Dialight plc
AGM
13 May 2009
2008 Highlights

- Turnover increased by 23% to £77.8m (2007: £63.4m)
- Signals/Illumination showing good revenue growth
- Operating profit up by 37% to £5.3m (2007: £3.8m)
- Profit before tax up by 26% to £5.6m (2007: £4.5m)
- Basic EPS of 11.2p (2007: 8.8p)
- Strong cash generation
- Net cash £4.1m – no debt
- Full Year Dividend increased to 6p
Current Trading 2009

- LED Indication stabilised
- Signals/Illumination less affected by current market conditions
- YTD volumes down modestly but value up for S/I
- Europe more adversely affected than North America
- Strong prospects for White Strobe
- Staffing levels significantly reduced
- Outlook unchanged for full year
## Financial Highlights

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2007*</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>£77.9m</td>
<td>£67.6m</td>
<td>15%</td>
</tr>
<tr>
<td>Signals/Illumination</td>
<td>£43.4m</td>
<td>£36.0m</td>
<td>21%</td>
</tr>
<tr>
<td>Electromagnetic components</td>
<td>£15.1m</td>
<td>£11.0m</td>
<td>37%</td>
</tr>
<tr>
<td>Indication business</td>
<td>£19.4m</td>
<td>£20.6m</td>
<td>(6)%</td>
</tr>
</tbody>
</table>

* Restated to 2008 exchange rates
Indication Components

- Good quality earnings
- Business fundamentals unchanged
- Last four months of trading down 35%
- Business stabilised
Electromagnetic Components

- Sales up 37% on 2007
- Continued business with three major AMI customers
- Looking to expand customer base
- Market continues to adopt
### Signals/Illumination - Revenue

<table>
<thead>
<tr>
<th>Category</th>
<th>2008</th>
<th>2007*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>£43.4m</td>
<td>£36.0m</td>
</tr>
<tr>
<td>Traffic</td>
<td>£24.4m</td>
<td>£20.5m</td>
</tr>
<tr>
<td>Obstruction</td>
<td>£4.6m</td>
<td>£3.1m</td>
</tr>
<tr>
<td>Transportation</td>
<td>£8.3m</td>
<td>£7.9m</td>
</tr>
<tr>
<td>Lighting</td>
<td>£6.1m</td>
<td>£4.5m</td>
</tr>
</tbody>
</table>

* Restated to 2008 exchange rates
Traffic up 31% on 2007 (20% constant currency)
Both Europe and US showing growth
First significant sales to UK
Improved margins in both geographies
Some major contracts in the US
Potential to use channel for lighting sales – bridges, tunnels, roadway signs
 Signals - Obstruction

- 56% year on year growth (47% at constant currency)
- Sales of Red Beacons driven by US Wind Turbine Market
- Latest White Strobe half the size, half the weight
  Initial shipments made to major cell tower operators covering more than 60% of the market
  More than three hundred units shipped
- Strong growth expected with accelerated adoption
35% Growth in 2008 (25% at constant currency)
Growth driven by continued government spending on Transit Buses
Enhanced penetration of Military Vehicle Market as LED lights become standard
Illumination - White Lighting

- 37% Lighting growth in 2008 (34% at constant currency)
- Sales of initial Safesite product to many flagship customers
- Product in evaluation/first use by Centrica, Rio Tinto, Valero, Henkels, etc
- Over 1200 hundred units sold
- Payback in less than two years
- Agreement signed with Gexpro in the US for distribution
- Retrofitted major bridge in New Jersey – replaced 5000 feet of fluorescents for 10 times life improvement
### How do LEDs compare to the competition?

<table>
<thead>
<tr>
<th>Type</th>
<th>Efficiency lm/W</th>
<th>Life - hours x1000</th>
<th>Cost Per Lumen $</th>
<th>Colour Rendering Ra</th>
</tr>
</thead>
<tbody>
<tr>
<td>High Pressure Sodium</td>
<td>60 - 120</td>
<td>10 - 20</td>
<td>0.0004</td>
<td>30</td>
</tr>
<tr>
<td>Ceramic Metal Halide</td>
<td>60 - 100</td>
<td>6 - 12</td>
<td>0.0010</td>
<td>70 - 95</td>
</tr>
<tr>
<td>Fluorescent</td>
<td>40 - 100</td>
<td>6 - 45</td>
<td>0.0005</td>
<td>60 - 90</td>
</tr>
<tr>
<td>Halogen &amp; Tungsten</td>
<td>8 - 22</td>
<td>2 - 10</td>
<td>0.0002</td>
<td>100</td>
</tr>
<tr>
<td>Cool white LED 6000k</td>
<td>60 - 100</td>
<td>50</td>
<td>0.02</td>
<td>70</td>
</tr>
<tr>
<td>Warm white LED 3000k</td>
<td>20 - 50</td>
<td>50</td>
<td>0.04</td>
<td>75 - 90</td>
</tr>
</tbody>
</table>
So why LED White Lighting?

- Superior optics reduce light pollution and give a more efficient FIXTURE
- Safesite 150, 90 watts replaces Metal Halide 150 watts
- Safesite 250, 100 watts replaces High Pressure Sodium 250 watts
Inefficient Light Fixture
Energy “wasted” by lighting
So why LED White Lighting?

- Dialight LED Light Fixtures are shock and vibration proof
- Guaranteed 5 year life in the most rigorous environments
- Reduced maintenance and improved safety
So why White LED Lighting?

- LED lights like to be turned on and off
- LED lights are instant on and off
- LED lights can be easily turned down
- This adds to energy saving
24/7 lighting is a waste
Stimulus Package

- $3.2Bn for Energy Efficiency including Traffic Lights and Street Lights with LEDs
- $6Bn Loan Guarantees for renewable energy
- $4.5Bn Improved Energy Efficiency in Federal Buildings
- $4.2Bn Dept of Defense improved Energy Efficiency
- $27.5Bn highway investments including traffic signal upgrades.
- $4.5Bn for Smart grid activities including electricity meters
Prospects

- Signals/Illumination positioned for continued growth building on 47% growth since 2005
- Continued investment in Sales and Engineering for S/I
- Meter Disconnect well placed for AMI implementation
- LED Indication continued reduced activity level until market returns but still profitable
- Staffing and Expenses reduction in line with market downturn
- Company continues to perform robustly