

Results for Year ended 30 September 2012



The touch solution for all environments



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PCT™ Example Applications



ATM's



Freestyle®



Payment Terminals



Door Entry System



POI Unit



Cooktop



Interactive Vending



Interactive Bus Stop

Overview

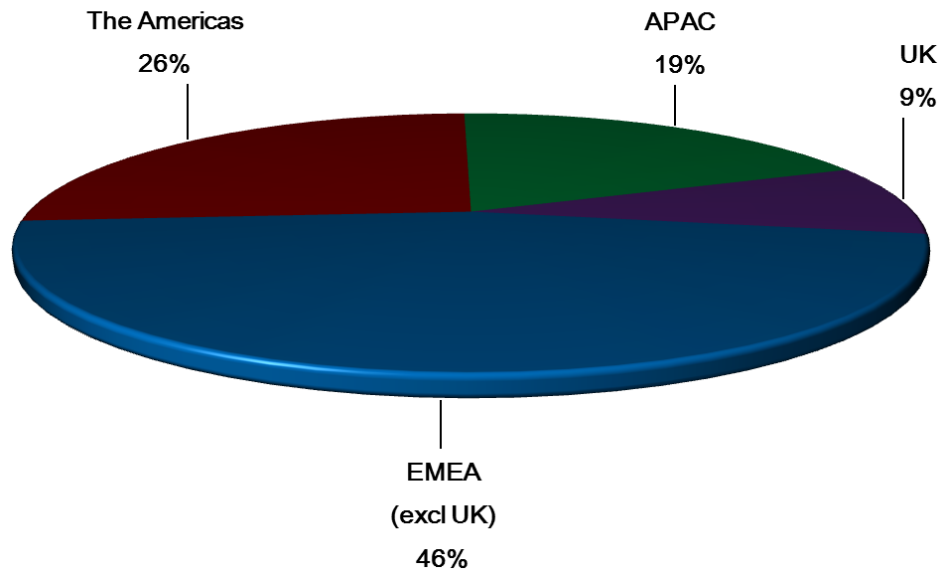
	Year ended 30 September	
	2012	2011
Revenue	£20.4m	£20.5m
Gross Profit	£7.4m	£6.9m
Gross Profit Margin	36.3%	33.7%
Profit before taxation	£4.2m	£3.6m
EPS	22.2p	18.3p
Total dividends for year	8.5p	7.7p

- Touch revenues account for 71% of sales
- Gross profit margin improved to 36.3%
- PBT increased 18% to £4.2m
- EPS increased 21% to 22.2p
- Total dividends for year increased by 10% to 8.5p
- Significant development of novel mutual projected capacitive technology (“MPCT”)

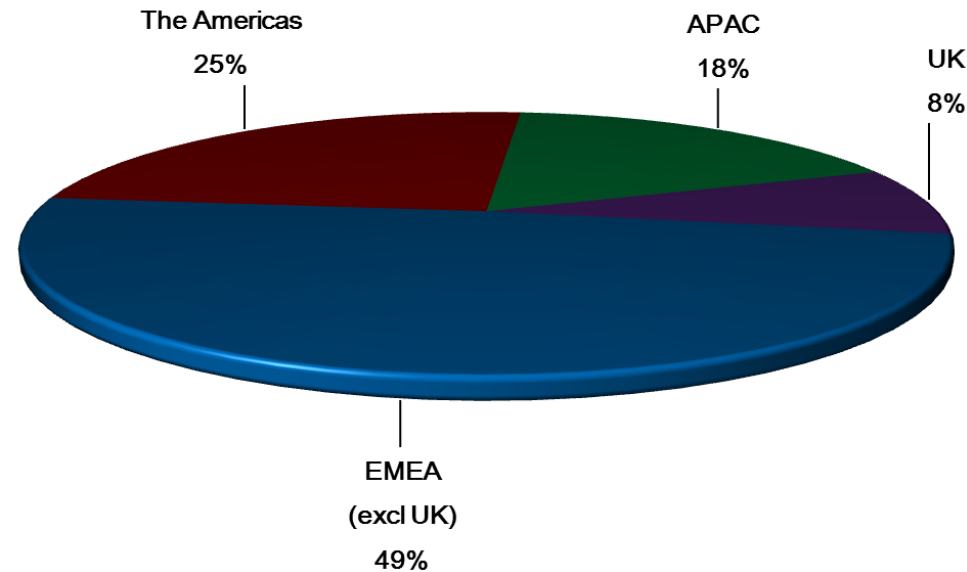
Revenue

- Total Revenue:
 - £20.4m (2011: £20.5m)
 - 91% exported (2011: 92%)
 - 10% growth in APAC, The Americas and UK offsets 6% reduction in EMEA

Regional Sales 2012

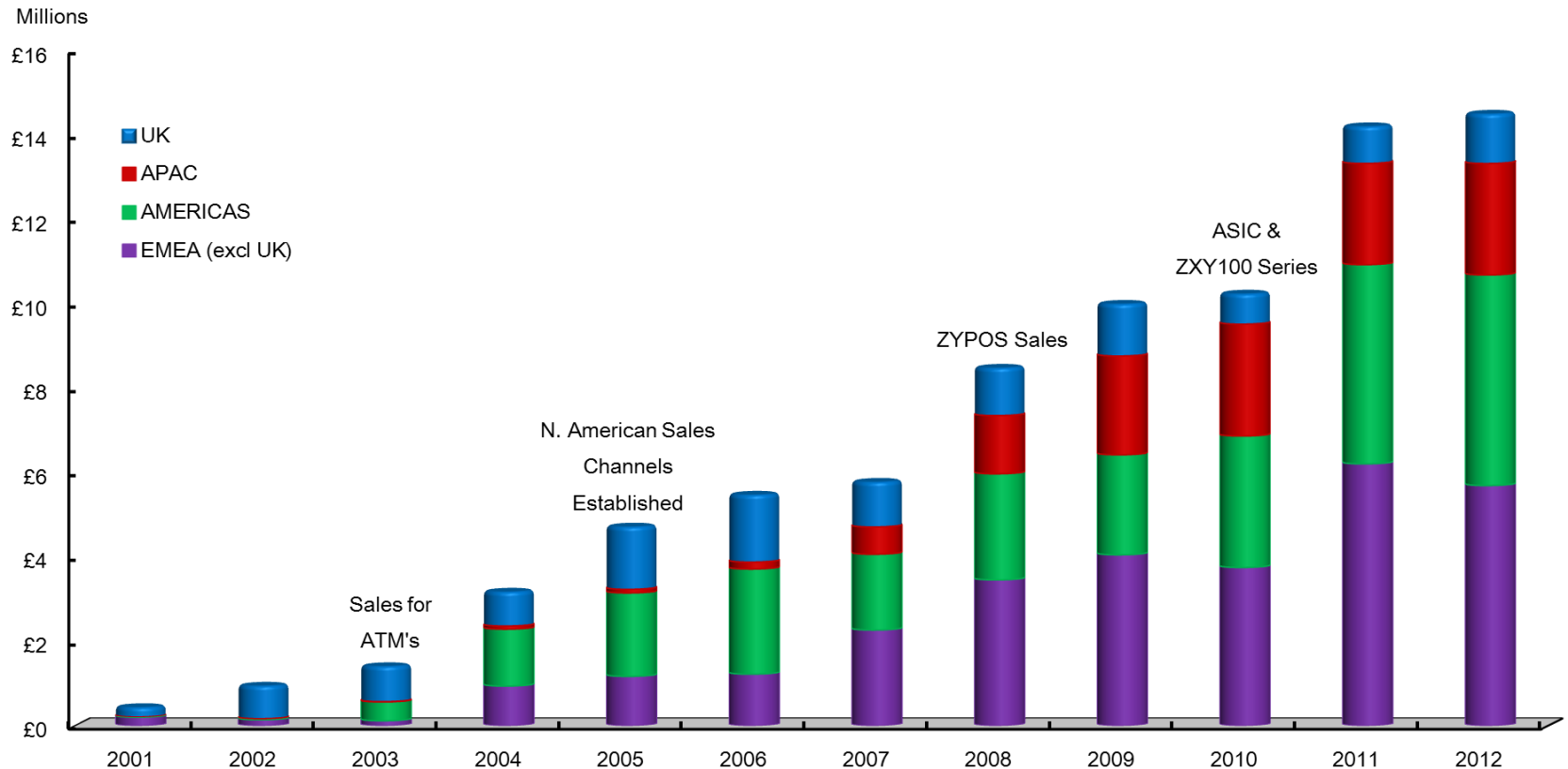


Regional Sales 2011



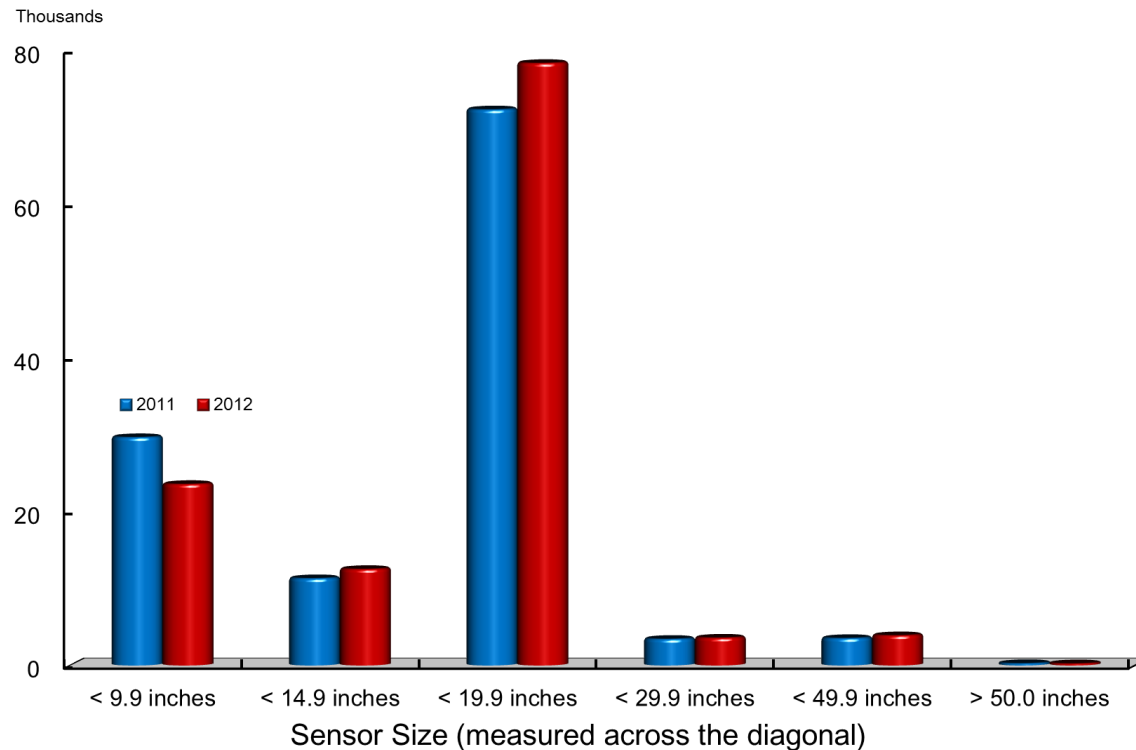
PCT™ Revenue

- Touch Product Revenue:
 - £14.5m (2011: £14.2m)
 - 71% of total sales (2011: 70%)
 - 92% exported (2011: 94%)
 - 10% growth in APAC, The Americas and UK, 8% reduction in EMEA



PCT™ Sensor Unit Sales by Size

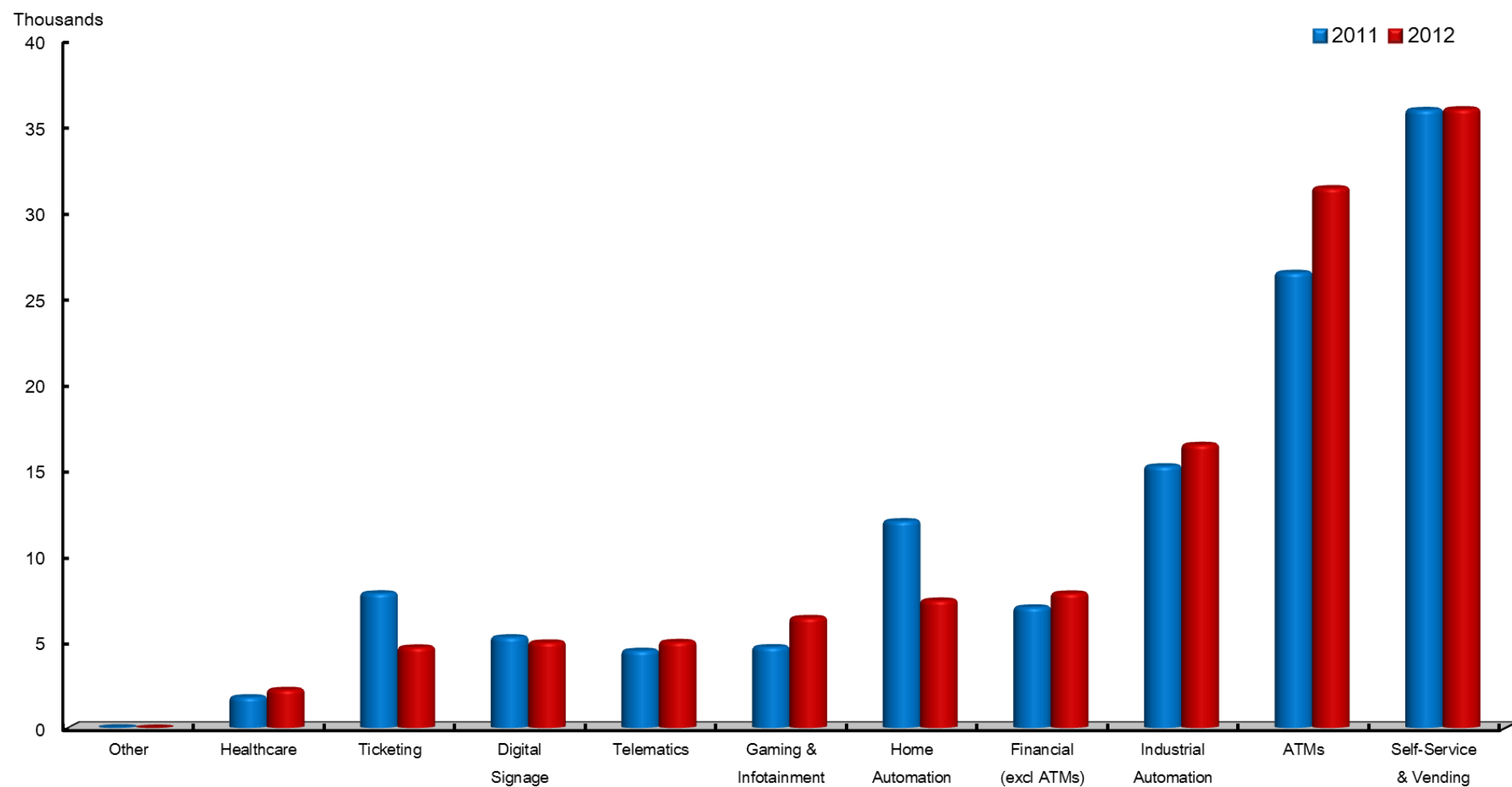
- 123,000 units in 2012 (2011: 121,000)
 - <9.9 inches
 - 21% reduction
 - >15.0 inches
 - 70% of total volume in 2012
 - 8% increase over 2011
 - Better margin as sensor size increases



PCT™ Sales by Application Groups

- Self-Service & Vending
 - Largest application area by volume, second by revenue
 - Freestyle™ volumes constant in H1 and H2
 - Initial deployments in UK and Japan
- ATM
 - Largest application grouping by revenue
 - ATM unit demand increased by 19%
 - 21% in EMEA, 17% in APAC and 11% in The Americas
- Gaming
 - Unit demand increased by 36%, continues to show recovery from low in 2010
 - Australian Wagering terminals were largest driver in 2012
- Ticketing
 - Delays in infrastructure projects in Europe affected H2 volumes
- Home Automation
 - BSH volumes in line with expectations for high end brand product

PCT™ Volume Sales by Application



Non PCT™ Business

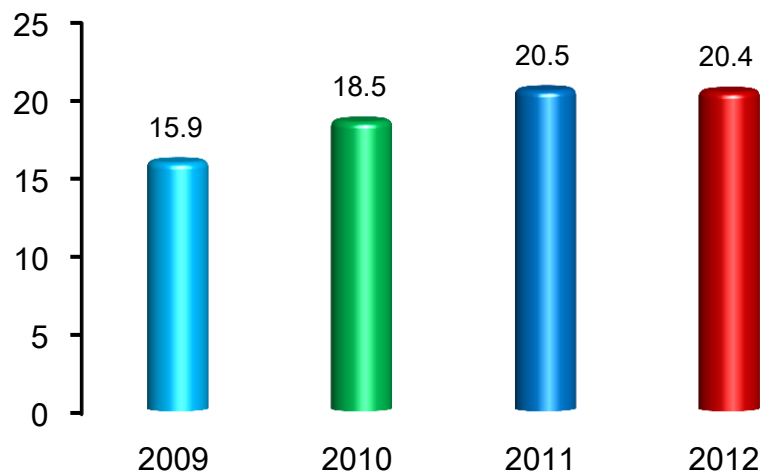
- As expected, sales in these mature products declined by 6%
 - EMEA declined by 3%
 - ATM Displays
 - 4% decrease in global revenue
 - 16% increase in global units supplied
 - 42% reduction in units supplied to China from H1 to H2
 - Other Products
 - 18% reduction in revenue
 - Broadly in line with management's expectations
 - Strategic management of non-core activities in fiscal year
 - Ballistic visor production to cease by the end of December

Business Developments

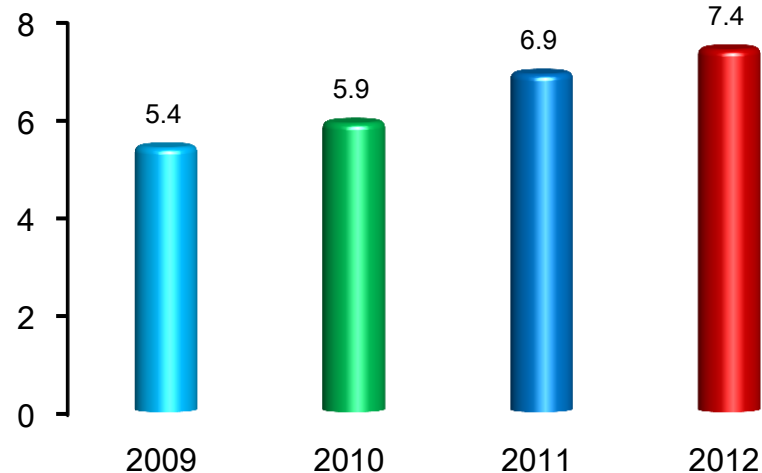
- Main factory cleanroom expanded in H1 2012 by 1,800 sq ft
 - Mirrors size and quality specification of the cleanroom in the ZYPOS facility
- Touch assembly process improvements
 - Addition of high accuracy, camera based, optical alignment systems
- Mutual Projected Capacitive Technology (“MPCT”) touch solutions developed
 - UK patent applications filed in May 2012
 - Showcased in June at SID (Boston) and at Electronica (Munich) in November 2012
 - Prototype sampling provided to Gaming, Digital Signage and Table solution providers
- Gen2 analogue ASIC and ZXY100B controllers re-designs completed
- Software driver improvements for numerous Windows and Linux Operating Systems
- Prototype curved touch products sampled for Gaming applications
- Gained BS EN ISO14001:2004 Environmental Management Systems certification
- Launch of new Zytronic plc investor website, www.zytronicplc.com
- Reconfiguration of original Zytronic website, www.zytronic.co.uk
 - End Application and Customer focus

Key Financial Metrics

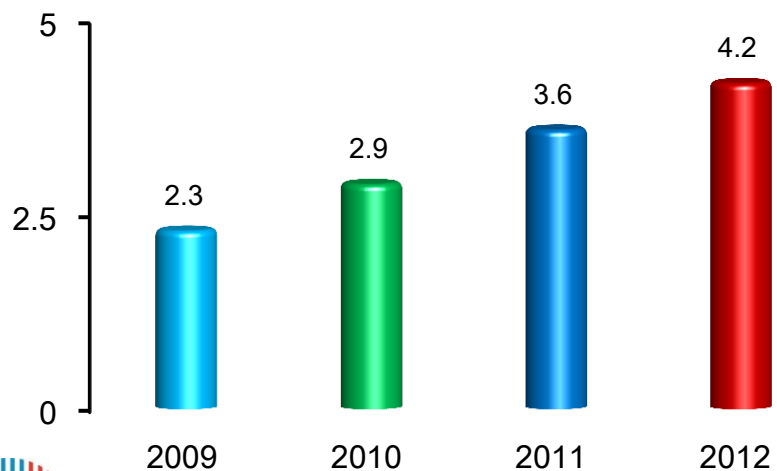
Revenue (£m)



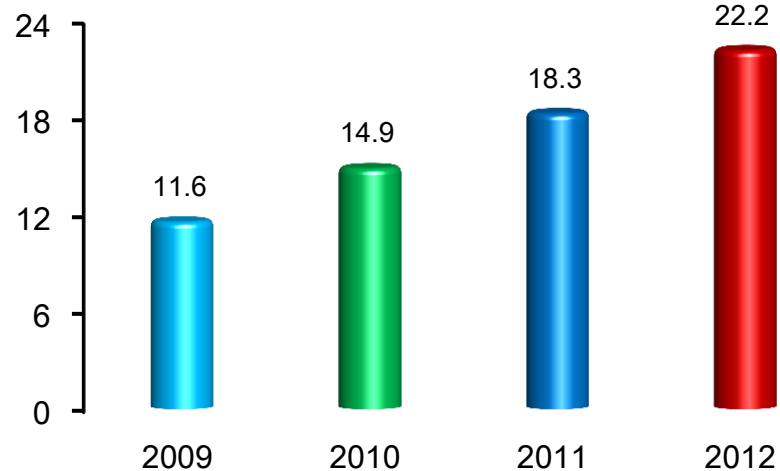
Gross Profit (£m)



Profit Before Tax (£m)



Earnings Per Share (p)



Financial Performance

Income statement

- Group revenue £20.4m (2011: £20.5m)
- Gross profit margin showed significant improvement to 36.3% (2011: 33.7%)
 - Improvement in labour efficiencies across all product groupings
 - Improvement in material usage in touch sensors
 - Increase in volumes of large size touch products
 - Capital investment improving manufacturing processes
- Tight control of Admin expenses; reduced to £3.1m (2011: £3.2m)
- Tax rate continues to decrease; 21% (2011: 24%)
- Dividends
 - Dividends for full year increase of 10% to 8.5p (2011: 7.7p)

Financial Performance (cont'd)

Balance Sheet & Cashflow statements

- Capital Expenditure
 - Tangible & intangible fixed asset additions of £0.8m and £0.2m (2011: £0.5m and £0.3m respectively)
 - Major item – extension and refurbishment of cleanroom
 - Depreciation & amortisation steady at £1.0m

- Cash position and cashflows
 - Net cash at 30 September £4.2m (2011: £2.6m)
 - Increase in working capital of £0.5m (2011: £0.1m)
 - Includes stock increase of £0.7m, further Supplier Managed Inventory programmes
 - Cash generated from operations increased to £4.6m (2011: £4.5m)
 - Taxation paid increased to £1.0m (2011: £0.8m)
 - Proceeds from several exercises of share options £0.3m (2011: £0.0m)
 - Dividend payments increased to £1.2m from £1.0m

- Borrowings
 - Debt of £1.9m under new mortgage from Barclays Bank (2011: £2.1m)
 - Group remains ungeared

Vision, Strategy & Outlook

Vision

- Make PCT™ touch sensor products pre-eminent in those markets and applications requiring medium to ultra-large sized touch interactive systems

Strategy

- Progress shareholder value through the further development of PCT™ and MPCT
- Target focused growth application areas in industrial, public access and vending markets
- Continual expansion of global sales channels

Outlook

- Steady levels of business and good interest in the application of new MPCT
- Substantial projects for major customers under development

Summary

- Growth business with strong management
 - Continued strong financial performance
 - Increased profitability
 - Increased cash generation
 - Increased EPS and dividend
 - Net cash
 - Substantial projects under development
- Progressive business expansion
 - Focused capital investment in R&D and facilities
 - Improved manufacturing flexibility
- Competitive advantages
 - Protected touch sensor IP
 - Successful history of product development
 - Continuing focussed R&D
- MPCT developments
 - Filed UK patent applications
 - Growth opportunities in gaming, digital signage and social interactivity

Appendices

Key Milestone Events

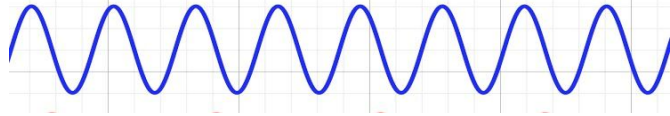
- 2012 Development of Mutual Projected Capacitive Technology (MPCT) touch
- 2011 Announcement of ZYPOS design win for Bosch Siemen's Gaggenau induction cooktop. Investment in additional equipment and cleanroom refurbishment to drive efficiency gains
- 2010 ZXY100 Series controllers and chipset solution to market. Development of new ITO based sensor designs for higher volume applications
- 2009 ZYPOS design wins for Coca-Cola Freestyle™ drinks dispensing machine and Aristocrat Indago™ gambling equipment
- 2008 ZYPOS manufacturing facility operational. Begin electronics development programme of ASIC and ARM® processor for new touch controller
- 2006 ZYPOS® development started. Acquisition of new building for future ZYPOS manufacturing
- 2005 ZYTOUCH design wins for Petrol Pump applications; North American Sales Rep Network introduced, followed by agreements in EMEA and APAC
- 2002 ZYTOUCH design wins for ATM's (2 of the global top 3) and BT Web phone
- 2001 First Commercial PCT based product to market – trade named ZYTOUCH®
- 1999 Technology License signed for PCT™ product development

The Business

Developer and manufacturer of a range of touch display interactive products

- Industry leader in development, design and manufacture of a range of touch sensors for industrial and public access markets
 - Products are based on patent protected projected capacitive technology (PCT™) which offers significant durability, environmental stability and optical enhancement benefits
 - Recently developed new mutual projected capacitive technology (MPCT™) for multi-touch, multi-user applications; patent applications have been submitted
 - Three modern factories totalling 80,000 sq ft
 - State of the art, environmentally controlled clean rooms totalling 10,000 sq ft
- Manufactures a range of complementary non-touch optical display laminates
- Supplies global market place with 90%+ exports

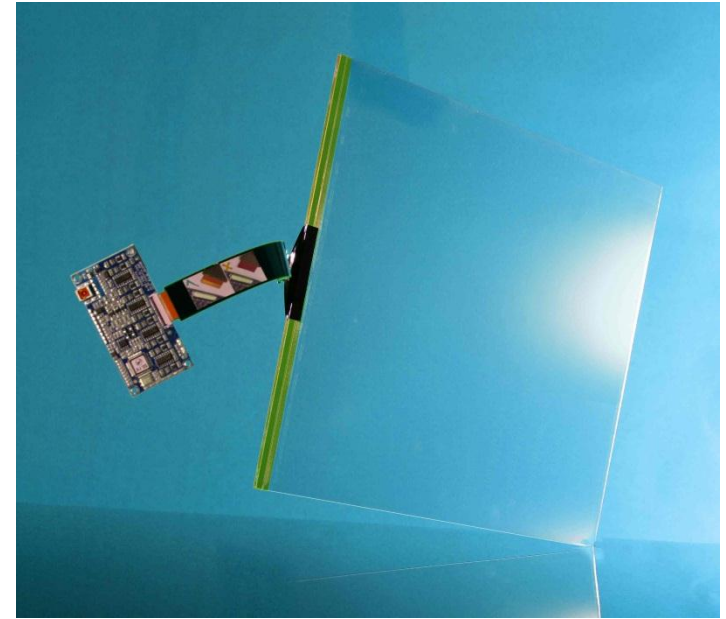
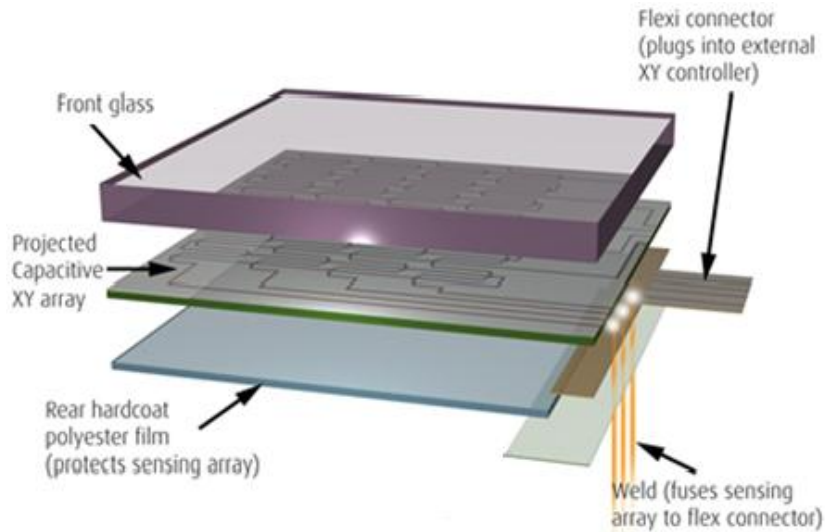
Zytronic's PCT™ Technology



Capacitive electrodes oscillate at a known frequency



Applying a finger due to the body's self-capacitance changes the frequency of oscillation. Measuring the change on an XY array, identifies the 2D touch point.



Saleable sensor and controller

Competition Comparison

- PCT™ products used in industrial and public access markets and not consumer markets
- Competing technologies are Acoustic, Surface Capacitive and Infra-Red touch

	Environmental				Touch				Physical				
	Surface Durability	Vandal Resistance	Dust/Water Resistance	Optical Clarity	Finger or Hand	Gloved Hand Input	Other inputs (pens etc.)	Dual-Touch Capability	Bezel-less Designs	Small Displays (<5")	Medium Displays (6-10")	Large Displays (10-40")	Ultra Large Displays (>42")
Projected Capacitive	Green	Green	Green	Orange	Green	Green	Orange	Orange	Green	Orange	Green	Green	Green
Surface Capacitive	Orange	Orange	Red	Orange	Green	Red	Orange	Red	Red	Green	Green	Orange	Red
Infra-Red	Green	Orange	Orange	Green	Green	Orange	Green	Green	Red	Orange	Orange	Green	Green
Acoustic	Green	Orange	Red	Green	Green	Orange	Red	Orange	Orange	Green	Green	Orange	Red
	GOOD				AVERAGE				POOR				

Routes to Market



Total 32 Reps/VARs covering 37 countries

13 agreements covering Americas

12 agreements covering EMEA

7 agreements covering APAC

New Areas to be investigated over next 2 years are:

Mexico, Malaysia, Egypt and Turkey

Areas under investigation for further expansion are:

USA, China and India

Aristocrat Indago™ Case Study

- PCT™ offers a one-fit solution including bezel-less designs, customisation and durability with embedded sensing with sensor sizes scalable from 6” to 84”
- Empowering solution for the emerging digital signage market with screen sizes > 46”



Indago™ Video Lottery Terminal

Design consultation with ACE Interactive UK, a subsidiary of Aristocrat

2 years from concept to production

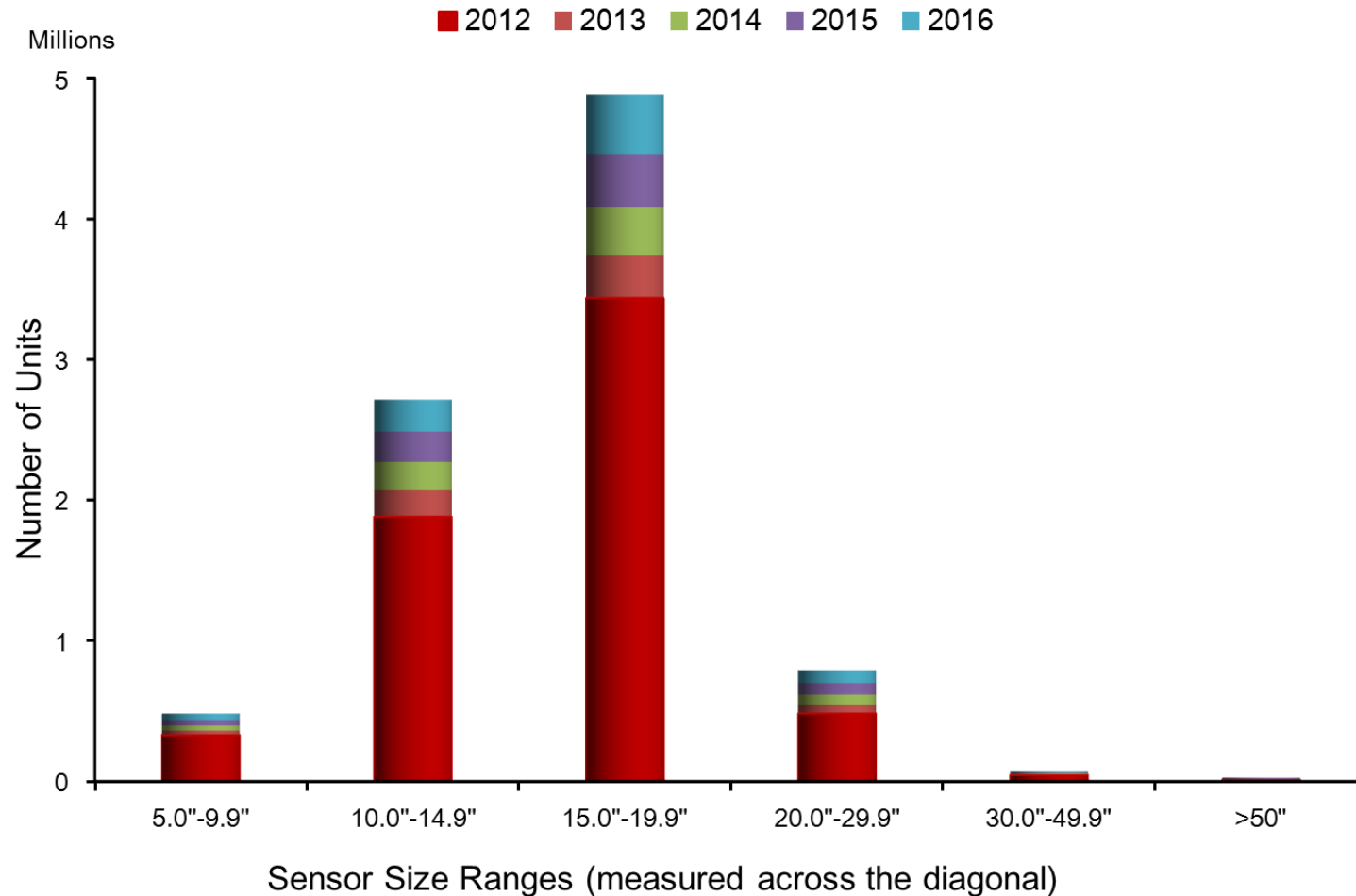
Unique design features achieved:

- Large format single glass design of 37”
- Bezel-less design concept
- Impact resistance – 6mm toughened
- Durability – embedded sensor
- Dual monitor design with only bottom monitor interactive
- Logo and print customisations

Consequently new sensor design wins with Aristocrat USA and Aristocrat Australia

Market Unit Data by Sensor Size

Touch market predicts compound growth for applicable applications and competitive technologies at >13 % until 2016



Target Markets

Vending & Digital Signage

Ultra Large Format, >37"

Our USP's:

- Printable graphics
- Durability



Home Controls & Appliances

Form & function (style)

Our USP's:

- Scratch resistant
- Touch through substrate



Industrial & Medical devices

Increasing acceptance due to iPad effect

Our USP's:

- Full glass face (no bezel)
- Impact resistant/gloved operation



Automotive

Reducing complexity (safety)

Our USP's:

- Curved surfaces
- 'Gesture' recognition



Board Biographies

Chief Executive Officer - Mark Cambridge , B.Sc (Hons)

Mark graduated in 1986 in Materials Science and has a Securities Institute Certificate in Corporate Finance (2003). He has held the positions of Technical & Quality Director, Sales and Marketing Director and is now the Managing Director of Zytronic Displays Limited the operating subsidiary. On 1 June 2007, Mark was appointed to the board of Zytronic Plc. and subsequently to Chief Executive on 21 January 2008.

Finance Director - Denis Gerald Wilson Mullan, B.Sc., FCA

Denis is a former partner in Ernst & Young LLP, specialising in corporate finance. He was based successively in its offices in London, Newcastle upon Tyne and finally Bristol. While based in Ernst & Young's Newcastle upon Tyne office, he led the work on the demerger of Zytronic Displays Limited in June 2000 from the parent company and the subsequent admission to AIM of Zytronic Plc in July 2000. He joined Zytronic in August 2003.

Non-Executive Chairman - Tudor Griffith Davies , B.Sc

Tudor has over twenty years listed company experience as a Director of Castle Support Services plc, Chairman of Dowding & Mills Plc, Chairman of Stratagem plc, Chairman and Chief Executive of Hicking Pentecost Plc, and a Non-Executive Director of Scottish Highland Hotels Plc.

Senior Independent Non-Executive Director - Sir David Robert Macgowan Chapman Bt., DL, B Comm.

Sir David is a former Director of Northern Rock plc, the London Stock Exchange and was a member of the Greenbury Committee on Corporate Governance. Sir David is currently a consultant with UBS Wealth Management (UK) Limited.

Independent Non-Executive Director - David John Buffham

David worked at the Bank of England (the "Bank") for 32 years until 2010. Most recently he was the Bank's Agent for the North East of England for nine years. David is a non-executive director of Newcastle Building Society.