



2007/08 Interim results

Investor Presentation

31 March 2008

---

- This presentation and its enclosures and appendices (the “presentation”) have been prepared by CAP-XX Limited (the “Company”) exclusively for information purposes and does not constitute an offer to sell or a solicitation of an offer to buy any securities. This presentation has not been reviewed or registered with any public authority. This presentation is confidential and may not be reproduced, further distributed to any other person or published, in whole or in part, for any purpose. By viewing this presentation, you agree to be bound by the foregoing restrictions and the other terms of this disclaimer.
- The distribution of this presentation and the offering, subscription, purchase or sale of securities issued by the Company in certain jurisdictions is restricted by law. Persons into whose possession this presentation may come are required by the Company to inform themselves about and to comply with all applicable laws and regulations in force in any jurisdiction in or from which it invests or receives or possesses this presentation and must obtain any consent, approval or permission required under the laws and regulations in force in such jurisdiction, and the Company shall not have any responsibility or liability for these obligations.
- In the United Kingdom, this document is being communicated only to, and must not be passed either directly or indirectly to any person other than, (i) investment professionals within the meaning of Article 19(5) or (ii) persons falling within Article 49 (2)(a) to (d) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (as amended) or other persons to whom this document may otherwise lawfully be intended for distribution (such persons together being referred to as “relevant persons”). In the United Kingdom this document must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.
- The contents of this presentation are not to be construed as legal, business, investment or tax advice. Each recipient should consult with its own legal, business, investment and tax adviser as to legal, business, investment and tax advice.
- Although reasonable care has been taken to ensure that the facts stated in this presentation are accurate and that the opinions expressed are fair and reasonable, the contents of this presentation have not been verified by the Company or any other person. Accordingly, no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information and opinions contained in this presentation, and no reliance should be placed on such information or opinions. Further, the information in this presentation is not complete and may be changed. Neither the Company nor any of its respective directors, officers or employees nor any other person accepts any liability whatsoever for any loss howsoever arising from any use of such information or opinions or otherwise arising in connection with this presentation.
- There may have been changes in matters which affect the Company subsequent to the date of this presentation. Neither the issue nor delivery of this presentation shall under any circumstance create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that the affairs of the Company have not since changed, and the Company does not intend, and does not assume any obligation, to update or correct any information included in this presentation.
- This presentation includes and is based on, among other things, forward-looking information and statements regarding the Company’s strategy, the demand for the Company’s products and the growth and strength of certain target markets. Such forward-looking information and statements are based on the current expectations, estimates and projections of management or assumptions based on information available to the Company. Such forward-looking information and statements reflect current views with respect to future events and are subject to risks, uncertainties and assumptions. The Company cannot give any assurance as to the correctness of such information and statements.
- Operation of the Company involves risk, and several factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by statements and information in this presentation, including, among others, risks or uncertainties associated with the Company’s business, segments, development, growth management, financing, market acceptance and relations with customers, and, more generally, general economic and business conditions, changes in domestic and foreign laws and regulations, taxes, changes in competition and pricing environments, fluctuations in currency exchange rates and interest rates and other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this document. The Company does not intend, and does not assume any obligation, to update or correct the information included in this presentation. The risks and uncertainties relating to the forward-looking statements in this presentation include those described under PART II of the Admission Document filed with the London Stock Exchange in April 2006 (copy available on our website [www.cap-xx.com](http://www.cap-xx.com)).
- This presentation is subject to Australian law, and any dispute arising in respect of this presentation is subject to the exclusive jurisdiction of Australian courts.

- CAP-XX has established a unique technology position
- Executing to previously defined strategy despite challenging environment
- No direct competitors in the mobile phone market
- Secured manufacturing partner
- Reduces financial and execution risk for CAP-XX
- Achieving Mobile Phone design wins remains on track
- Manufacturing Licence will accelerate these design wins

<b>Profit &amp; Loss</b>	<b>2007</b>	<b>2006</b>	<b>Variance</b>	
<b>Half Year ended 31 December</b>			<b>Favourable/</b>	<b>%</b>
<b>\$AUD 000's</b>			<b>(Unfavourable)</b>	
Sales – Units (000's)	826	625	201	32.2%
- ASP	US\$ 2.74	US\$ 2.91	US\$ (0.17)	(5.7)%
- Revenue (USD)	2,264	1,816	448	24.7%
<hr/>				
Sales revenue	2,631	2,384	247	10.4%
Cost of sales	(3,115)	(3,098)	(17)	(0.5)%
Gross loss on sale of goods	(484)	(714)	230	32.2%
Fixed costs & Overheads	(3,977)	(3,992)	15	0.4%
Operating loss from trading	(4,461)	(4,706)	245	5.2%
EBIT	(4,698)	(5,265)	567	10.8%
EBITDA	(4,320)	(4,839)	519	10.7%

Cash Flow Half Year ended 31 December \$AUD 000's	2007	2006	Variance Favourable/ (Unfavourable)
Net cash outflow from operating activities	(4,586)	(3,728)	( 858)
Net capital expenditure	(672)	(1,045)	373
Operating cash flow	<b>(5,258)</b>	<b>(4,773)</b>	<b>(485)</b>
Net proceeds from issuance of shares	65	51	14
<b>Net cash flow</b>	<b>(5,193)</b>	<b>(4,722)</b>	<b>(471)</b>
Opening cash	10,744	20,107	(9,363)
<b>Closing cash</b>	<b>5,551</b>	<b>15,385</b>	<b>(9,834)</b>

Balance Sheet \$AUD 000's	31 December 2007	30 June 2007	Variance Favourable/ (Unfavourable)
Fixed assets (NBV)	3,073	2,779	294
Other non current assets	208	153	55
Working capital	1,208	350	858
Provisions	(667)	(631)	(30)
Total capital employed	3,822	2,651	1,171
<hr/>			
Cash	5,551	10,744	(5,193)
Borrowings			
<hr/>			
<b>Net assets</b>	<b>9,373</b>	<b>13,395</b>	<b>(4,022)</b>

- Committed to high volume mass-production
- Highly trusted brand in component industry
- Joint development of future products
- Initial licensing fee from License partner
- Running royalty from licensing based on sales

- Highly profitable company with a strong brand name and leading global share in electronic components
- Innovation and technology led - products range from innovative materials to modules
- Experienced, leading component supplier to all leading handset manufactures, including Nokia, Motorola, Samsung, SEMC and LG
- Manufacturing know-how to mass produce high quality cost competitive products
- Worldwide sales, marketing and logistics network



- The last 6 month has shown significant progress with the top mobile phone manufactures
- Design wins anticipated within the next 6 months with production starting 1H 2009 and high volume production in 1H
- Manufacturing Licensee has been very positively received by mobile phone manufacturers
- Licensee is recognised as an industry leader in production, cost, quality and logistics which eliminates mobile handset manufacturers concerns in these areas





**Standard N73**  
4 die LED @ 70mA each  
~1W flash power

**Modified N73**  
3 x PWF4 @ 1A each  
optimised lens  
~12W flash power



- 5 leading IC partners have solutions available today for CAP-XX powered high powered LED flash
- The IC partners have completed both development boards and reference designs
- Joint demonstrations with IC partners are being conducted for customers
- Strong progress with other IC companies – further 8 solutions will become available over the next 6-12 month



- The leading LED manufacturers are continuing to increase their efforts in the BriteFlash™ space
- LED manufacturers are building close partnership with IC module providers - they are all working with CAP-XX
- LED based solutions rapidly becoming technology of choice following significant advancements in high powered automotive and environmental applications.

LUMILEDS™  
LIGHT FROM SILICON VALLEY

PHILIPS

OSRAM 

SEOUL 

SEOUL SEMICONDUCTOR

CREE 

Panasonic  
ideas for life

- During the Q1 2008 the first complete module solutions have emerged
- Modules being optimised to meet specific customer requirements for volume production
- Top 5 5 handset manufacturers actively encouraging module companies to produce integrated modules incorporating CAP-XX
- Module adoption price-neutral versus competing technologies

**FOXCONN®**



**STANLEY ELECTRIC CO., LTD.**

**Panasonic**  
ideas for life

**FLEXTRONICS**

**DREAM TECH**





Sony Demo shown to customers at 3GSM

Picture has been taken using:

- CAP-XX flash hardware
- Sony camera module solution which has been prepared for CAP-XX solution

- CAP-XX has established a unique technology position and built a powerful commercial partnership based “ecosystem” with top 5 handset manufacturers and their tier 1 suppliers
- Executing to previously defined strategy despite challenging environment
- Financial and execution risk greatly reduced.
- Manufacturing partner will accelerate design wins
- Many new growth options now available to CAP-XX