



Investors Presentation

9M' 2011 Financial Results

Key highlights

High revenue growth in LatAm ICT market (x 2,5)

Increasing market share in Spain

Efficiency improvement

Financial strength

Strong order intake and high visibility

Summary

Ingresos

- Latam x 2.5
- Spanish growth is volume driven
- Balanced Business Mix
- Highly recurrent revenues

Rentabilidad

- Continuous improvement in project management
- New delivery models (SLA, software factories, global outsourcing)
- Client volumes synergies
- Structural cost savings measures implemented

Solvencia

- Deleveraging process
- Days billing outstanding reduction
- Operating Cash Flow improvement
- Renewal of all the short term credit limits

Perspectivas de futuro

- Strong presence on the most relevant sector of clients
- Growing presence on emerging markets
- High earnings visibility – Book to bill 1.1 x
- Solid growth in order intake (+16% first 9 months)

Revenue growth

We have more than doubled our revenues from Latin America

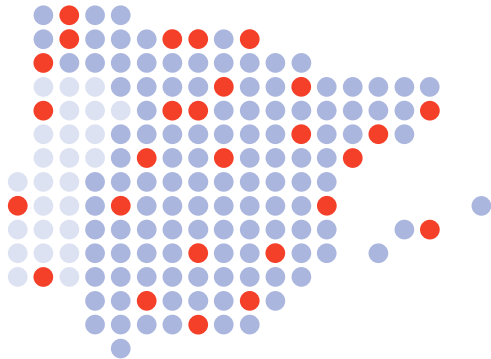


Revenues from Latin America based companies represent 13% of the total revenue

9M' 2010	9M' 2011	Var (%)
11.7	29.2	148%

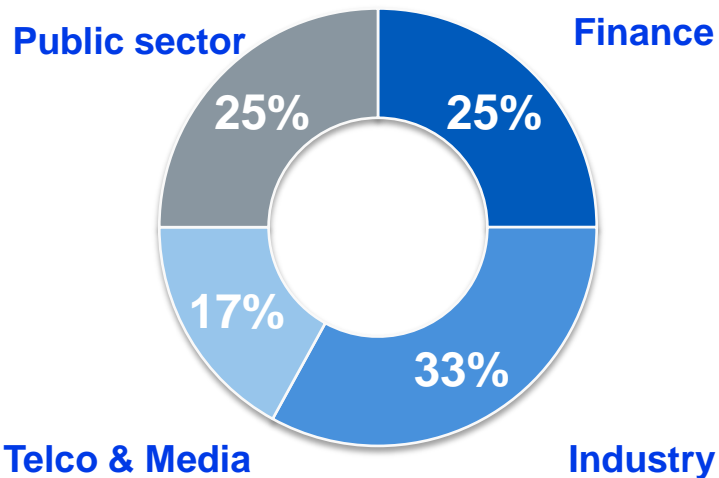
Revenue growth

Spanish growth is volume driven



9M' 2010	9M' 2011	Var (%)
235	246	4%

Spanish ICT sector by clients 2010

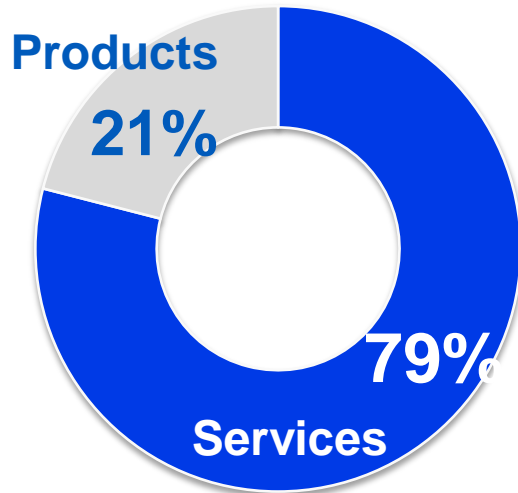


Tecnocom is strengthening its positioning as a consequence of the consolidation process in the Spanish ICT industry

Source:AEC

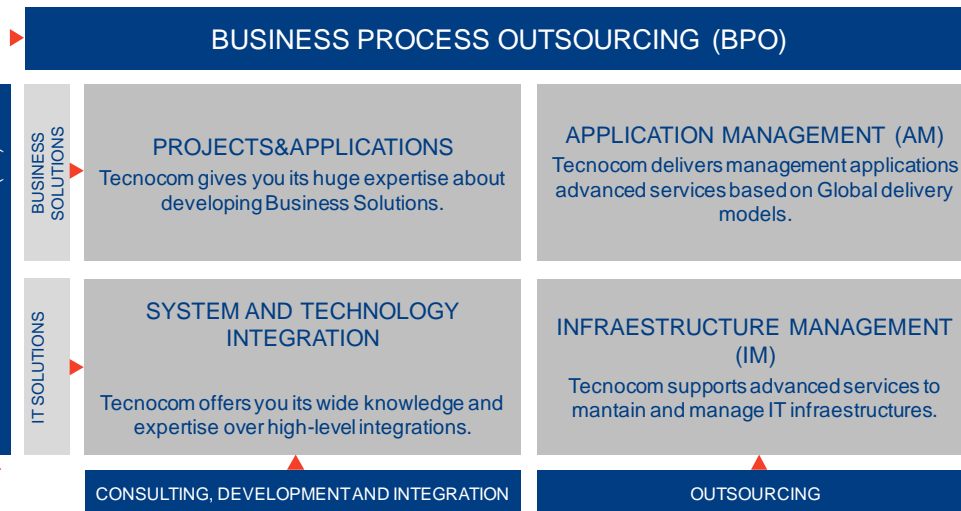
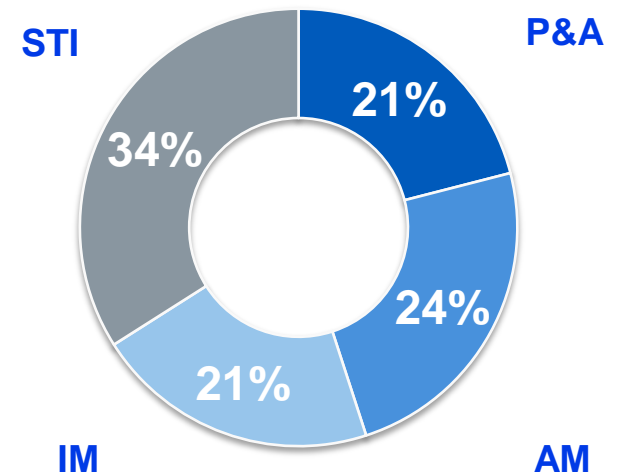
High income recurrence

80% of the revenues are related to services



Tecnocom has a strong presence in IT services that are typically highly recurrent contracts and they have wider margins than products. Service incomes has increased by 11% during the 9M'2011

Divisional Income Breakdown



Improving profitability

Impact on income statement of the measures taken to improve efficiency

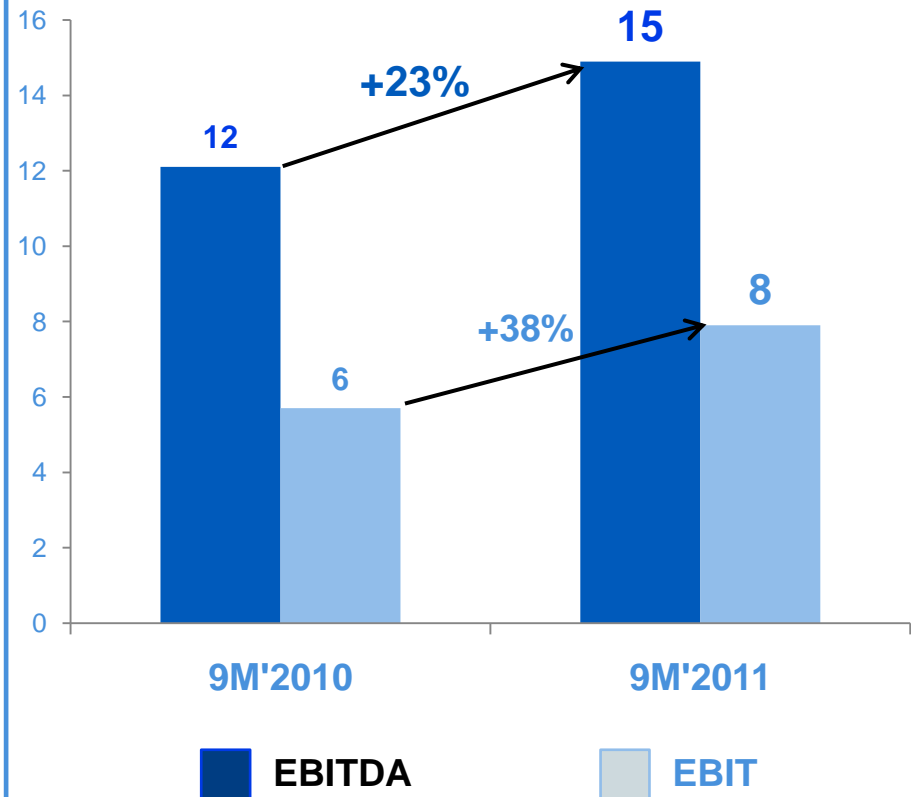
Continuous improvement in Project Management

New Delivery Models: SLAs, software factories, global BPO...

Clients share cost synergies

Structural cost savings measures implemented

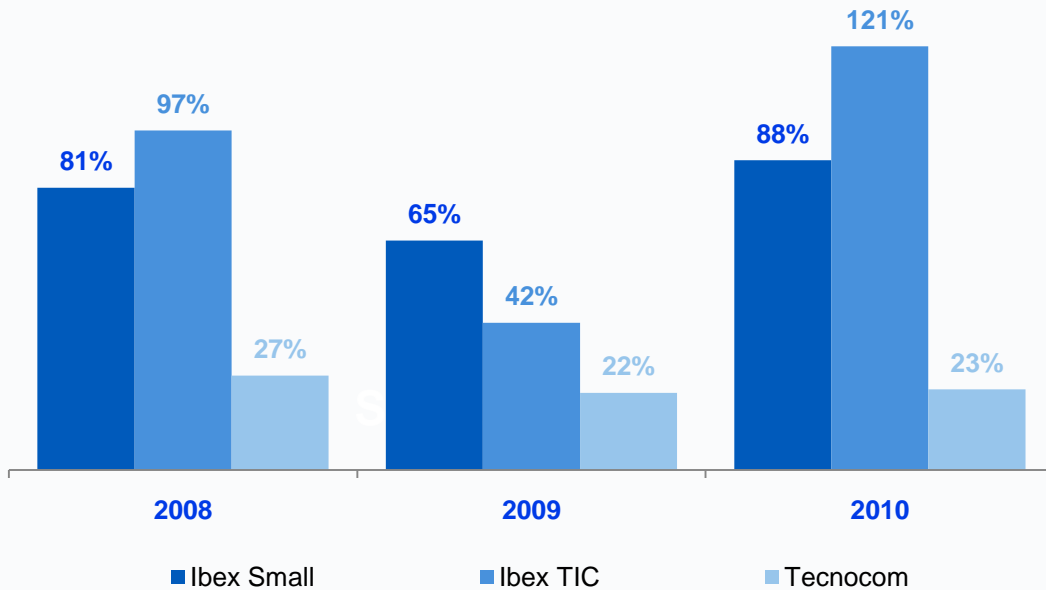
EBITDA and EBIT € . Mn



Financial strenght

Prudent financial guidelines

NFD to Equity TecnoCom vs main index (*)



FY2011E
NFD / EBITDA
< 2x

(*) Index according to Bolsa de Madrid excluding Amadeus. Data source CNMV

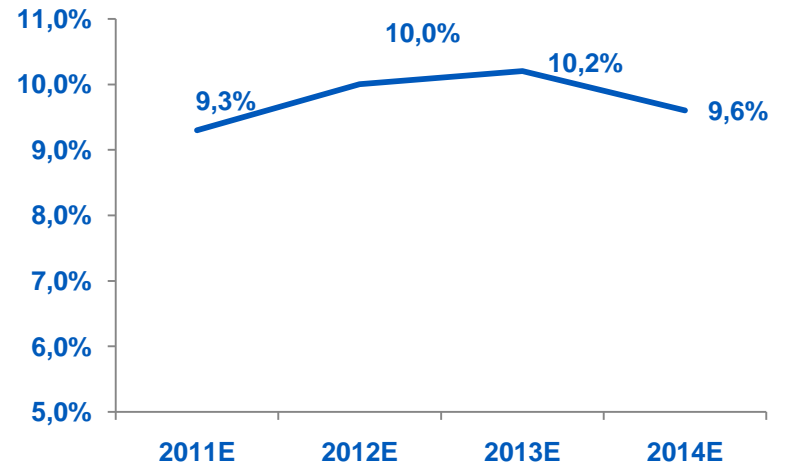
Future growth expectations

Growing presence in emerging markets



Our target is to generate 30% of our revenues in international markets by 2013

LatAm ICT Industry estimated growth

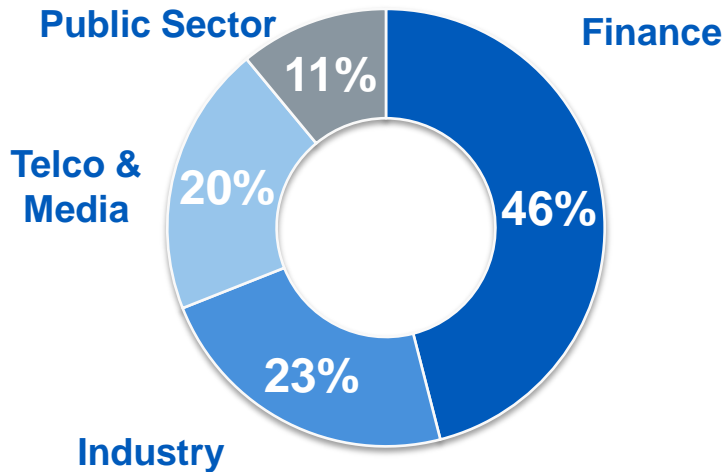


Source IDC Iberia

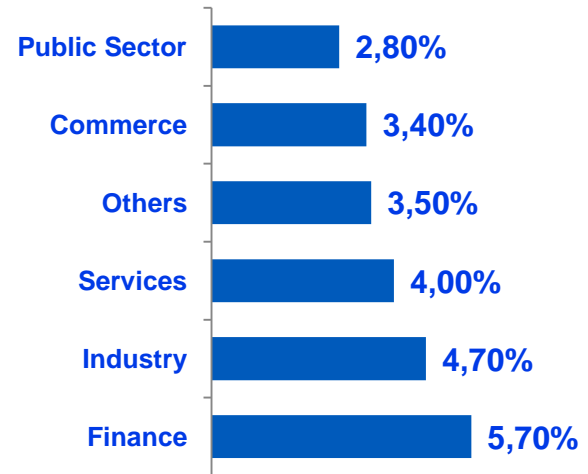
Future growth expectations

Strong presence on the most relevant sector of clients

Revenue breakdown by clients sector



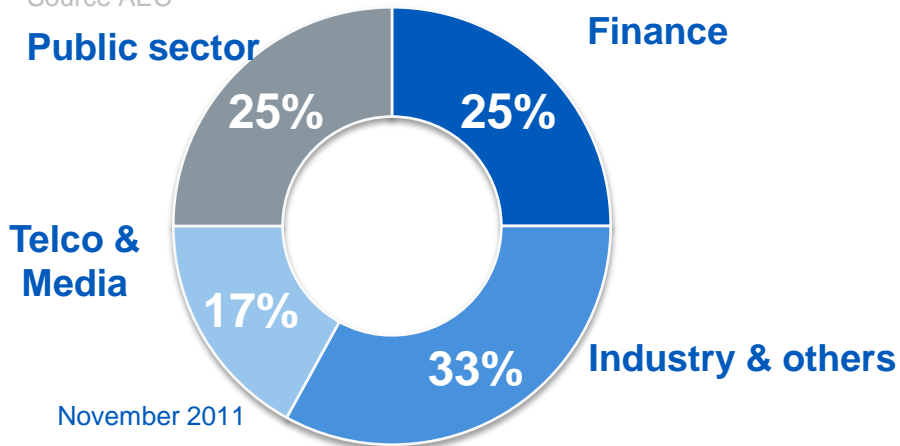
2011 Estimated Investment growth



Source CB Consulting

Spanish ICT sector by clients 2010

Source AEC

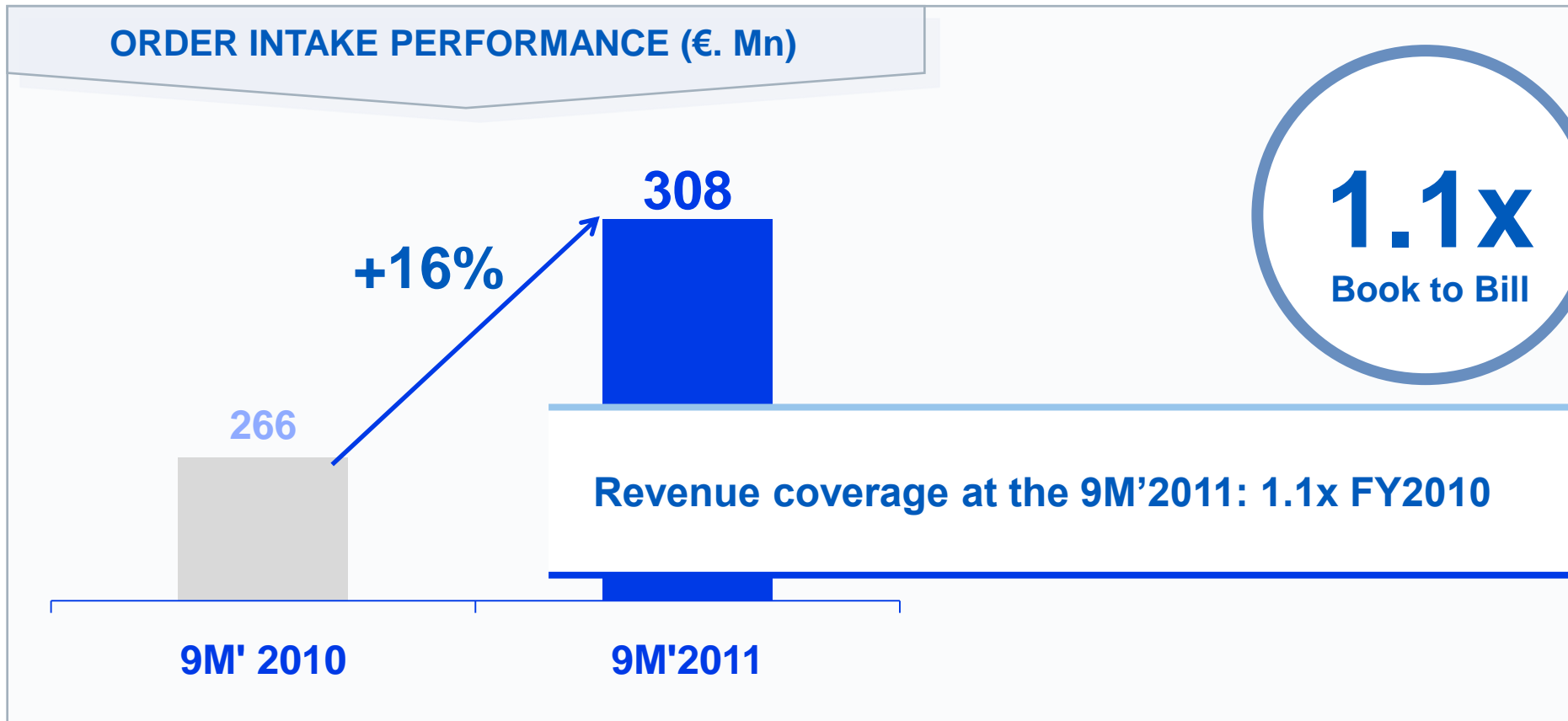


November 2011

IT spending is key for competitiveness of most of the industries, especially for the Financial and Telco sectors. On the other hand, public sector needs to face an efficiency improvement process where IT spending could be a relevant issue

Future growth expectations

High earnings visibility and order intake improvement



Strenghts

Strong capacities and solid know how

Global presence

Sound Track Record

Differential offer vs commoditization

Financial strength

Strategy

Revenue growth

- **Increase market share in Spain** through our excellent competitive position and financial and operational strength
- **Differential growth in LatAm** backed on a solid backlog, know how accumulated in complex operations in Spain and through delivering our portfolio accompanying Spanish companies in their international expansion and also in large LatAm players

Efficiency improvement

- Continuous improvement in project management
- New delivery models (SLAs, software factories, ...)
- Cost synergies derived from increasing share in current clients
- Structural cost savings measures implemented

High value proposition

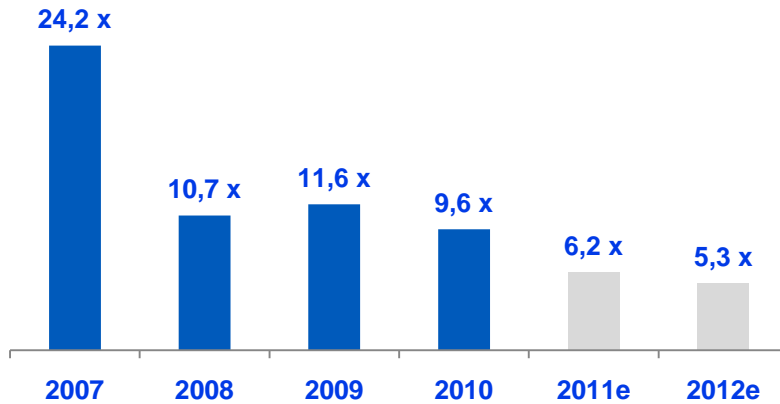
- Differential proposition vs Commoditization
- Functional knowledge
- Immediate reflect in the P&L of our costumers
- Own technology solutions

M&A

- **Spain:** small niche companies
- **LatAm:** Large player to increase our local capacities
- **Alliances:** global presence and entrance in new markets

Tecnocom combines a growth and value profile

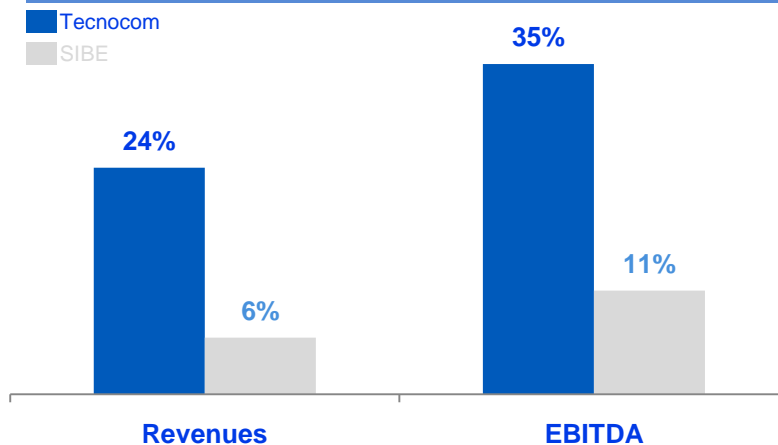
Tecnocom Historical EV/EBITDA



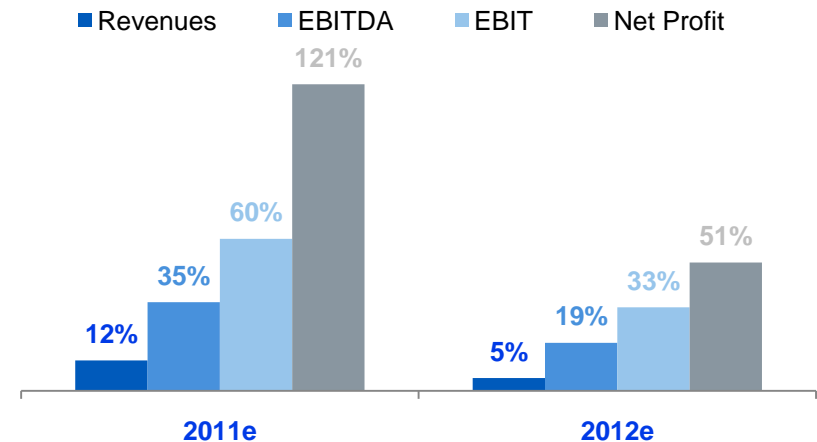
•**Value:** we are one of the largest players in Spain and we are increasing dividend visibility

•**Growth:** We are in the second stage of our growth project seeking for consolidate our presence in high growth markets

CAGR (%) 2006/2010

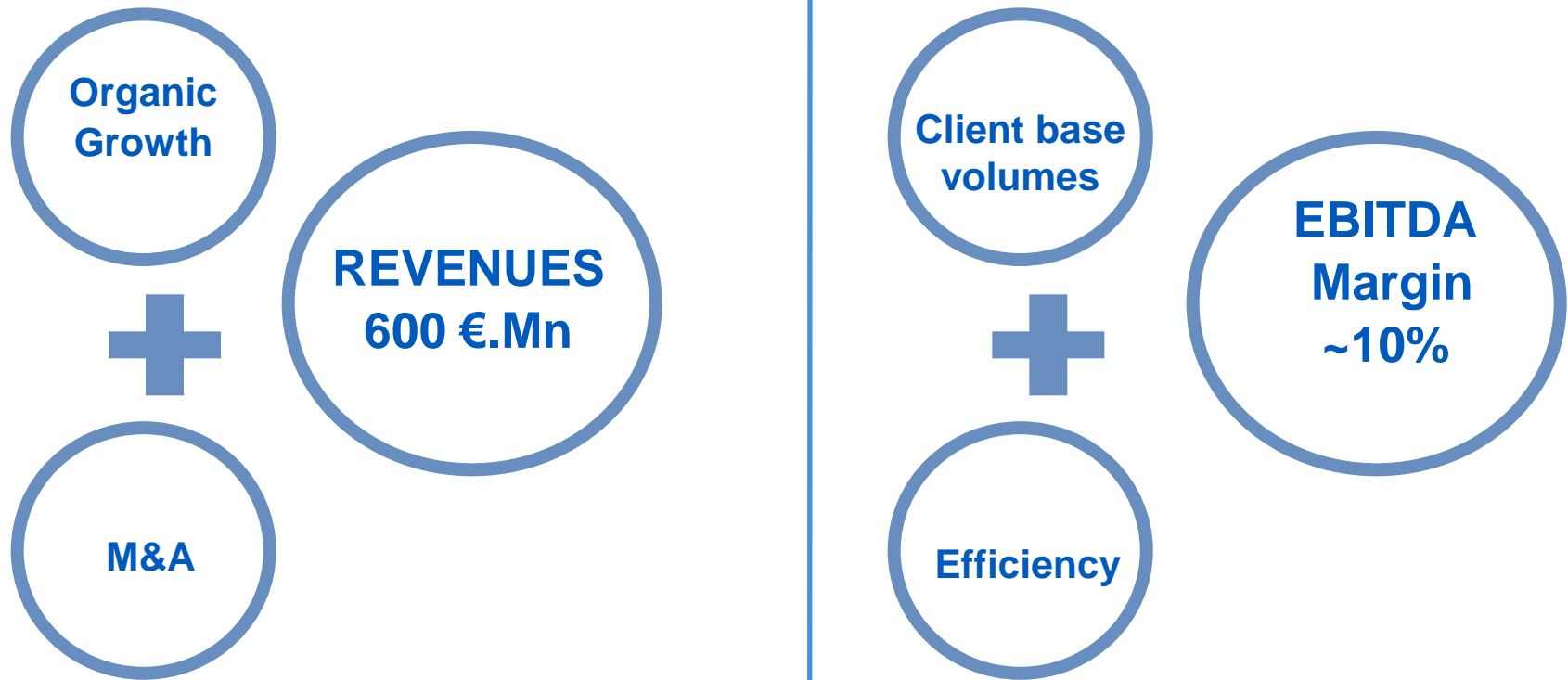


Analyst Consensus growth (%)



(*) Data as of 01/11/2011
November 2011

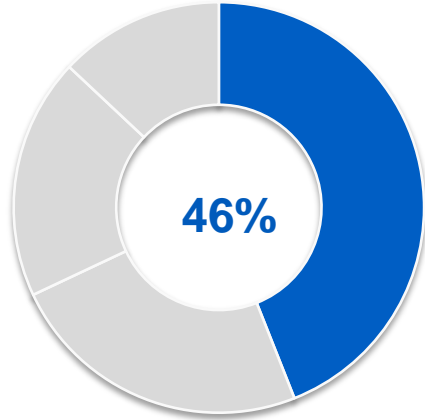
Our mid-term target is to become a top player within the Iberian and Latin American IT market



Consolidate Income Statement: 9M' 2011

€ Mn	9M'2010	9M'2011	Incr. (%)
Revenues	255.9	285.0	+11.4%
Gross Margin As (%) of revenues	63.9 25,0%	72.5 25,4%	+13.5% + 40 bp
Structural costs	(51.8)	(57.6)	+ 11.2%
EBITDA As (%) of revenues	12.1 4.7%	14.9 5.2%	+23.2% + 50 bp
Depreciation & Amortization	(4.3)	(4.7)	+3.1%
EBIT As (%) of revenues	5.7 2.2%	7.9 2.8%	+38.6% + 60 bp
Financial result	(2.4)	(3.0)	+25.6%
Extraordinary	(0.5)	(0.0)	n.a.
Taxes	(0.8)	(1.1)	+37.5%
Minorities	(0.2)	(0.5)	+150.0%
Net Profit	1.7	3.3	+94.1%

Finance



- Technology is crucial for financial institutions in order to save costs while they increase the profitability of their operations and they drive customer loyalty facilitating the implementation of new more efficient channels

Main Customers

- BBVA
- Santander
- La Caixa
- Caixa Galicia
- Popular
- Caja Madrid
- Barclays
- CEF Brasil
- El Corte Inglés
- Mapfre
- Bancolombia
- Falabella
- Allianz
- CECA
- Pastor
- Colpatria
- Aviva
- BES
- BCP
- BPI
- AXA
- Cajamar
- Sabadell
- BCP Perú

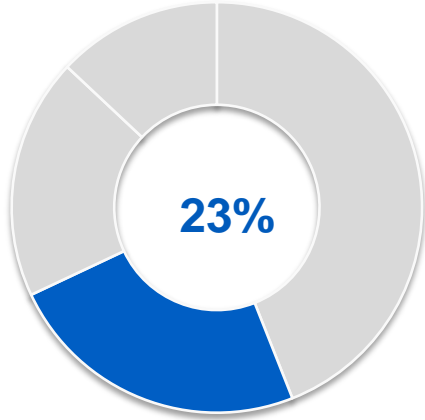
Main Offering

- Core Payment Processing (SAT-SIA)
- Global banking solution
- Insurance core (ANETO)
- Client Loyalty Solution (SFC)
- EFFITEC
- Mobility
- Virtualization
- Maintenance of Global offices
- Automation solutions
- Cards BPO
- Factoring & Confirming
- Financial Management

Key Issues

- Competitive scheme changes
- Globalization
- Spanish FI consolidation process
- Reduction of the IT suppliers base
- Technological renewal process
- Global Outsourcing trend
- New regulatory scheme
- LatAm IT FI adequacy process
- Mobility management

Industry



Subsectorial specialization

Manufacture	Energy	Services	Construction
Commerce	Tourism	Transportation	Chemicals

- Sub-industry focus
- Add value trough specialization
- Innovation and replicability acceleration

Main Customers

- Repsol
- Cepsa
- Iberdrola
- Gas Natural
- Enagás
- Ecopetrol
- Bayer
- Heineken
- Danone
- Ford
- Damm
- BMW
- Bayer
- Roche
- ADIF
- Abertis
- MRW
- Logista
- El Corte Inglés
- Mercadona
- Alcampo
- Inditex
- Carrefour

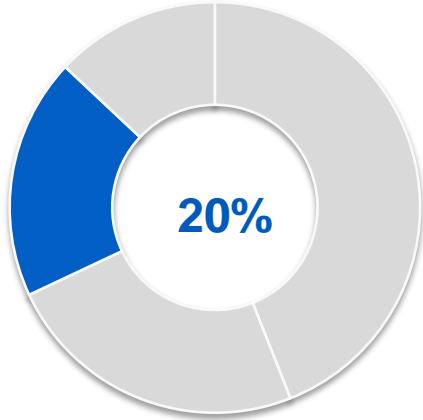
Main Offering

- ERP Implementation
- Outsourcing
- BPO
- SCM Solutions
- Quality testing solutions
- Product Development Solutions
- Sustainability solutions
- Marketing solutions
- Business Intelligence
- Sales point solutions

Key Issues

- Business needs of operational improvements
- Improve quality of decisions
- Logistic efficiency needs
- SCM
- Mobility y Dynamic Marketing (1:1)
- Internationalization
- Growth management
- Sustainability

Telco & Media



- Social networking, telecommunications and media and entertainment are evolving into performance models where convergence allows the development of new business opportunities in global markets. The key is the relocation and knowledge

Main Customers

- Telefónica
- ONO
- Vodafone
- R
- Orange
- Abertis
- Jazztel
- NEO Sky
- RTVE
- Yell
- Prisa
- Real Madrid
- UNE
- Grupo Televisa
- Portugal Telecom
- ZON
- ONI
- BT
- Telefónica Latam
- Colt
- Telecable
- Euskaltel
- Telecinco

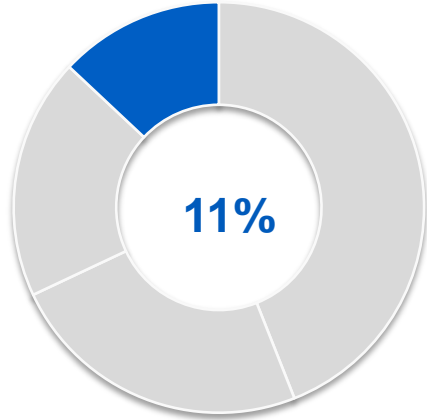
Main Offering

- Business Support Systems (BSS)
- Operations Support Systems (OSS)
- MVNOs
- Machine to Machine
- M-Business (M-payments, access,..)
- Business Intelligence (BI)
- Mobility Solutions
- Workspace management
- Media & Leisure solutions
- Outsourcing & BPO
- Number portability

Key Issues

- Convergence
- High competitiveness scheme
- Capacity adequacy
- Globalization
- Offering flexibility needs
- Business visibility
- Cost saving

Public sector



- The public sector is undertaking a transformation process, determined by social, political and technological challenges

Main Customers

- IGAE
- ICEX
- INE
- Mº Justicia
- Mº Fomento
- Mº Economía
- Mº Sanidad
- Mº Cultura
- Mº Educación
- Mº Trabajo
- Turespaña
- Junta Andalucía
- Xunta de Galicia
- Generalitat Catalunya
- Generalitat Valenciana
- Principado Asturias
- Junta Extremadura
- Gob. Aragón
- Mº Presidencia

Main Offering

- eAdministration
- Citizen card
- Tax management
- eLearning
- Justice process support
- Interconnection of courts
- Judicial scorecard
- Health portals
- Digital medical support
- eHealth
- Pharmaceutical Cost Control

Key Issues

- New regulatory scheme
- More efficient channels for businesses and citizens
- Public sector integration
- Public sector efficiency needs
- Healthcare sector efficiency needs
- Quality services

Tecnocom



Proyectando juntos el futuro

www.tecnocom.es