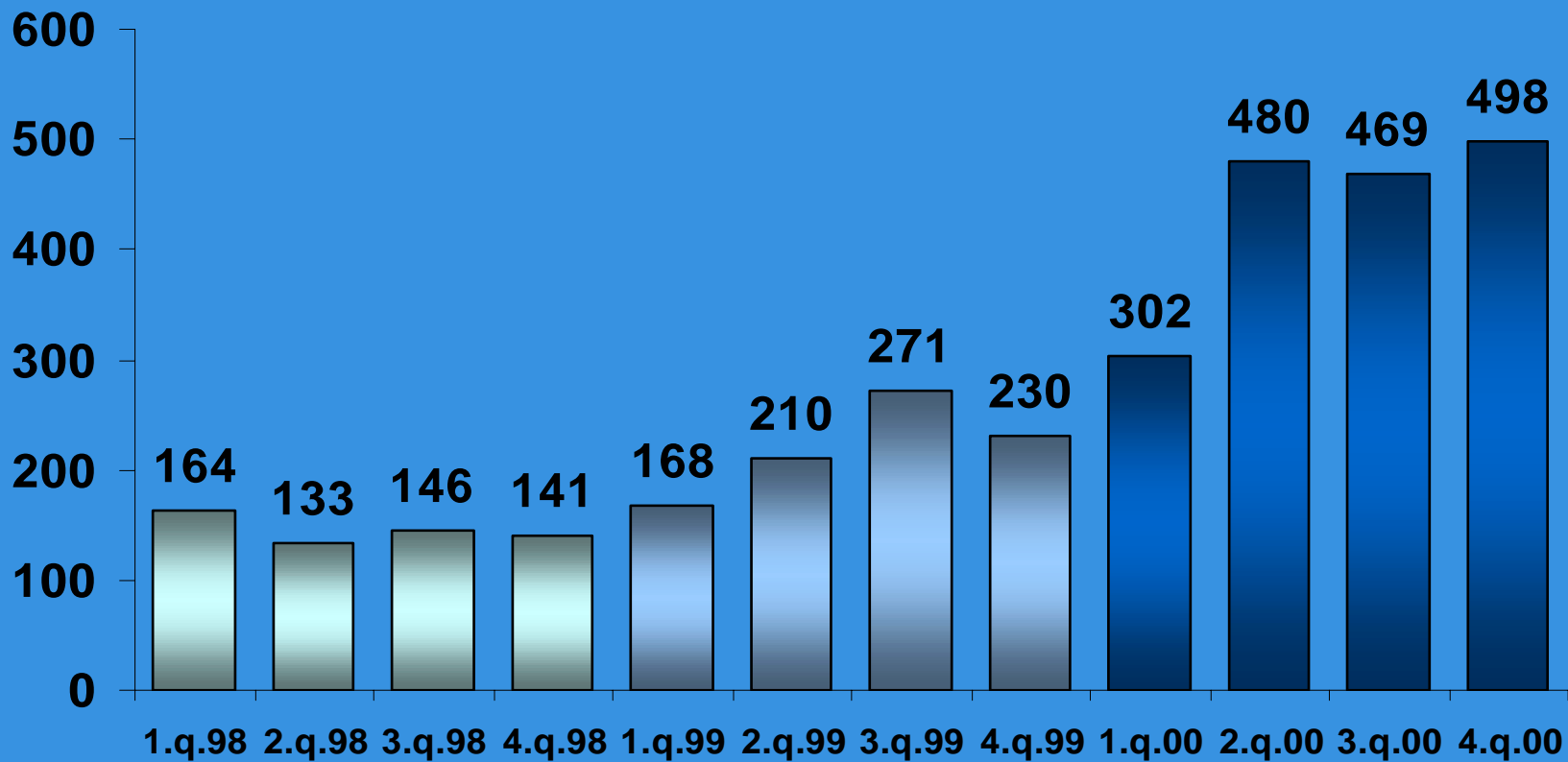
Amounts in MNOK

# Order Intake per quarter



Amounts in MNOK

# Order Backlog per quarter



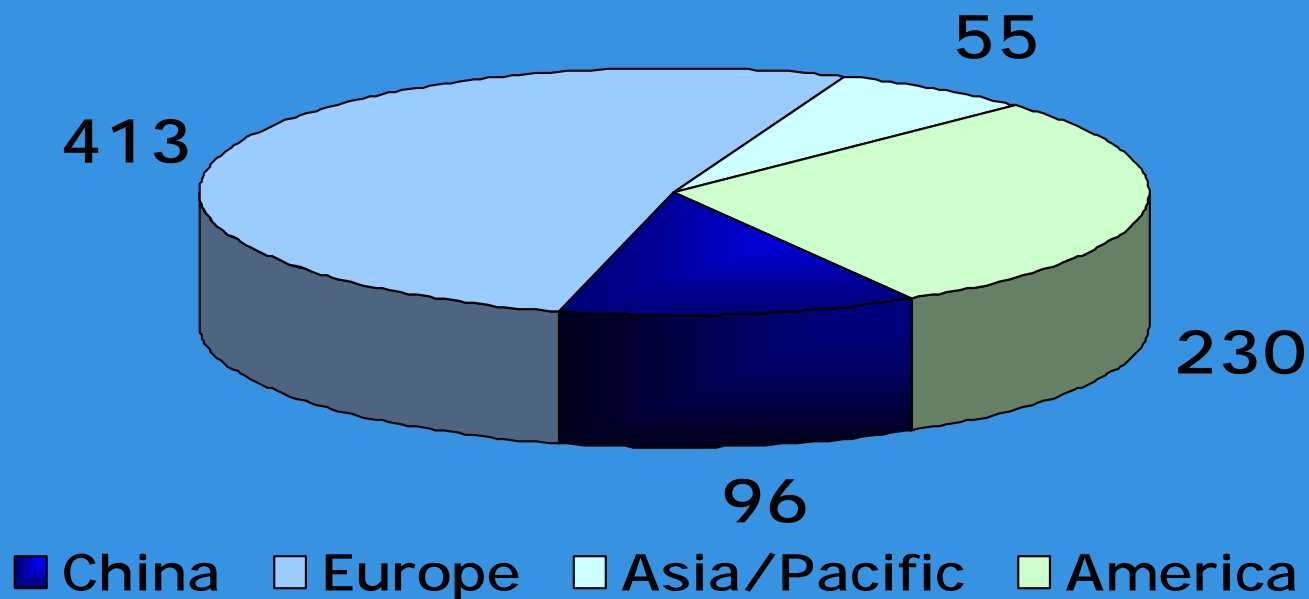
Amounts in MNOK

# Balance Sheet



<i>Amounts in MNOK</i>	<u>31.12.00</u>	<u>31.12.99</u>
Goodwill	541,6	514,7
Other fixed assets	125,2	154,3
Total fixed assets	<u>666,7</u>	<u>669,0</u>
Inventories	258,7	195,5
Short term receivables	504,0	282,6
Cash in hand, bank deposits	128,3	124,2
Total current assets	<u>891,1</u>	<u>602,3</u>
Total assets	<u><u>1.577,8</u></u>	<u><u>1.271,3</u></u>
Share capital	24,3	14,0
Other equity	944,6	880,8
Minority interests	24,3	14,5
Total equity	<u>993,1</u>	<u>909,3</u>
Long-term liabilities	123,5	71,2
Bank overdraft	13,3	0,7
Short term liabilities	427,9	290,1
Total current liabilities	<u>441,1</u>	<u>290,8</u>
Total equity and liabilities	<u><u>1.557,8</u></u>	<u><u>1.271,3</u></u>
Equity ratio	63,8%	71,5%

# Employees per 2000.12.31



Total number of employees; 794

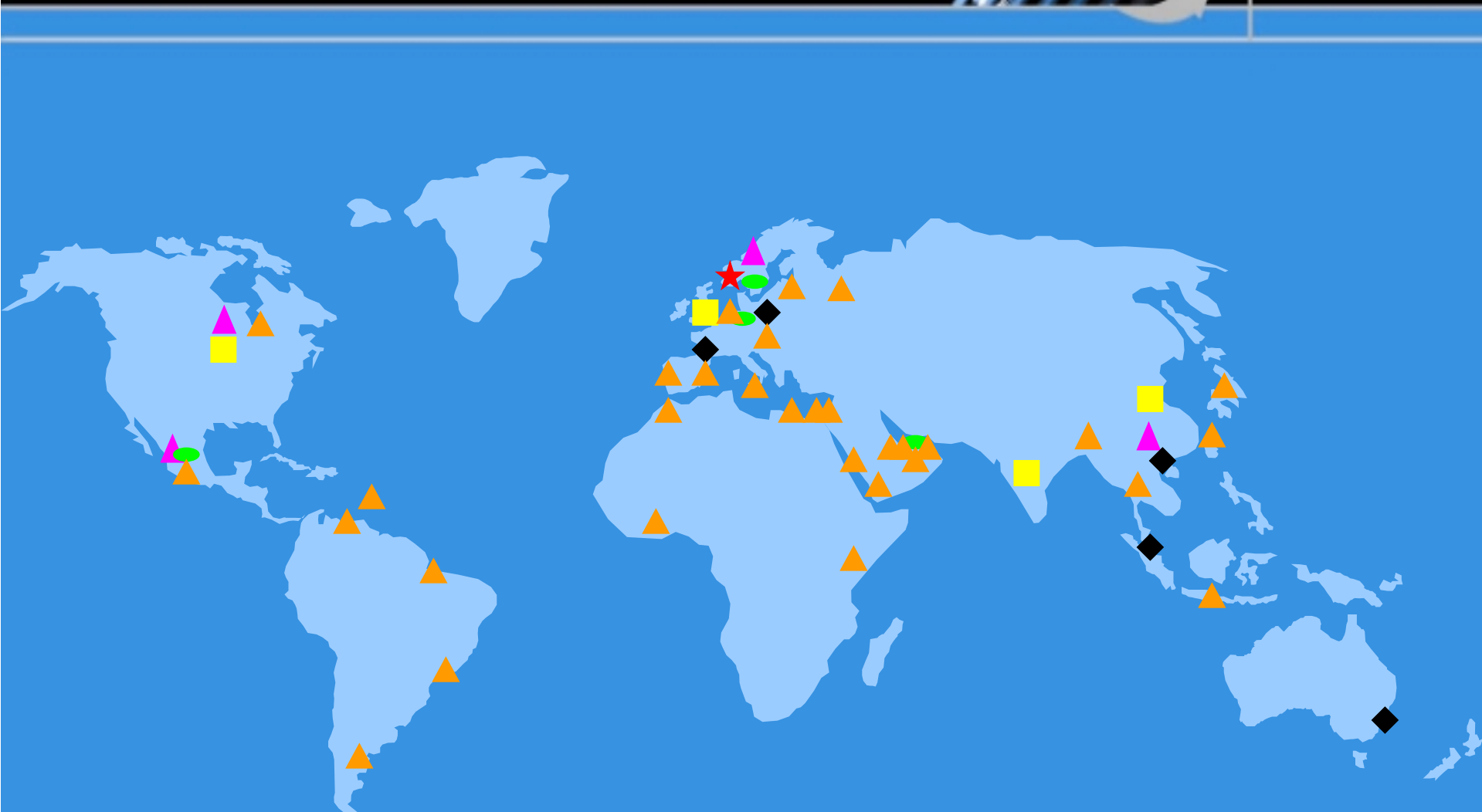
# 15 largest customers



- Nextel
- Level 3
- Switch & Data
- Worldcom
- PRTEM
- Allegiance
- Maxis Communication
- Dolphin
- N G Bailey
- KPN-Qwest
- Nortel
- Motorola
- Dongguan City Telecom
- Alcatel
- Telenor

Share of total revenue: 55%

# Global Location



- ★ Head Office
- Sales & Service
- ◆ Assembly - Test
- Manufacturing - Assembly - Test
- ▲ Outsourcing Partner
- ▲ Distributors

## High bid activity – especially on the new G-Series

- Brings us into new segment of Telecom Power Market
- First orders received – 50 systems forecasted for 2001

## Continued strong wireless activity

- First orders from VERIZON – significant wireless operator

## Expanding US distribution - Dallas operation from June

- Brings us right into the telecom capital of the world
- Very large potential customer base – all major telecom equipment suppliers

## Outsourcing of PCP rectifiers to Mexico – effect from April

- Significant cost reduction
- Improved competitiveness

## Bring in new cost efficient products from Eltek

- Very competitive – capture market share
- Bring us into new (low power) segment of the market
  - Small system – large volume

## Cross selling on track

- Phiana
- Carrier one
- Alcatel

## High activity on Web hosting and Co-location sites

- New orders in new projects, 33 MNOK
  - Large potential
- Orders received for a new pan European network – phase 1 and 2 - 27 MNOK.  
Total project 6 phases
- Orders for 2 sites of a global project, 12 MNOK  
Total project 80 sites (Dual sourcing)

## Wireless activity strong in 2G and 3G networks

- Expect deliveries on 3G to commence in Q2.

Very large activity in 2G wireless networks

- Received order from Nokia (NOK 36 mill for one network development)
- Expecting further network orders

Strong demand for co-location and web hosting centres

- Received orders for 3 sites for co-location facilities. Total requirement this year 9 sites (5 MNOK/site)
- Orders starting to come through from Silcar. Expecting full run rate in Q3.

## Synergies achieved

- Outsourcing of PCP products, significant cost reduction effect from April

## R&D organization well tuned

- Agreed common future product range
- More resources with broader competence
- Shorter development time

## Expand Distribution

- Southern Europe
- Brazil
- China

## New opportunities in a turbulent stock market

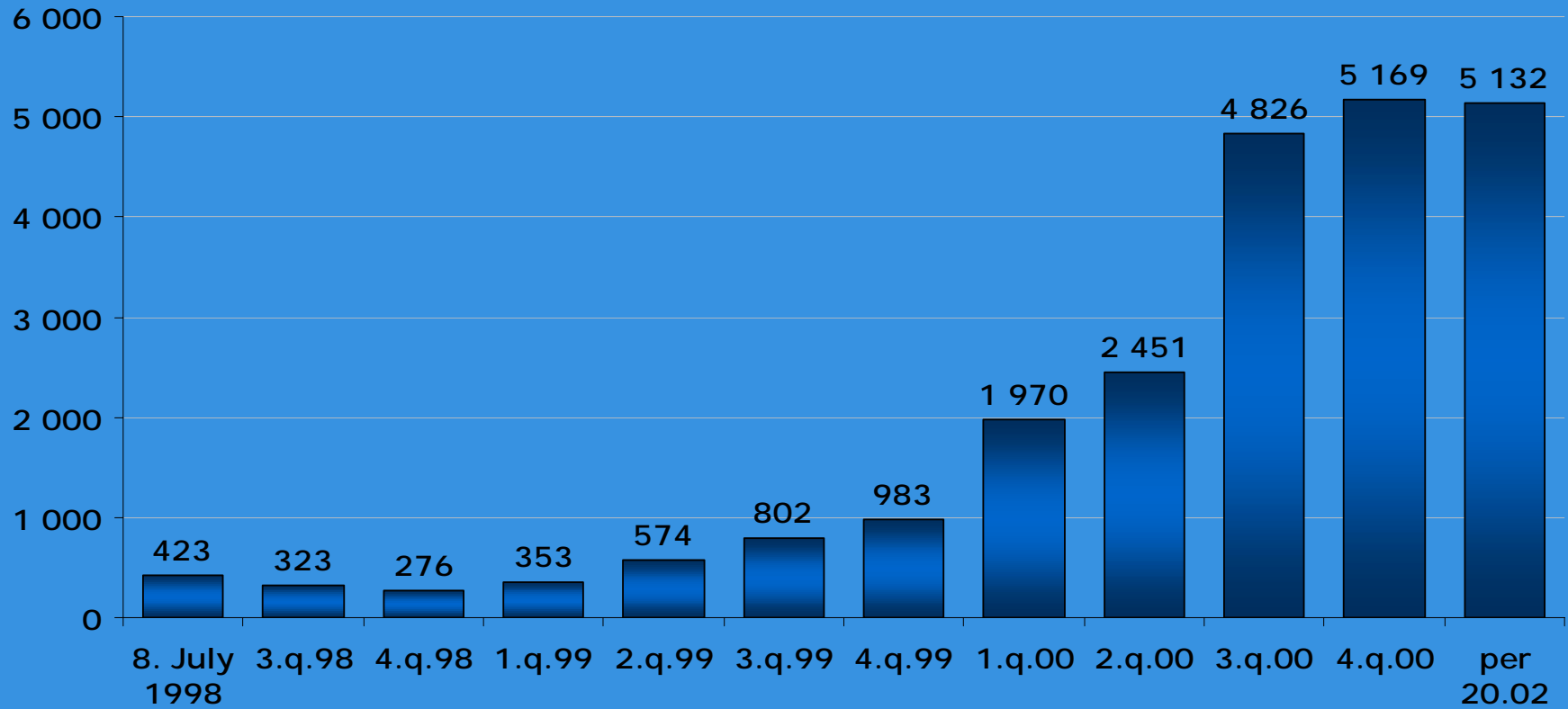
- Bargain opportunities
- Technology need funding

2001



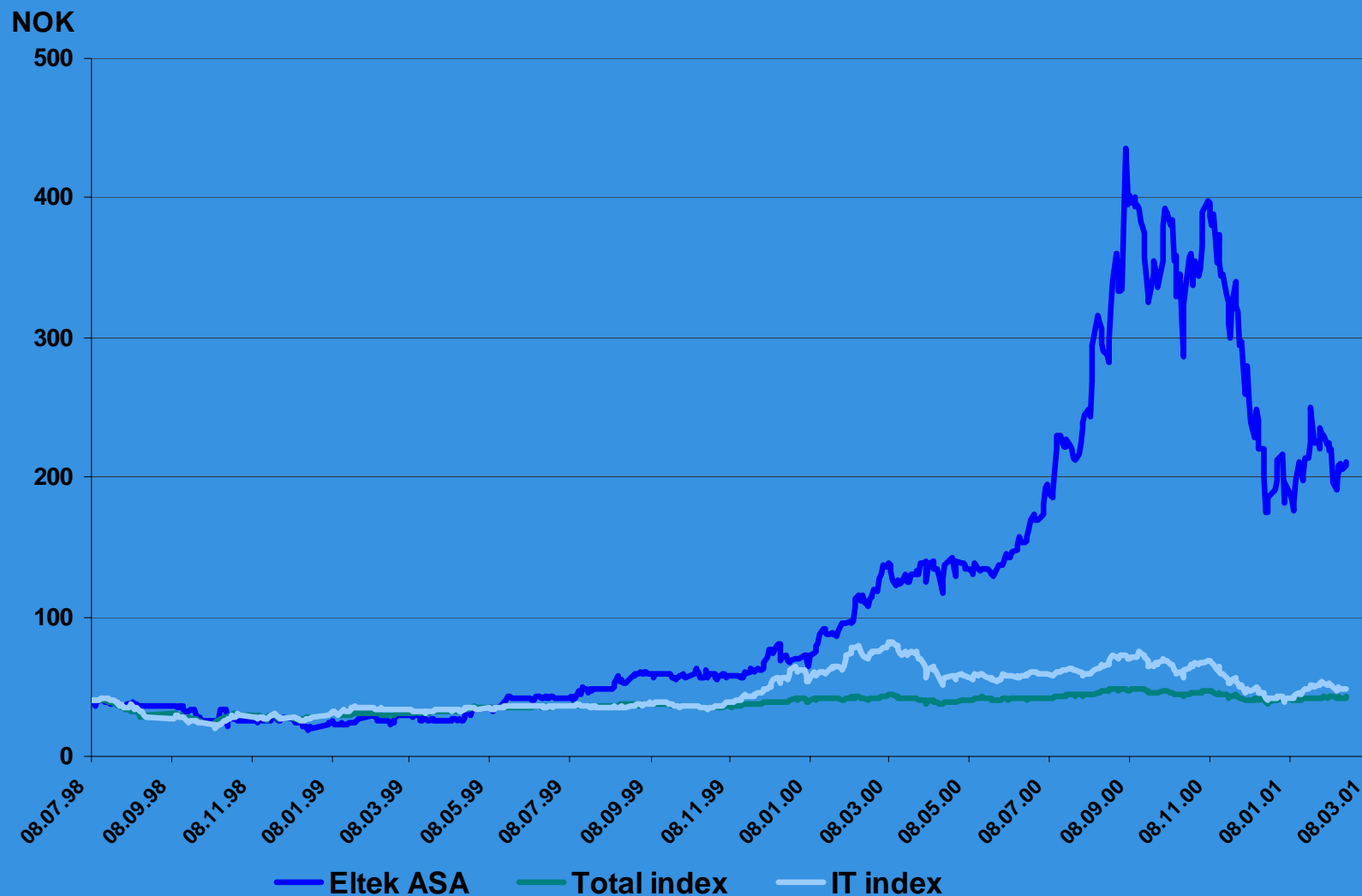
Q1 in line with Q4  
30 – 40% growth for the year

# Market cap development



Amounts in Mill NOK

## Eltek Share vs OSE Total Index and IT-index



# Largest shareholders per 19. February



<u>Shareholder</u>	<u>No. of shares</u>	<u>% ownership</u>
CC Industries	7 480 828	30,8 %
Eltek Holding AS/A.F. and W. Angelil	6 704 303	27,6 %
Edward Weil Jr and Family Trust	1 088 337	4,5 %
DnB Investor (sev. accounts)	784 780	3,2 %
Tine Pensjonskasse	444 000	1,8 %
Chase Manhattan Bank (sev.accounts)	405 060	1,7 %
Storebrand Livsforsikring	361 700	1,5 %
Chris Seyer III	343 099	1,4 %
SND Invest AS	330 000	1,4 %
Aksjefondet Gambak/Gambak Kapital	320 000	1,3 %
Stephen Griffitts	227 326	0,9 %
Vital Forsikring (sev. accounts)	222 900	0,9 %
Gjensidige Nor Kapitalforvaltning (sev. accounts)	187 330	0,8 %
Avanse Forvaltning (sev. accounts)	174 500	0,7 %
Storebrand Spar (sev. accounts)	141 000	0,6 %
Industrifinans (sev.accounts)	138 350	0,6 %
Vesta Forsikring (sev. accounts)	133 760	0,6 %
Christiania Markets (sev. accounts)	133 640	0,6 %
Statoil Kapitalforvaltning	113 200	0,5 %
Tony Cosentino	110 000	0,5 %

Shareholders registered in  
VPS as at 19.02.01