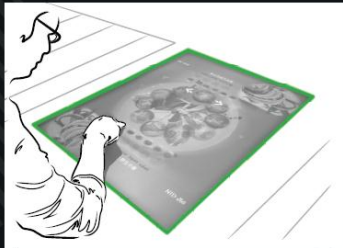


Interim Results

Six months ended 31 March 2012

PCT™ Projected Capacitive touch sensing technology from Zytronic
Designed for self service, public access and industrial applications



Presented by Mark Cambridge, Chief Executive
Denis Mullan, Group Finance Director

Contents

- PCT™ Applications
- H1 Comparison Summary
- Revenue (H1)
- Comparisons of PCT™ H1 Revenue
- PCT™ Sensor Sales by Application
- PCT™ Application Details
- PCT™ Sensor Unit Sales by Size
- Market Unit Data by Sensor Size
- Sales – Non PCT™ Products
- Business Developments
- H1 Key Financial Metrics
- Financial Performance
- Vision & Strategy
- Summary
- Appendices

PCT™ Applications



Cooktop



Video Jukebox



Audio Playback System



Drive-Thru kiosk



Freestyle®



POI Unit



Payment Terminals

H1 Comparison Summary

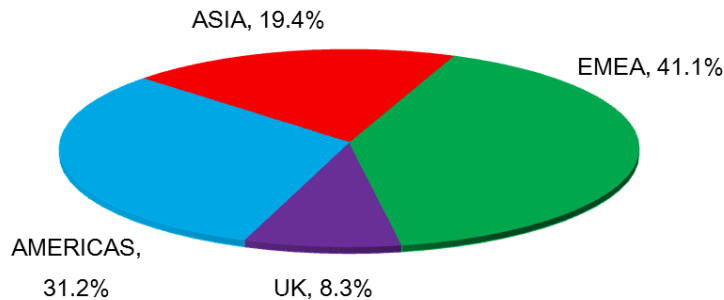
	Half year ended 31 March	
	2012	2011
Revenue	£10.6m	£9.1m
Gross Profit	£3.9m	£2.9m
Gross Profit Margin	36.4%	32.1%
Profit before taxation	£2.1m	£1.3m
EPS	11.1p	6.4p
Interim dividend	2.6p	2.1p

- Revenues increased 17% to £10.6m
- Gross profit margin improved to 36.4%
- PBT increased 68% to £2.1m
- EPS increased 73% to 11.1p
- Interim dividend increased 24% to 2.6p

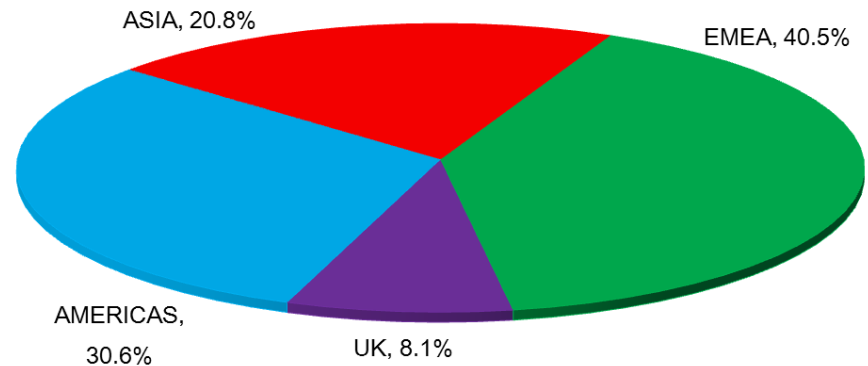
Revenue (H1)

- Total Revenue:
 - Increased 17% to £10.6m (2011: £9.1m)
- Touch Revenue:
 - Increased 23% to £7.4m (2011: £6.0m)
 - Exports of 92%
 - 21% growth in EMEA and Americas and 35% growth in APAC

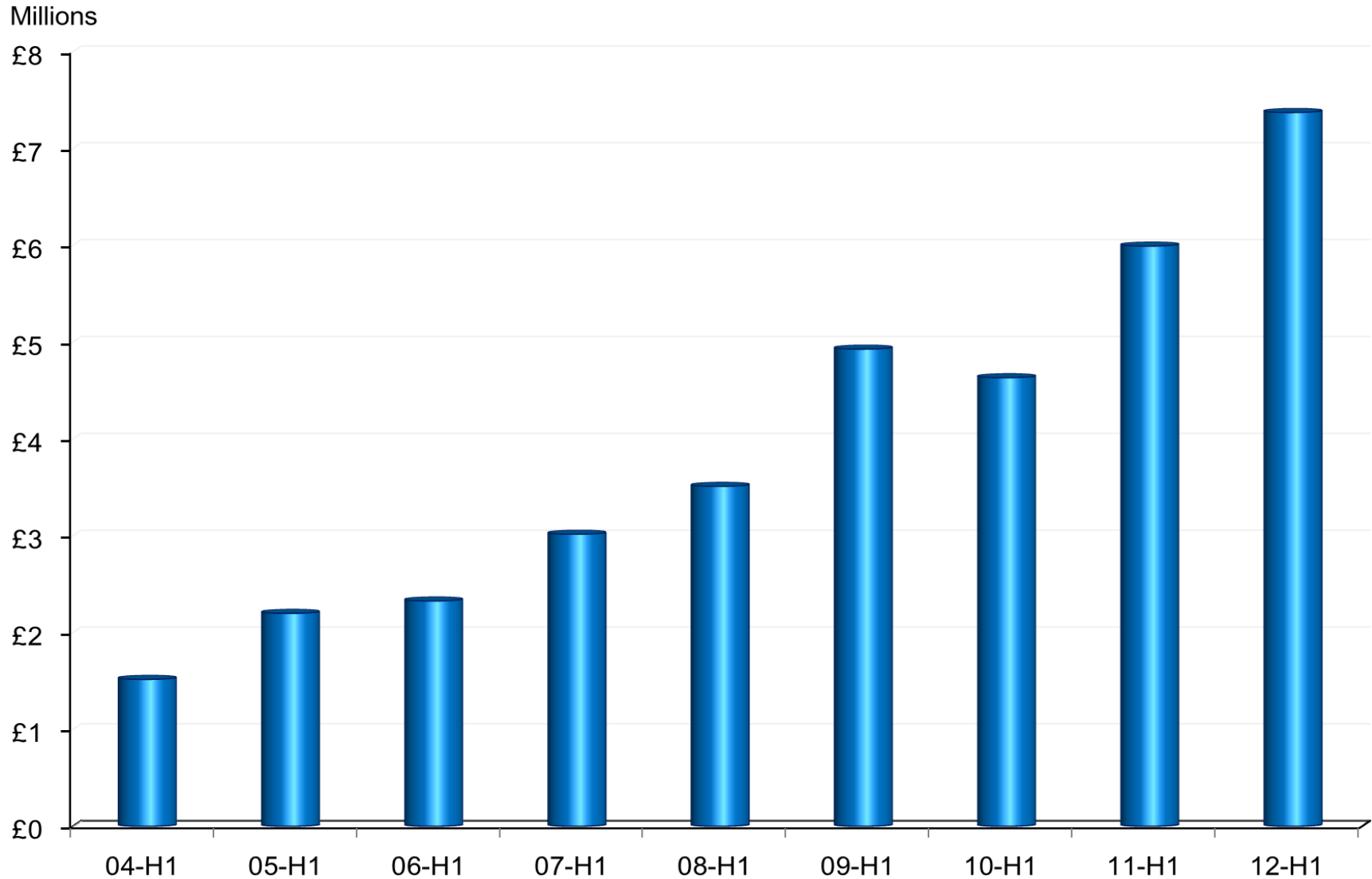
Regional Touch Revenues 2011



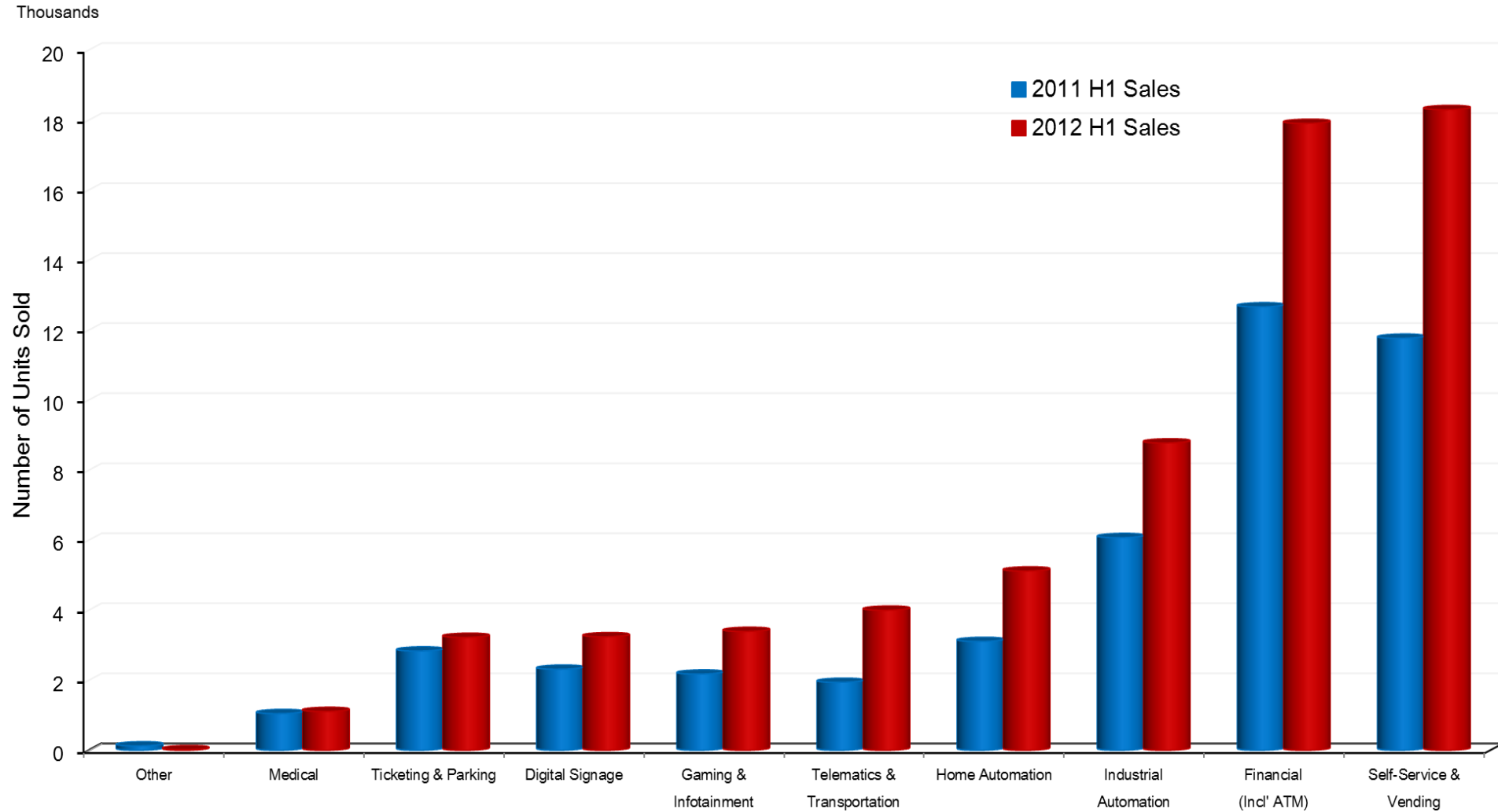
Regional Touch Revenues 2012



Comparison of PCT™ H1 Revenues



PCT™ Sensor Sales by Application

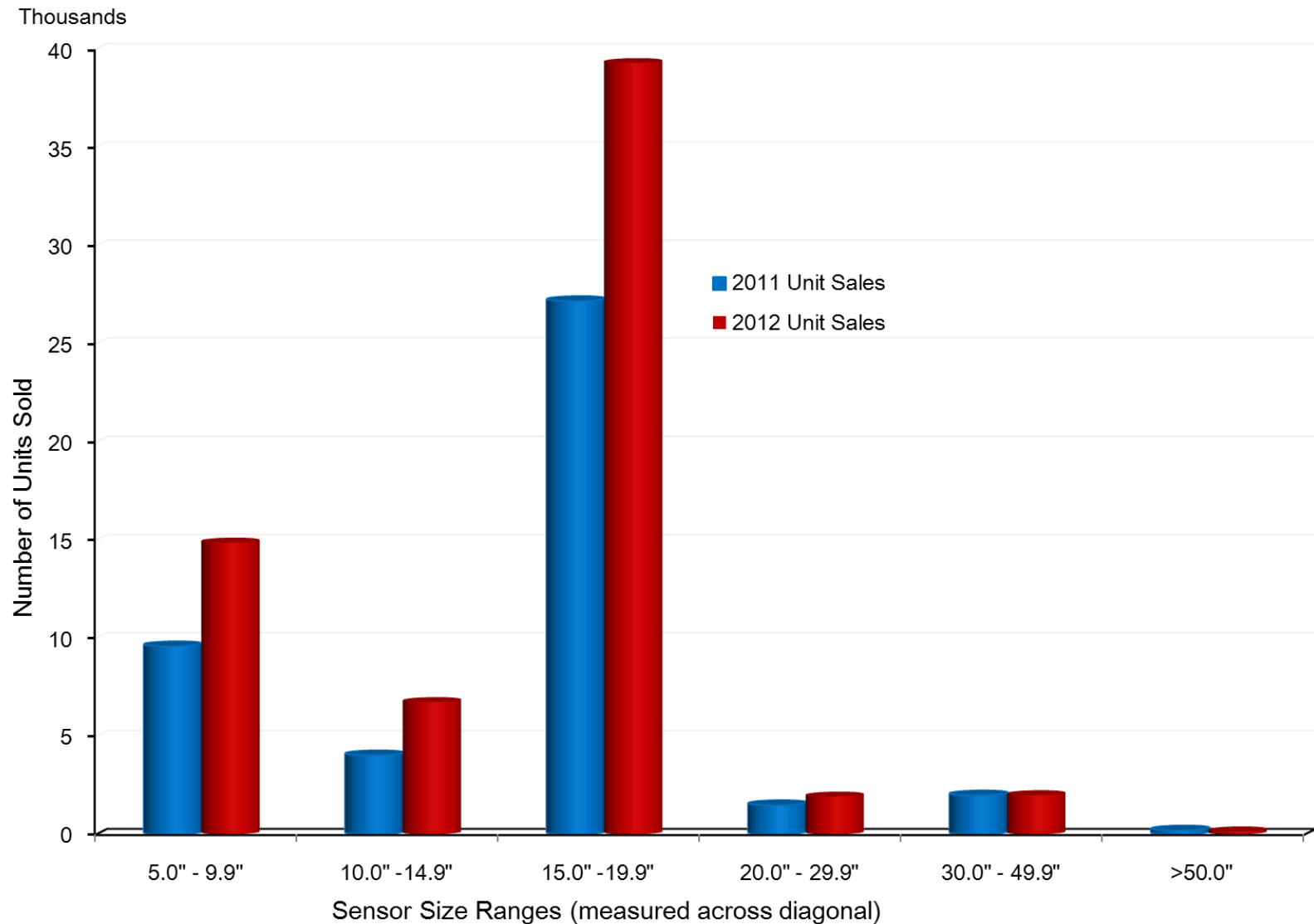


PCT™ Application Details

The major influences in each of the main application markets were:

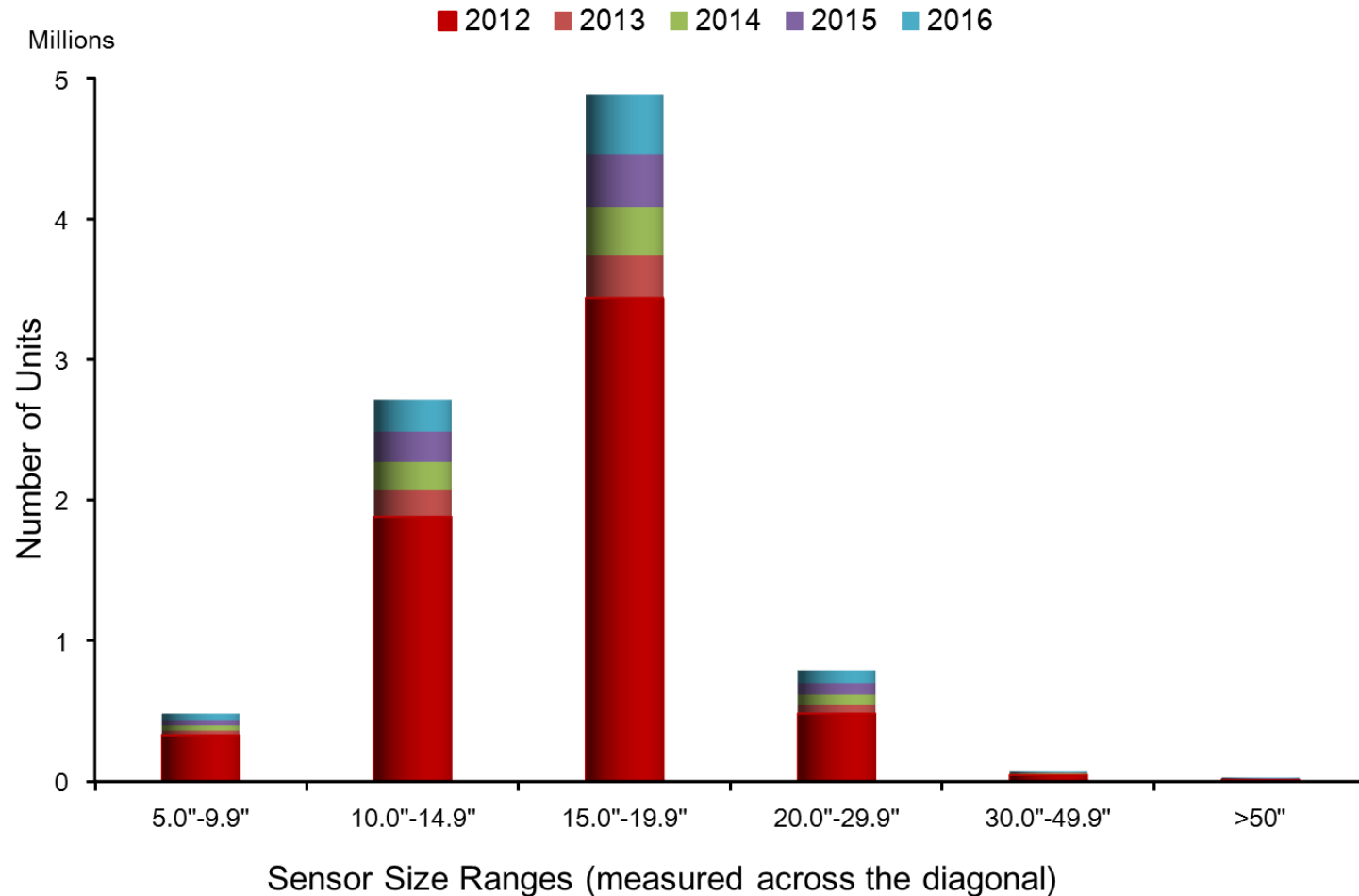
- Self-Service & Vending
 - Supply of Freestyle units increased period on period (PoP)
- Financial (Incl' ATM)
 - Increased deployments of financial cash payment and information kiosks in CIS territories across a number of customers
 - ATM customers' unit sales increased 39% PoP
 - Unit demand increased 68% in China and 47% in the USA
- Industrial Automation
 - Growing demand for ruggedised & durable information kiosks and control system displays
- Home Automation
 - Six months demand for Bosch Siemens versus three months in 2011
- Telematics
 - Increasing units for vehicle command units for farming and earth moving equipment
- Gaming
 - Increased deployment of wagering terminals in Australia

PCT™ Sensor Unit Sales by Size



Market Unit Data by Sensor Size

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



Sales – Non PCT™ Products

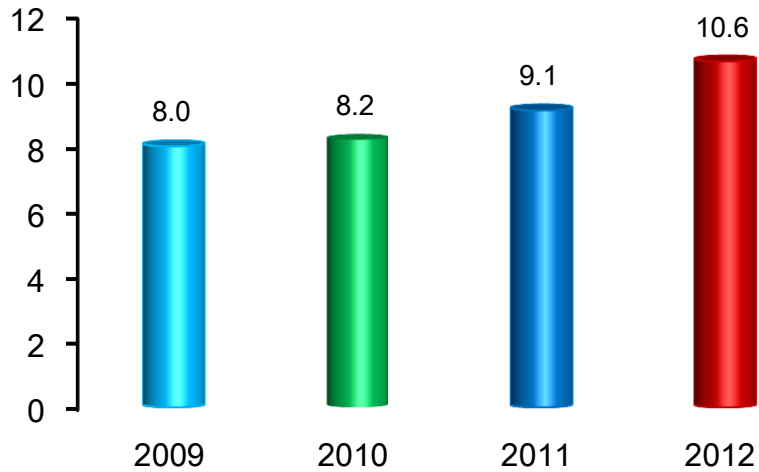
- Sales relatively flat, albeit forecast to decline
 - ATM Displays
 - Significantly ahead of management's expectations for the period
 - 27% increase in H1 revenues 2012: £2.4m (2011: £1.9m)
 - Continual changes in product mix
 - Slowdown in Asia, anticipated in H1, now to occur in H2
 - Other Products
 - Broadly in-line with management's expectations for the period
 - 24% reduction in H1 revenue to £0.9m (2011: £1.1m)
 - Strategic management of non-core activities in fiscal year
 - Ballistic visor production to cease
 - Increasingly onerous regulatory & technical requirements
 - Light Diffuser production to cease
 - LUL build and refurbishment programmes completed

Business Developments

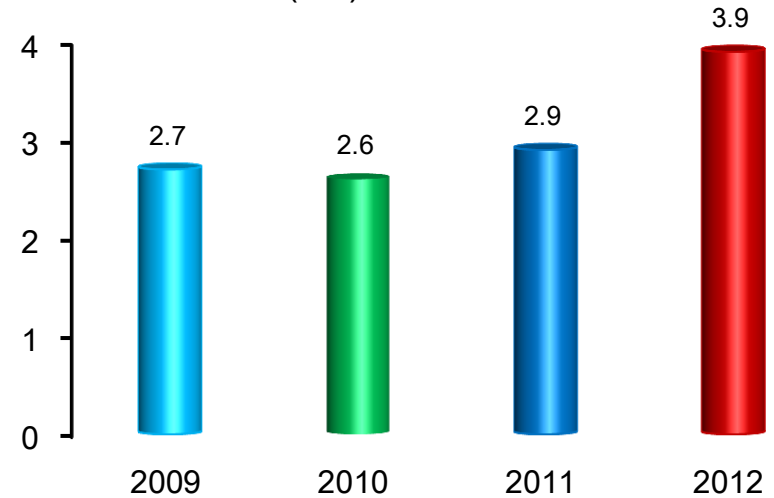
- Phase 1 main factory cleanroom expansion operational in February 2012
 - Phase 2 requirements under review
- Gen2 analogue ASIC re-design completed
 - Q3 production rollout
- Multi Touch PCT™ solution
 - Filing of patent applications
 - Development prototypes being showcased at SID expo in June
 - Opportunities in multi-user and multi touch applications
- Certification to the requirements of BS EN ISO14001:2004 Environmental Management Systems
- Launch of new Zytronic plc website, www.zytronicplc.com
 - Investor focus
- Reconfiguration of original Zytronic website
 - Customer focus
 - Application and technology led

H1 Key Financial Metrics

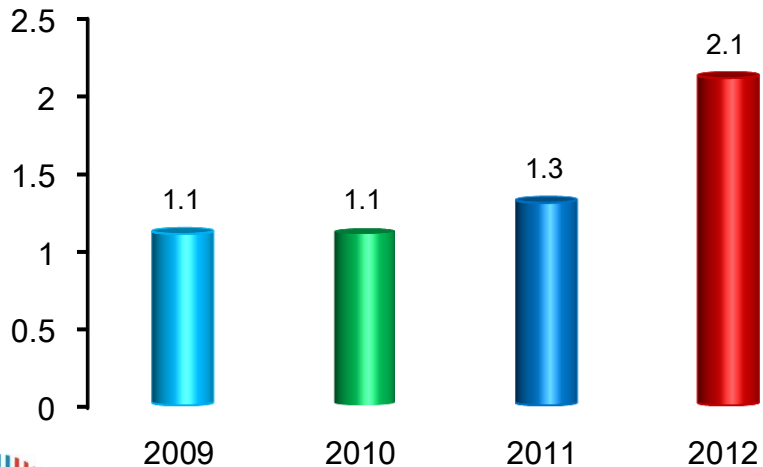
Revenues (£m)



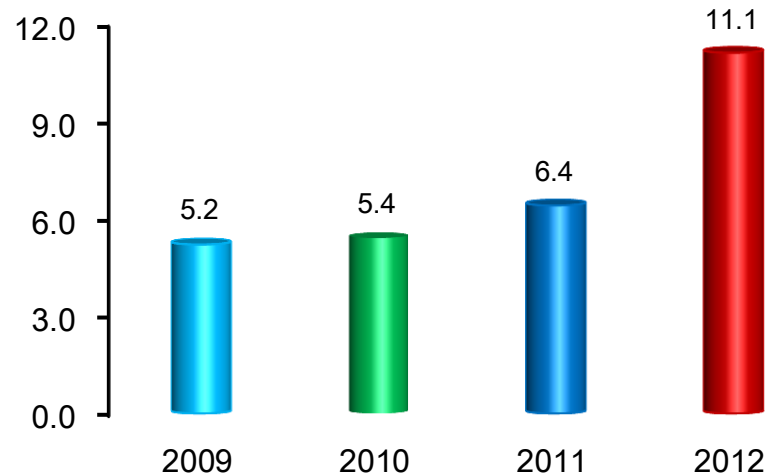
Gross Profit (£m)



Profit Before Tax (£m)



Earnings Per Share (p)



Financial Performance

- Income statement
 - Group revenue increased by 17% to £10.6m (H1 2011: £9.1m)
- Gross profit margin improvement to 36.4% (H1 2011: 32.1%)
 - Increasing volumes being manufactured
 - Capital investment improving manufacturing processes
 - Improvement seen in material usage in touch sensors
 - Improvement in labour efficiencies across all product groupings
- Admin expenses increased by 6% to £1.7m (H1 2011: £1.6m)
 - Tight cost control
- Tax rate reduced to 23% (H1 2011: 26%)
- Dividends
 - Interim dividend increased by 24% to 2.6p (H1 2011: 2.1p)
 - Positive move towards rebasing between interim and final

Financial Performance (cont'd)

- Capital Expenditure
 - Tangible & intangible capex spend increased to £0.7m (H1 2011: £0.5m)
 - Depreciation & amortisation increased by 9% to £0.5m (H1 2011: £0.5m)
- Cash position and cashflows
 - Net cash at 31 March 2012 £2.8m (30 September 2011: £2.6m)
 - Net cashflow from operating activities increased to £1.7m from £1.1m
 - Increase in working capital of £0.4m
 - Includes stock increase of £0.7m, mainly for Supplier Managed Inventory programmes
 - Proceeds from several exercises of share options £0.2m (H1 2011: nil)
 - Dividend payment increased to £0.8m from £0.7m
- Borrowings
 - Debt of £1.9m consists of two 10 year property mortgages (2011: £2.1m)
 - Group is ungeared (H1 2011: 12%)

Vision & Strategy

Vision

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

Strategy

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

Summary

- Growth business with strong management
 - Continued strong financial performance
 - Increased profitability
 - Increased cash generation
 - Increased EPS and dividend
 - No gearing
- Progressive business expansion
 - Focused capital investment
 - Improved manufacturing flexibility
- Competitive advantages
 - Protected touch sensor IP
 - Successful history of product development
 - Continuing R&D
- Patent applications on multi touch developments
- Opportunities for new multi-user and multi touch applications

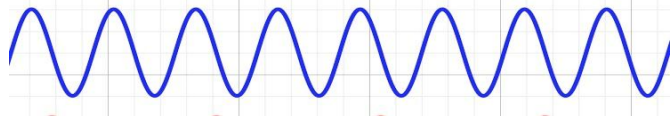
Appendices

The Business

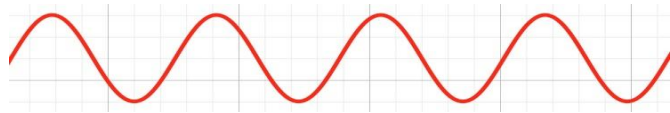
Developer and manufacturer of a range of touch display interactive products

- Industry leader in development, design and manufacture of a range of patent protected touch sensors for industrial and public access markets
 - Products are based on patented projected self-capacitance technology (PCT™)
 - PCT™ offers significant durability, environmental stability and optical enhancement benefits
- Manufactures a range of complementary non-touch optical filters and other laminates
 - Three modern factories totalling 80,000ft²
 - State of the art, environmentally controlled clean rooms totalling 10,000ft²
- Supplies global market place with 90%+ exports

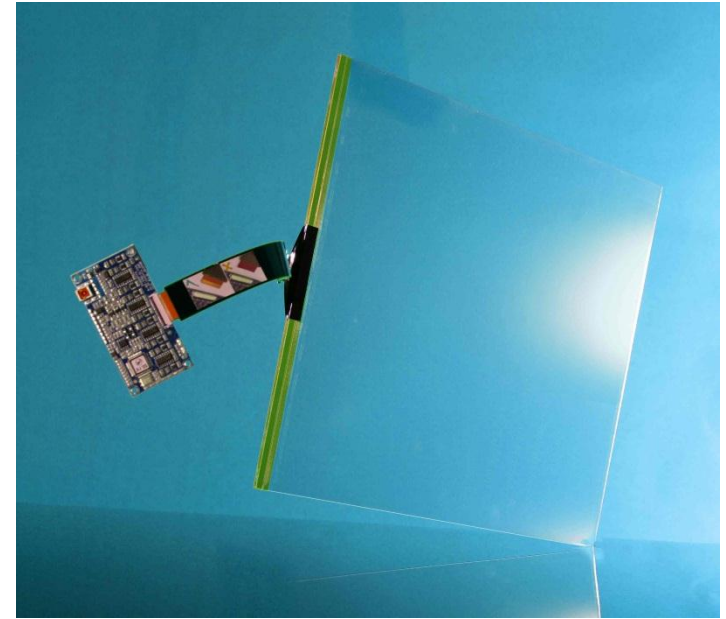
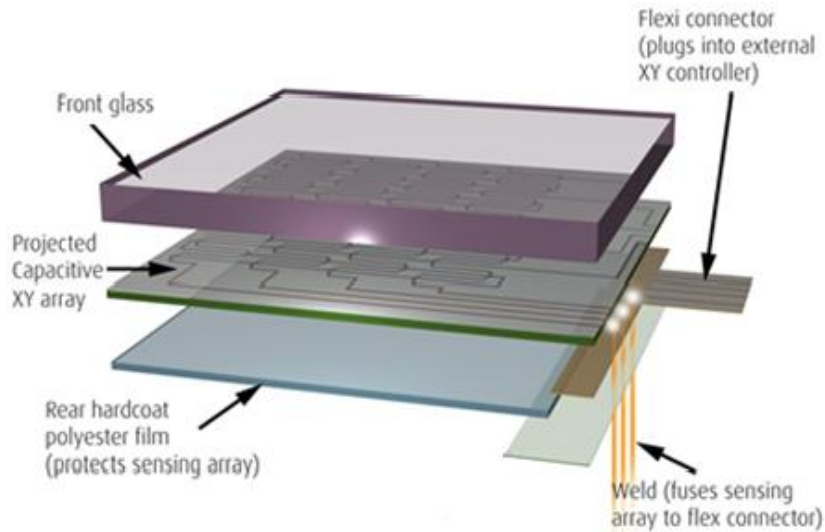
Zytronic's PCT™ Technology



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

- Coined “Projected Capacitance Technology” in 2000 and trademarked as PCT™
- 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	GOOD	GOOD	GOOD	AVERAGE	GOOD	GOOD	GOOD	GOOD	GOOD	GOOD	GOOD	GOOD	GOOD
Surface Capacitive	AVERAGE	AVERAGE	POOR	AVERAGE	GOOD	POOR	AVERAGE	POOR	POOR	GOOD	GOOD	AVERAGE	POOR
Infra-Red	GOOD	AVERAGE	AVERAGE	GOOD	GOOD	AVERAGE	GOOD	GOOD	POOR	AVERAGE	AVERAGE	GOOD	GOOD
Acoustic	GOOD	AVERAGE	POOR	GOOD	GOOD	AVERAGE	POOR	AVERAGE	AVERAGE	GOOD	GOOD	AVERAGE	POOR
	GOOD				AVERAGE				POOR				

Key Milestone Events

-  1999 Technology License signed for PCT™ product development
-  2001 First Commercial PCT based product to market – trade named ZYTOUCH® sensor
-  2002 ZYTOUCH design wins for ATM's (2 of the global top 3) and BT Webphone
-  2005 ZYTOUCH design wins for Petrol Pump applications; North American Sales Rep Network introduced, followed by agreements in EMEA and APAC (39 countries covered worldwide)
-  2006 ZYPOS® development started. Acquisition of new building for future ZYPOS manufacturing
-  2008 ZYPOS manufacturing facility operational. Begin electronics development programme of ASIC and ARM® processor for new touch controller
-  2009 ZYPOS design wins for new Coca-Cola Freestyle™ drinks dispensing machine and Aristocrat Indago™ gambling equipment
-  2010 ZXY100 Series controllers and chipset solution to market. Development of new ITO based sensor designs for higher volume applications
-  2011 Announcement of ZYPOS design win for Bosch Siemen's Gaggenau induction cooktop. Investment in additional equipment and cleanroom refurbishment to drive efficiency gains

Routes to Market



Total 33 Reps/VARs covering 39 countries

14 agreements covering Americas

12 agreements covering EMEA

7 agreements covering APAC

New Areas to be investigated over next 2 years are:

Egypt, Indonesia, Vietnam, Mexico and Argentina

Areas under investigation for expansion are:

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

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 tablets

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, is a governor of Northumbria University and is also a visiting fellow at Teeside University.