July 12, 2007

INTRINSYC SOFTWARE
(ICS-T, $0.75)

F3Q07 Results In-Line; No Change to Longer-Term View

Stock Rating: OUTPERFORM 2

6-12 Month Target Price: $1.15

Financial Summary

	08/06A	08/07E	08/08E
EPS	($0.24)	($0.19)	($0.13)
P/E	n.m.	n.m.	n.m.
Revenue (mln)	$18.7	$19.5	$22.7
EV/Revenue	3.6x	3.4x	2.9x
EBITDA (mln)	($12.9)	($14.7)	($15.3)
EBITDA margin	-69.3%	-75.6%	-67.4%
EV/EBITDA	n.m.	n.m.	n.m.

Quarterly EPS

	1Q	2Q	3Q	4Q
2006A	($0.05)	($0.08)	($0.06)	($0.05)
2007E	($0.05)	($0.05)	($0.05)	($0.04)

Enterprise Value (mln)	$67
Market Capitalization (mln)	$90
Net Debt (Cash) (mln) (mrq)	($23)
Debt/Total Capitalization (mrq)	0%
Net Tangible BV/Share (mrq)	$0.20
Fiscal Year-end	31-Aug
Shares Outstanding (mln)	119.4
Share Float (mln)	118.4

All figures in C$ unless otherwise noted.

Company Description:
Intrinsyc is a mobile software and engineering services company that provides systems integration for wireless handsets. The company has leveraged its engineering expertise to develop a high-level operating system (HLOS) called Soleus, to enable handset manufacturers and telecommunications operators to deliver feature phones more rapidly, at a lower cost, and with customizable options and design.

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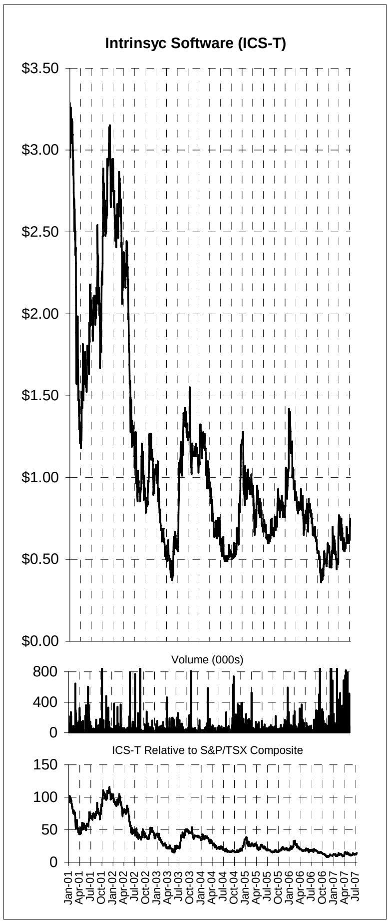
INVESTMENT PERSPECTIVE

F3Q07 results in-line with expectations – Intrinsyc reported F3Q07 revenue of $5.1 million, reflecting growth of 1% sequentially and 16% year-over-year. Gross margin of 51.8% was higher than our 46.8% estimate, helped by the "on-time" completion of higher-margin service engagements, which included projects for its two largest customers, a Tier 1 OEM handset vendor and a software company. On the bottom line, FD EPS loss came in at ($0.05).

Soleus update – Intrinsyc is tracking to plan with its two existing design wins, and anticipates that field trials for the first customer will begin in late C2007, with initial shipments in C1Q08, and royalty revenue building as volumes increase throughout C2008. In addition, Intrinsyc has identified 30 prospects for Soleus, and is in various stages of discussions with over half of these. We continue to view 2007 and 2008 as periods for securing design wins, with more material revenue materializing in F2009.

F4Q07 guidance disappoints, but no change to our longer-term view – Management does not typically provide guidance, but did indicate that F4Q07 revenues would be 10% to 20% lower sequentially due to a transition period as the company balances ramping up its Engineering Services business with new opportunities, offset by timing of winning new engagements and declining legacy sales. That said, management is confident in its growth prospects based on solid opportunities in the pipeline. We continue to believe that Intrinsyc is making the right steps to position the company for future growth, and view this blip in revenues as a short-term event. Soleus is already starting to generate early revenues, and we expect more meaningful contribution in C2008. As such, we urge investors to look farther out to consider the growth potential for Soleus, which is on track.

Reiterating our OUTPERFORM rating and $1.15 target price – We recommend investors take advantage of any share price dips to build a position based on our view that management will be able to execute on its growth strategy for Soleus. Intrinsyc is a promising story given its solid management team and positive traction to date. So far, management has already demonstrated its ability to execute by securing two design wins with revenues in view and generating a solid pipeline of opportunities for Soleus,



which we believe will translate into future design wins and recurring revenues in the future. We expect a third design win in the next 3-6 months, and the possibility of a marquee design win sometime in F2008, which represents positive catalysts for the stock.

F3Q07 HIGHLIGHTS

Engineering Services – Engineering Services, with sales of approximately $4.5 million, accounted for the majority of Intrinsyc's revenue in F3Q07 (88% of overall sales). This proportion is slightly higher than in previous quarters as the company has begun to sunset the legacy businesses of hardware sales and embedded software solutions. Most of the revenue was derived from mobile systems integration projects, primarily for Windows Mobile. In addition, the company, which has only recently made its foray into the Asia market, was engaged in its first engineering services contract in the region. During the quarter, Intrinsyc performed significant work on a project for a Tier-1 OEM customer. This project is now largely complete, and as such, Intrinsyc expects a sequential revenue decline of 10% to 20% in F4Q07.

Mobile Products (Soleus) – During the quarter, Intrinsyc continued to earn some revenue from the delivery of enterprise interoperability solutions, but more importantly the company recognized a small amount of license revenue from Soleus for the first time (for its first design win with an OEM, announced in late March 2007). Subsequent to the end of the quarter, Intrinsyc announced a second substantial design win, for which we expect the company to recognize a portion of the license revenue in F4Q07. Intrinsyc anticipates that licensing revenue will be recognized on a straight line basis, roughly over the twelve month period from the time of the design win to the production of handset devices using Soleus and generating royalty revenue for the company. As such, additional licensing deals will have a cumulative effect on Soleus' small, but growing base of revenue.

Higher-than-expected gross margins – Gross margins in F3Q07 were 51.8% (versus our 46.8% estimate) – the highest rate achieved by the company, helped by favourable margins as a result of meeting milestones in its engineering services contracts. Given the expected drop in revenue in F4Q07, we believe that there will be a related decrease in the gross margin. This is a function of lower utilization of resources in the Engineering Services group. Longer term, we believe that Intrinsyc's gross margin will increase as the company transitions from being a services provider to a software products business, which derives much higher gross margins.

Operating expenses – Operating expenses of $6.6 million (128% of sales) were down slightly on a sequential basis from $6.8 million (136% of sales) in F2Q07. The decrease was in R&D as Intrinsyc has incurred moderately less development expense for Soleus following the product's commercial release. During the conference call, Chairman and CEO Glenda Dorchak emphasized that the company's current workforce is sufficient to grow the business. As such, we believe that operating expenses will remain fairly level.

Balance sheet and liquidity – Near the end of F3Q07, Intrinsyc completed a public offering of the company's stock, which provided net proceeds of nearly $18.2 million through the issuance of approximately 33.3 million additional common shares. As a result, Intrinsyc significantly improved its balance sheet, and ended the quarter with $21.4 million in cash and no debt. A partial exercise of the over-allotment option of the financing was completed in June

2007, which will add close to 3.1 million additional common shares outstanding and by our estimate, close to $1.5 million in incremental funds to the company. We believe the recent financings provide Intrinsyc with sufficient funds for operations and the ongoing development of Soleus through to late F2008.

KEY ITEMS TO WATCH

Soleus Developments – On the conference call, Intrinsyc provided some clarity on the progression of the signed contracts and the pipeline for Soleus. With respect to the two design wins currently achieved, the company anticipates that its customers will begin field trials of handsets based on Soleus in late C2007, initial shipments in C1Q08, and royalty revenue building as volumes increase throughout C2008. Management has identified approximately 30 additional prospects for Soleus, and has been in contact with a little over half of these, which are in various stages of discussions. In general, Intrinsyc expects that it will take 3-6 months from an initial discussion to reach a license agreement, with royalty revenues following roughly 9 months thereafter. Given these timelines, we continue to view 2007 and 2008 as periods for securing design wins, with more material revenue materializing in F2009.

Organizational progress – Intrinsyc has made some positive organizational changes during the quarter, including the closure of their Singapore office (focused on legacy business), a reduction in sales and marketing expenditure for the legacy business, and steps towards sunsetting the hardware operations. Moreover, Intrinsyc has made a number of senior hires including a number of sales executives (in particular, adding resources for the Asia target market), and a VP of Corporate Development, General Counsel, and Corporate Secretary. David Fischer is now acting CFO after the recent departure of Andrew Morden.

OUR F2007 AND F2008 OUTLOOK

Although Intrinsyc typically does not provide any guidance, management did indicate that F4Q07 revenues would decline 10% to 20% sequentially due to a transition period as the company balances ramping up the Engineering Services business with new opportunities, offset by timing of winning engagements and declining legacy sales. Management remains confident in the company’s growth prospects based on solid opportunities and recent senior level sales hires that come with extensive relationships and experience. We continue to believe that Intrinsyc is making the right steps to position the company for growth in the future, and view this blip in revenues as a short-term event. Soleus has already started to generate early licensing fees from its first design win (though still very small), and we expect revenues to ramp up with additional design wins and become more meaningful once product volumes begin to ship in C2008. As such, although financial results will be primarily based on the performance of the company’s Engineering Services business in the near term, we urge investors to look farther out to consider the growth potential for Soleus, which we believe is on track. Exhibit 1 provides a summary of our revised estimates for F4Q07 and our outlook for the next two fiscal years.

Exhibit 1: Revised Forecast Summary ($mln, except per share data)

	F2006	F2007E		F2008E		F4Q07E	
	Actual	Prior	NEW	Prior	NEW	Prior	NEW
Revenues	**$18.7**	**$20.8**	**$19.5**	**$25.5**	**$22.7**	**$5.6**	**$4.3**
Gross profit	$7.3	$9.8	$9.5	$11.7	$11.6	$2.6	$2.1
GM %	39.3%	47.1%	48.9%	46.0%	51.2%	46.5%	48.2%
Net Income	($16.4)	($16.4)	($17.5)	($15.4)	($15.7)	($4.0)	($4.6)
FD EPS	**($0.24)**	**($0.17)**	**($0.19)**	**($0.13)**	**($0.13)**	**($0.03)**	**($0.04)**

Source: RJ Research estimates and analysis

F4Q07E: We expect F4Q07 revenue of $4.3 million (from $5.6 million), reflecting a decline of 15% sequentially and 12% year-over-year, and a FD EPS loss of ($0.04), compared to our prior estimate of ($0.03). Our reduced revenue estimate reflects company guidance, and is attributed to an interim impact of declining legacy sales and timing of new Engineering Service engagements, particularly given that its project with a Tier 1 OEM handset vendor has been largely completed in F3Q07.

F2007E: We expect F2007 revenue of $19.5 million (from $20.8 million), reflecting growth of 4.5%. On the bottom line, we expect a FD EPS loss of ($0.19), compared to our prior estimate of ($0.17). Our reduced outlook for the year reflects the lower guidance provided for F4Q07, which we view as temporary as the company signs up new engagements for Engineering Services and ramps up Soleus revenues.

F2008E: We expect F2008 revenue of $22.7 million (from $25.5 million), which reflects 16.2% year-over-year growth, and a FD EPS loss of ($0.13) (unchanged). The variance in our revenue estimate is attributed to lower sales in the Engineering Services business to reflect the ramp up from the low base in F4Q07.

Upside to our current estimates could come from material new customer wins beyond what we've already incorporated into our forecasts, strong market demand, and a faster-than-expected ramp of new products based on the availability of Soleus-based devices.

VALUATION AND RECOMMENDATION

We continue to believe Intrinsyc is a story that has strong upside potential with the success of Soleus. Given the early stage of Soleus, Intrinsyc remains a developing story, but one with promise – in our view – given the positive traction and achievements made to date. Recall, Soleus addresses a large addressable market (i.e., high-volume feature phones and converged mobile devices), and we believe that the Soleus platform provides a solid value proposition for handset manufacturers, particularly in light of current concerns over faster time to market for new devices and maintaining profit margins.

We continue to believe that Intrinsyc will be able to turn Soleus into a success based on our view that the current management team (which has been put in place over the last year) will be able to execute. Over the last year, Intrinsyc has attracted seasoned executives to lead the company's growth. So far, this management team has already demonstrated its ability to execute by securing two design wins with revenues in view, developing a more focused go-to-market strategy for Soleus, and generating a solid pipeline of opportunities for Soleus, which we believe will translate into future design wins and recurring revenues in the future. As Intrinsyc executes on its growth strategy for Soleus, we believe the company's valuation multiples will expand to be more in line with a high-growth software company with a more attractive recurring revenue business model. As such, we reiterate our OUTPERFORM rating and $1.15 target price, which is supported by our DCF analysis that considers the longer-term growth prospects for Soleus.

Upside catalysts for the stock include: 1) additional design wins – we expect a 3rd win by the end of C2007 depending on the pace of negotiations with a regular flow of design wins thereafter; and/or 2) successful product launches with existing customers, leading to higher-than-expected volumes.

(Please see following page for Exhibit 2)

Specific Investment Risks related to the Industry or Issuer:

Some of the specific risk factors that pertain to the projected 6 to 12 month stock price target for Intrinsyc are as follows: 1) the timing of additional Soleus design wins given long sales cycles; 2) risk of design wins not translating into material revenue due to failed device launches; 3) heightened competition from competing OS providers; 4) F/X fluctuations; 5) a slowdown in the steady Engineering Services business; and 6) the outcome of the Technology Partnerships Canada (TPC) audit, which may require additional cash outflow.

Research Analyst Certification:

Sera Kim and Adam Low agree that the following statement is true: The views expressed in this report (which includes the actual rating assigned to the company or companies as well as the analytical substance and tone of the report) accurately reflect the personal views of the analysts covering the subject securities. No part of said persons' compensation was, is, or will be directly or indirectly related to the specific recommendations or views contained in this research report.

Exhibit 2: Income Statement ($mln, except per share data)

Intrinsyc Software International (FYE August)	2004	2005	2006	2007E	2008E	2009E	2010E	F1Q06	F2Q06	F3Q06	F4Q06	F1Q07	F2Q07	F3Q07	F4Q07E	F1Q08E	F2Q08E	F3Q08E	F4Q08E
Hardware revenue	*2.7*	*1.9*	*1.9*	*0.9*	*0.0*	*0.0*	*0.0*	*0.7*	*0.5*	*0.4*	*0.4*	*0.4*	*0.3*	*0.1*	*0.1*	*0.0*	*0.0*	*0.0*	*0.0*
Software revenue- Enterprise Interop Solutions	*3.1*	*2.7*	*1.8*	*1.7*	*1.5*	*0.7*	*0.0*	*0.5*	*0.5*	*0.4*	*0.5*	*0.4*	*0.4*	*0.4*	*0.4*	*0.4*	*0.4*	*0.4*	*0.4*
Software revenue - Soleus				*0.2*	*2.3*	*9.5*	*24.4*							*0.1*	*0.1*	*0.5*	*0.5*	*0.6*	*0.7*
Services revenue - Engineering services	*9.4*	*12.9*	*14.9*	*16.7*	*18.9*	*24.8*	*29.6*	*3.4*	*3.9*	*3.6*	*4.1*	*4.2*	*4.3*	*4.5*	*3.7*	*4.1*	*4.5*	*5.0*	*5.3*
Revenue	**15.2**	**17.5**	**18.7**	**19.5**	**22.7**	**35.0**	**54.0**	**4.6**	**4.8**	**4.4**	**4.9**	**5.0**	**5.0**	**5.1**	**4.3**	**5.0**	**5.4**	**5.9**	**6.4**
% Q/Q change								*-16%*	*5%*	*-8%*	*12%*	*2%*	*0%*	*1%*	*-15%*	*15%*	*9%*	*9%*	*8%*
% Y/Y change	*9.3%*	*15.6%*	*6.4%*	*4.5%*	*16.2%*	*54.5%*	*54.3%*	*24%*	*15%*	*3%*	*-9%*	*10%*	*5%*	*16%*	*-12%*	*-1%*	*8%*	*16%*	*47%*
Cost of sales	8.4	9.1	11.3	10.0	11.1	14.9	19.0	2.7	3.2	2.8	2.6	2.7	2.6	2.5	2.2	2.5	2.6	2.9	3.1
Gross profit	**6.8**	**8.5**	**7.3**	**9.5**	**11.6**	**20.1**	**35.0**	**1.9**	**1.6**	**1.5**	**2.3**	**2.3**	**2.5**	**2.6**	**2.1**	**2.5**	**2.8**	**3.0**	**3.3**
Gross margin %	*44.6%*	*48.2%*	*39.3%*	*48.9%*	*51.2%*	*57.4%*	*64.8%*	*41.4%*	*33.6%*	*35.2%*	*46.7%*	*46.1%*	*49.3%*	*51.8%*	*48.2%*	*50.6%*	*51.4%*	*51.0%*	*51.7%*
Administration	3.2	4.2	5.4	5.3	5.7	6.4	6.7	1.4	1.4	1.2	1.4	1.1	1.4	1.4	1.3	1.4	1.4	1.5	1.5
Marketing & sales	3.0	3.0	3.5	6.5	7.6	7.8	8.3	0.8	0.9	0.9	0.9	1.3	1.7	1.7	1.8	1.9	2.0	1.9	1.9
Soleus Development		*3.1*	*10.6*	*12.3*	*12.0*	*12.0*	*12.0*	*1.5*	*2.5*	*2.9*	*3.6*	*3.0*	*3.3*	*3.0*	*3.0*	*3.0*	*3.0*	*3.0*	*3.0*
Other R&D		*1.0*	*0.4*	*0.0*	*0.0*	*0.0*	*0.0*	*0.1*	*0.1*	*0.1*	*0.1*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
Research & development	1.7	4.0	11.0	12.2	12.0	12.0	12.0	1.6	2.7	3.0	3.7	3.0	3.3	3.0	3.0	3.0	3.0	3.0	3.0
Amortization	1.1	0.8	1.1	0.8	0.8	1.0	1.0	0.2	0.4	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Stock-based compensation	0.6	0.8	0.9	0.8	1.0	1.6	1.6	0.2	0.3	0.3	0.2	0.2	0.2	0.1	0.3	0.3	0.3	0.3	0.3
Restructuring	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Technology Partnerships Canada Funding Investment	-0.2	0.2	0.3	0.4	0.6	1.3	2.7	0.0	0.0	0.1	0.1	0.0	0.0	0.2	0.3	0.0	0.0	0.2	0.4
Earnings (loss) from operations	**(3.3)**	**(4.6)**	**(14.7)**	**(16.5)**	**(16.1)**	**(9.9)**	**2.8**	**(2.4)**	**(4.0)**	**(4.1)**	**(4.2)**	**(3.5)**	**(4.4)**	**(3.9)**	**(4.7)**	**(4.1)**	**(4.1)**	**(3.9)**	**(3.9)**
Foreign exchange (gain) loss	(0.0)	0.5	0.4	0.1	0.0	0.0	0.0	0.1	0.1	0.3	(0.0)	(0.2)	(0.2)	0.5	0.0	0.0	0.0	0.0	0.0
Loss (gain) on disposal of equipment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest income	(0.0)	(0.1)	(0.6)	(0.4)	(0.4)	(0.4)	(0.4)	(0.0)	(0.1)	(0.2)	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Accretion and amortization - long term debt	0.0	0.0	0.7	0.9	0.0	0.0	0.0	0.1	0.2	0.2	0.2	0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest expense - long term debt	0.0	0.0	0.9	0.2	0.0	0.0	0.0	0.2	0.2	0.3	0.3	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Earnings (loss) before income taxes	**(3.2)**	**(5.0)**	**(16.3)**	**(17.2)**	**(15.7)**	**(9.5)**	**3.2**	**(2.7)**	**(4.5)**	**(4.7)**	**(4.4)**	**(4.2)**	**(4.1)**	**(4.3)**	**(4.6)**	**(4.0)**	**(4.0)**	**(3.8)**	**(3.8)**
Income tax expense (recovery) - current	0.0	0.1	0.2	0.4	0.0	0.0	0.3	0.0	0.0	0.1	0.1	0.1	0.2	0.1	0.0	0.0	0.0	0.0	0.0
Income tax expense (recovery) - future	(0.1)	(0.1)	(0.1)	(0.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income (loss)	**(3.1)**	**(5.0)**	**(16.4)**	**(17.5)**	**(15.7)**	**(9.5)**	**2.8**	**(2.7)**	**(4.5)**	**(4.7)**	**(4.4)**	**(4.3)**	**(4.2)**	**(4.4)**	**(4.6)**	**(4.0)**	**(4.0)**	**(3.8)**	**(3.8)**
Basic EPS	**($0.07)**	**($0.09)**	**($0.24)**	**($0.19)**	**($0.13)**	**($0.08)**	**$0.02**	**($0.05)**	**($0.08)**	**($0.06)**	**($0.05)**	**($0.05)**	**($0.05)**	**($0.05)**	**($0.04)**	**($0.03)**	**($0.03)**	**($0.03)**	**($0.03)**
FD EPS	**($0.07)**	**($0.09)**	**($0.24)**	**($0.19)**	**($0.13)**	**($0.08)**	**$0.02**	**($0.05)**	**($0.08)**	**($0.06)**	**($0.05)**	**($0.05)**	**($0.05)**	**($0.05)**	**($0.04)**	**($0.03)**	**($0.03)**	**($0.03)**	**($0.03)**
Weighted average basic shares outstanding	41.6	54.5	67.6	94.1	119.4	119.4	119.4	56.2	56.2	74.6	83.0	83.0	83.0	91.0	119.4	119.4	119.4	119.4	119.4
Weighted Average fully diluted shares outstanding	41.6	54.5	67.6	94.1	119.4	119.4	119.4	56.2	56.2	74.6	83.0	83.0	83.0	91.0	119.4	119.4	119.4	119.4	119.4
Depreciation and Amortization	1.1	0.8	1.8	1.7	0.8	1.0	1.0	0.3	0.6	0.4	0.4	1.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2
EBITDA	**(2.2)**	**(3.8)**	**(12.9)**	**(14.7)**	**(15.3)**	**(8.9)**	**3.7**	**(2.0)**	**(3.4)**	**(3.7)**	**(3.8)**	**(2.4)**	**(4.1)**	**(3.7)**	**(4.5)**	**(3.9)**	**(3.9)**	**(3.7)**	**(3.7)**
Margin Analysis/Forecast Assumptions:																			
Engineering Services q/q change								-15.9%	5.3%	-8.4%	12.2%	2.0%	0.3%	0.0%	-16.6%	7.1%	8.9%	9.2%	5.6%
Mobile Products Group q/q change															66.7%	268.0%	14.1%	5.7%	29.0%
Q/Q revenue growth								**-15.9%**	**5.3%**	**-8.4%**	**12.2%**	**2.0%**	**0.3%**	**1.5%**	**-15.4%**	**14.7%**	**9.4%**	**8.8%**	**7.8%**
Engineering Services y/y change		15.6%	6.4%	3.4%	5.7%	25.0%	16.1%	-15.9%	5.3%	-8.4%	12.2%	2.0%	0.3%	0.0%	-16.6%	7.1%	8.9%	9.2%	5.6%
Mobile Products Group y/y change					*1028.0%*	*321.7%*	*156.8%*											*640.0%*	*472.8%*
Y/Y revenue growth	**9.3%**	**15.6%**	**6.4%**	**4.5%**	**16.2%**	**54.5%**	**54.3%**	**23.5%**	**15.1%**	**2.6%**	**-9.0%**	**10.3%**	**5.1%**	**16.5%**	**-12.2%**	**-1.2%**	**7.7%**	**15.5%**	**47.2%**
Gross margin %	44.6%	48.2%	39.3%	48.9%	51.2%	57.4%	64.8%	41.4%	33.6%	35.2%	46.7%	46.1%	49.3%	51.8%	48.2%	50.6%	51.4%	51.0%	51.7%
Administration (as % of sales)	20.9%	23.9%	29.0%	26.9%	25.2%	18.1%	12.4%	30.5%	28.4%	27.6%	29.4%	22.4%	28.0%	27.7%	30.1%	27.2%	25.8%	24.6%	23.6%
Marketing & sales	20.1%	17.2%	18.5%	33.4%	33.5%	22.3%	15.4%	17.7%	18.4%	20.5%	17.6%	26.5%	33.7%	33.9%	40.5%	37.3%	36.9%	31.3%	29.8%
Research & development	11.1%	23.1%	58.8%	62.7%	53.0%	34.3%	22.2%	36.2%	55.4%	68.2%	74.7%	59.3%	65.6%	57.8%	69.4%	60.5%	55.3%	50.8%	47.1%
Operating expenses (as % of sales)	66.1%	74.6%	118.3%	133.3%	122.2%	85.7%	59.7%	93.8%	117.5%	129.7%	131.5%	115.7%	135.7%	128.3%	156.9%	134.1%	126.5%	117.5%	113.6%
EBITDA margin	-14.3%	-21.7%	-69.3%	-75.6%	-67.4%	-25.5%	6.9%	-44.8%	-70.5%	-84.9%	-76.8%	-47.6%	-82.2%	-72.5%	-104.1%	-79.5%	-71.4%	-63.1%	-58.7%
EBIT margin (excl. one-time items)	-21.5%	-26.4%	-79.0%	-84.4%	-71.0%	-28.3%	5.1%	-52.5%	-83.9%	-94.5%	-84.8%	-69.6%	-86.4%	-76.5%	-108.7%	-83.5%	-75.1%	-66.5%	-61.9%
Effective tax rate	4.2%	0.3%	-0.8%	-1.5%	0.0%	0.0%	10.5%	0.1%	-0.8%	-1.0%	-1.2%	-1.4%	-3.1%	-1.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Net margin	-20.4%	-28.4%	-87.9%	-89.7%	-69.2%	-27.1%	5.2%	-60.0%	-94.5%	-107.2%	-90.0%	-84.8%	-84.3%	-85.7%	-106.4%	-81.5%	-73.3%	-64.8%	-60.3%

Source: Company reports, RJ Research estimates and analysis

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