



Dialight plc
AGM
20th April 2011

- Profit before tax of £11.3m (2009: £5.3m)
- Full year Revenues grew 28.3% to £99.2m (2009: £77.3m)
- Signals/Illumination segment revenues increased to £61.1m (2009: £46.4m)
- Lighting sales more than doubled to £11.6m (2009: £5.5m)
- Two international initiatives completed
- Strong operating cash flow leading to net cash of £10.4m (2009: £9.1m)
- Final dividend of 5.2 pence (2009 Second Interim: 4.3 pence)

	2010 £m	2009 £m	2008 £m	2007 £m	2006 £m
Turnover	99.2	77.3	77.9	63.4	52.3
Profit before tax	11.3	5.3	5.6	4.5	5.8
Operating Cash flow	15.1	11.0	6.0	5.8	2.2
Net Cash	10.4	9.1	4.1	4.4	2.2
Shareholders Funds	46.2	40.1	37.5	30.8	29.7
Return on Sales %	11.4	6.9	7.2	7.1	11.1
Return on Capital % (Exc Cash)	31.6	17.1	17.7	17.0	21.1



Revenues

	2010	2009
Revenue	£99.2m	£77.3m
Signals/Illumination	£61.1m	£46.4m
Electromagnetic Components	£14.6m	£13.3m
LED Indication Components	£23.5m	£17.6m



Contribution Margins

	2010	2009
Signals/Illumination	42.2%	38.8%
Electromagnetic Components	17.2%	23.8%
LED Indication Components	52.9%	52.7%

LED Indication Components

- Niche with over 15,000 customers – strong profit and cash generator
- Revenues increase over 33% versus 2009
- Strong growth in H1 with consequent inventory build up
- Slower H2 as predicted
- Fundamentals of the business unchanged
- Margins good
- Expect flat performance in 2011 with sales to rise or fall with the general market

- Revenues up £1.3m versus 2009 with growth coming from US smart meter manufacturers selling to US utilities
- New contract win expected to drive higher future growth with 100m US homes still to adopt smart meters
- Rest of the world is also moving towards mass conversion to smart metering
- Prospects for Disconnect still promising but on thin margins and lumpy by nature



Signals/Illumination

- Traffic
- Obstruction
- Transportation
- Lighting



Signals / Illumination Five Year History

	2010 £m	2009 £m	2008 £m	2007 £m	2006 £m
Turnover	61.1	46.4	43.3	33.4	28.6
Operating Profit	8.7	3.3	1.7	0.1	(0.5)
Return on Sales %	14.2	7.1	3.9	0.3	n/a
% of Group Profit	77.7	62.2	30.4	2.2	n/a



Signals/Illumination Revenue

	2010	2009
Revenue:	£61.1m	£46.4m
Traffic	£27.4m	£23.6m
Obstruction	£12.3m	£7.0m
Transportation	£9.8m	£10.2m
Lighting	£11.6m	£5.5m

- Dialight is the world's largest manufacturer of LED Traffic Lights
- European traffic up 34% with strong performance both in the UK and the rest of Western Europe
- US Traffic up 9% in spite of no large projects
- Margins improved
- Some interest in street lights from customers in both US and Europe

Obstruction Lighting



Dialight

Global Markets Served



Telecom Markets

- Cellular
- Private Microwave networks
- Private Pager networks



Utilities

- Stacks, Chimneys & Cooling Towers
- Catenary Systems



Wind Markets

- Onshore
- Offshore



Marine

- Offshore Platforms
- Fixed & Seasonal Aids



Broadcast Market

- 500-2,200 Ft. Towers



Tall Structures

- Buildings
- Bridges
- Cranes



Signals - Obstruction

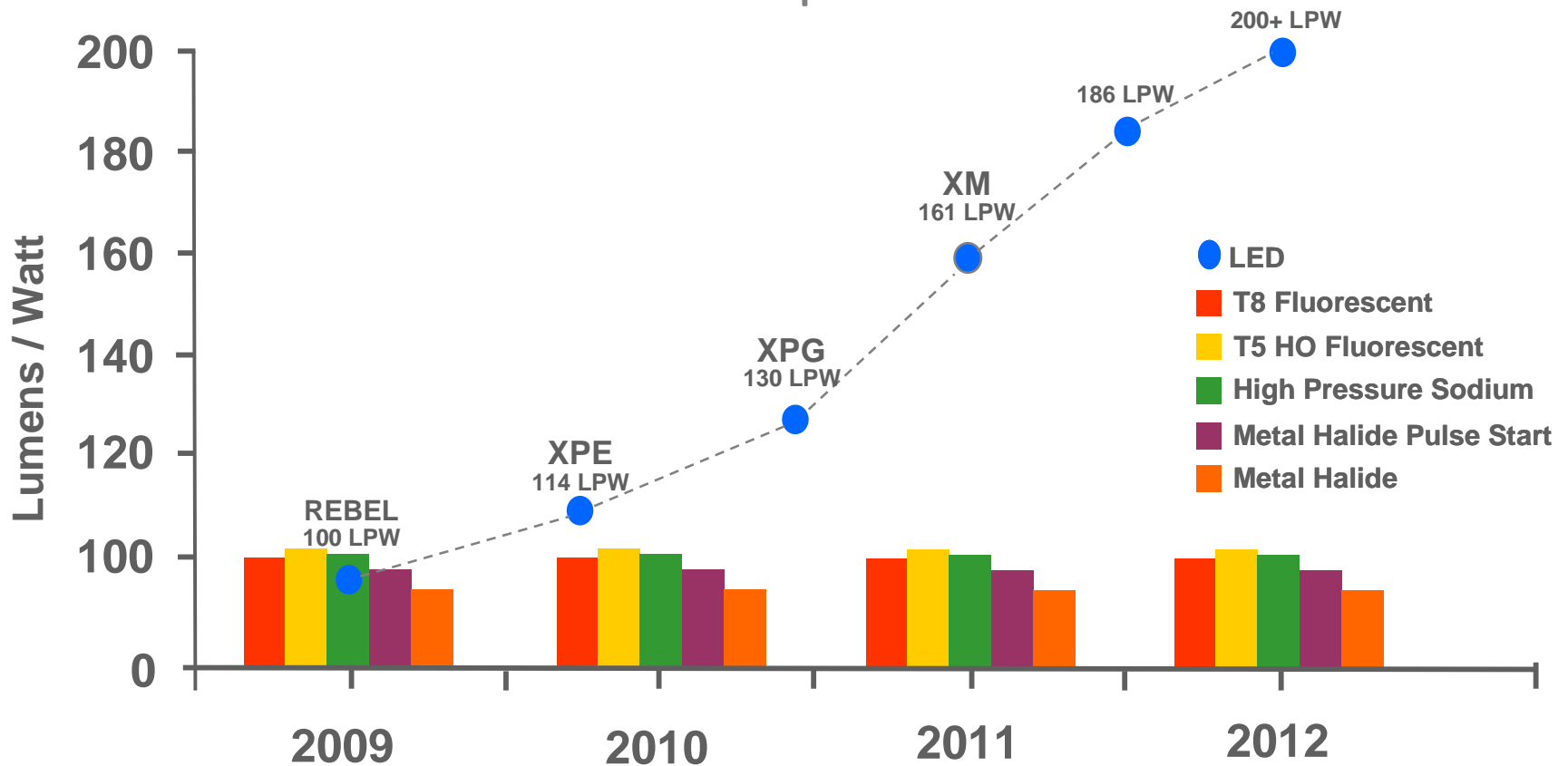
- Dialight is the world leader in LED based Obstruction Lighting
- 76% year on year growth – 50% excluding BTI acquisition
- Margin improvement driven by new Beacon and Strobe designs
- More than 2400 White Strobes supplied to US Cell Tower market in 2010 – 76000 to go!
- Sales to 8 of the top 10 tower operators in 2010
- Acquisition of BTI to address European Offshore Wind Market

- Dialight is first to market with LED based lighting for Hazardous and Industrial applications
- Revenues up over 100%
- 20,000 Industrial White Lights shipped
- High Bay Light major success
- Winner of Techmark and Elektra awards
- Sales to over 300 customers in 2010
- Pipeline of new/improved products
- 2011 starting strongly

- Cree, Philips and Nichia all supplying high performance devices
- Typical lumens/watt 135
- Device output possible to 235 lumens
- LED cost per fixture reduced by 50% in the year
- More LED suppliers entering the market

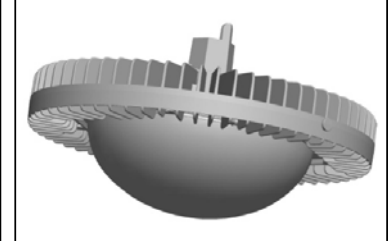
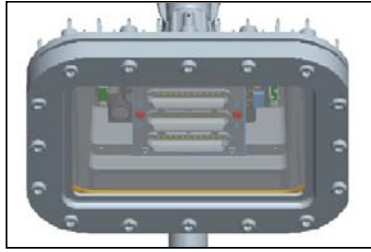
Evolution of Energy Efficient Lighting

Lumens per watt

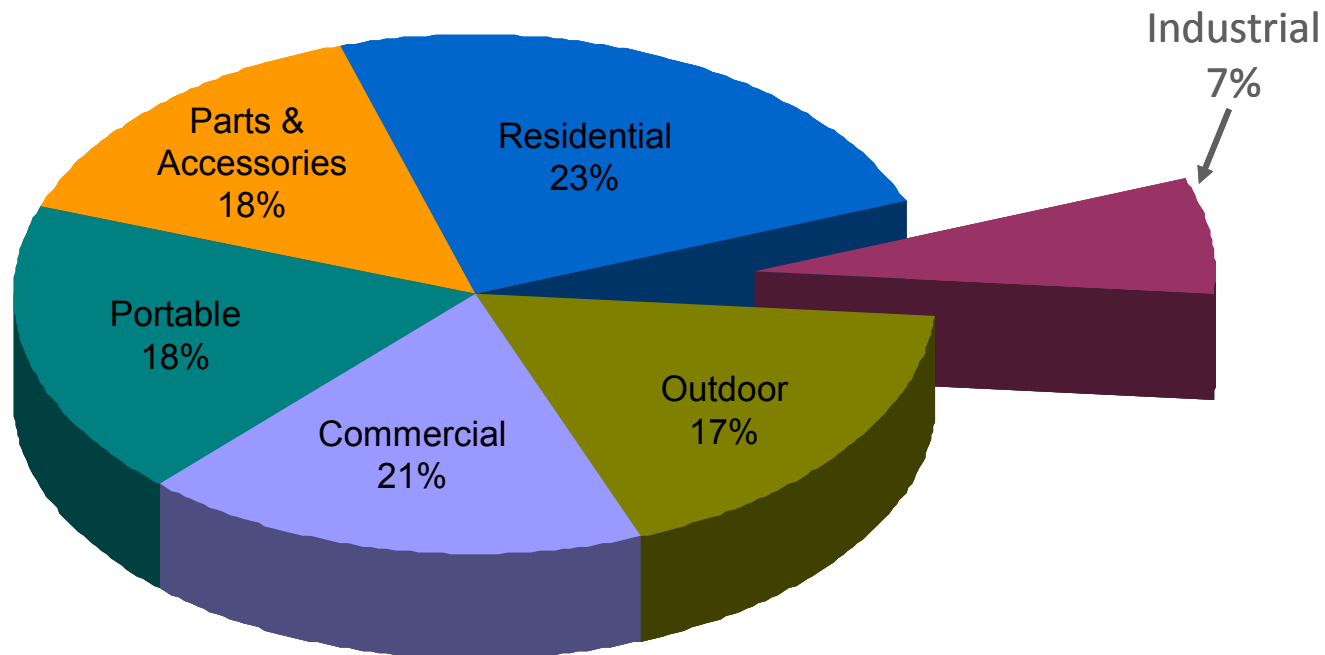


- More lumens/watt means
 1. Less LEDs
 2. Less power
 3. Less heat
 4. Smaller power supply
 5. Less thermal management
 6. More applications for our products....
 7. Constant development –constant change!

...lots of new opportunities!

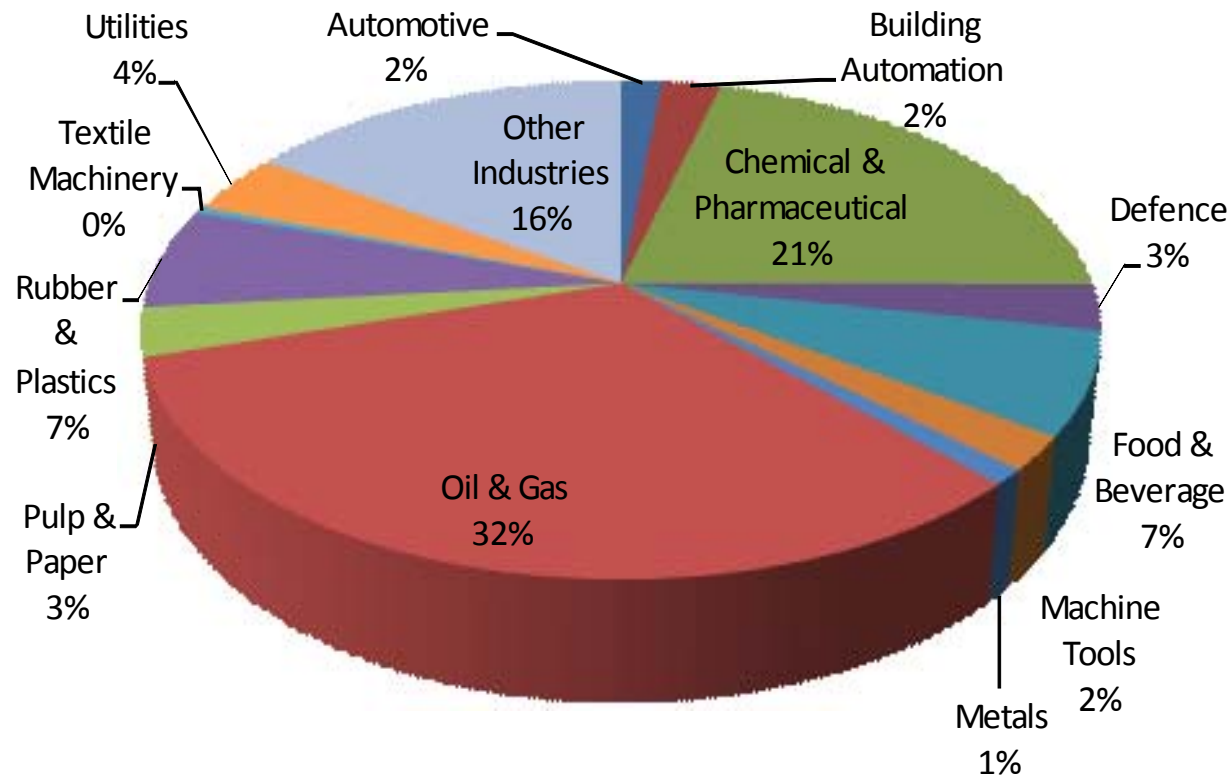


2010 Global Projection: \$75 billion



2010 Global Industrial Sales: \$5.25 billion

Source: Freedonia / IMS



2010 Estimated Global Sales: \$900+ Million
Growth projections 7%+ CAGR 2011 - 2015

Source: Freedonia



Americas – Markets Currently Served

Industrial Hazardous Markets

- Oil & Gas
- Pipelines
- Petrochemical & Chemical
- Pharmaceuticals
- Mining (Surface)
- Waste Treatment
- Pulp & Paper
- Food Processing

Public Infrastructure

- Military
- Government–Federal/Municipal
- Prisons

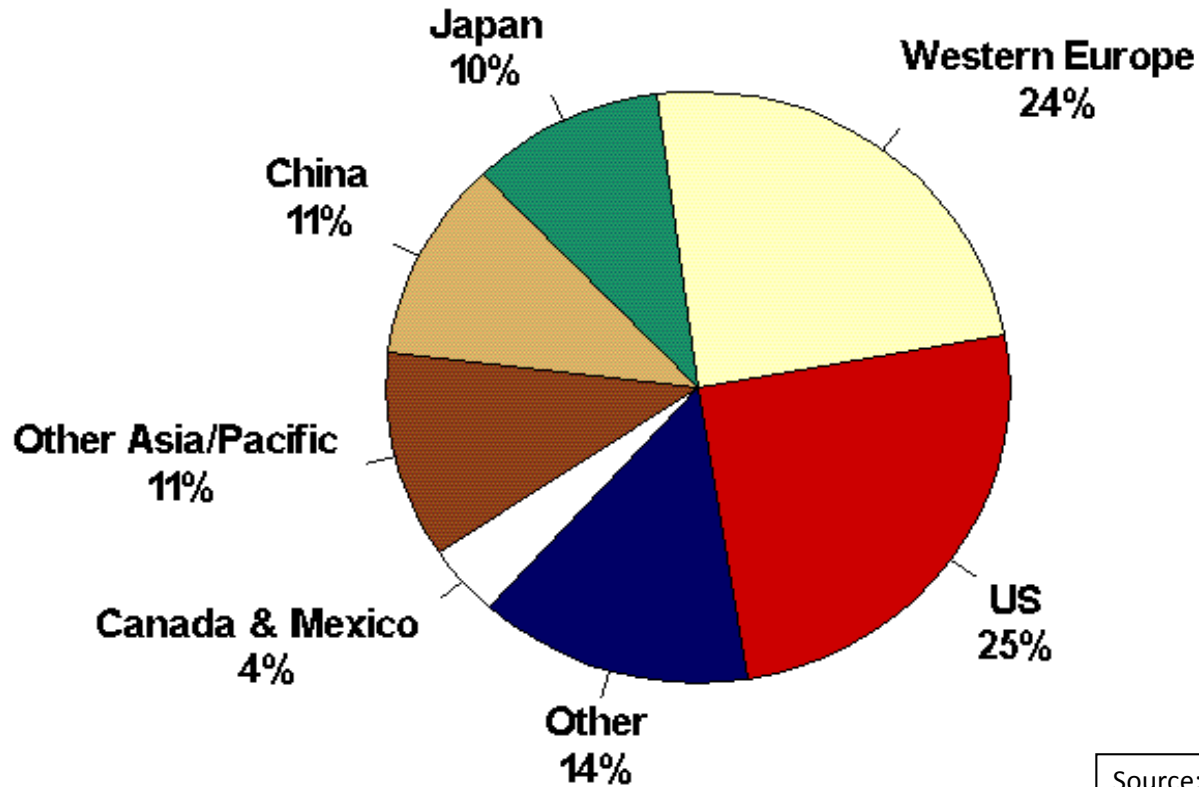
Industrial Markets

- Water Treatment
- Power Plants & Utilities
- Manufacturing
- Automotive Facilities
- Freezers, Cold Storage
- Food Processing
- Specialty – Nuclear

Other Markets

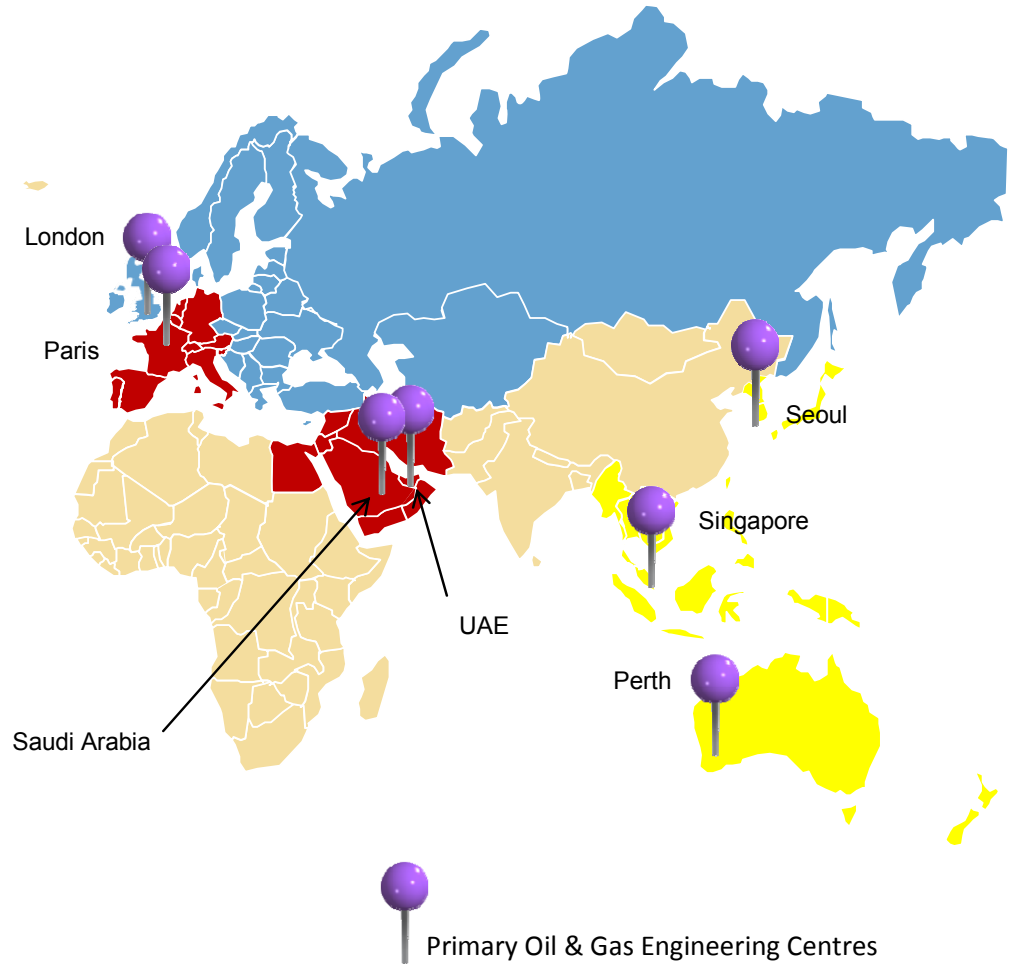
- Warehousing

World Lighting Demand by Region



- Majority of Industrial Lighting sales in 2010 were in North America
- H2 2010 invested in R & D Centre in UK to address IEC Specifications
- Sales Managers now in UK, Germany, France, Dubai, Singapore, Australia
- Recruitment planned for Korea, Japan ,Eastern Europe

Primary Oil & Gas Activity



Dialight



Dialight



Dialight



Dialight



Dialight



Dialight



- Signals/Illumination positioned for continued growth with stronger margins
- Improved LED efficiency and cost is moving the adoption point
- Pipeline of new and improved White Lighting products
- Continued reengineering and cost reduction
- Executive confident in further Revenue Growth and Profitability



Challenging the status quo in the Lighting Industry!