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# Vislink plc Annual General Meeting



**Duncan Lewis**  
**Chief Executive**

# The Vislink Companies

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- Advent: Satellite for electronic newsgathering and defence, law enforcement and security
- MRC: Microwave for electronic news gathering and law enforcement and security
- Link: Broadcast wireless camera systems
- PMR: Law enforcement and surveillance video microwave systems
- WTS: Design, integration & maintenance of microwave, satellite and wireless systems
- Hernis: Secure CCTV for marine and energy markets

# Vislink

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- Vislink has:
  - Strong market shares in resilient growing sectors
  - Recognised brands
  - Relationships with :
    - Every major broadcaster globally
    - All major shipping and energy companies
    - Major security agencies in USA, UK, Australia
  - Unifying technologies and skills

# Vislink Historic Constraints

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- Development of the Group has been hindered by:
  - Complex ‘holding company’ structure
  - Multiple channels chasing the same customers
  - Duplicated R&D
  - Disparate manufacturing facilities for batch processing
  - Schizophrenia about its brands

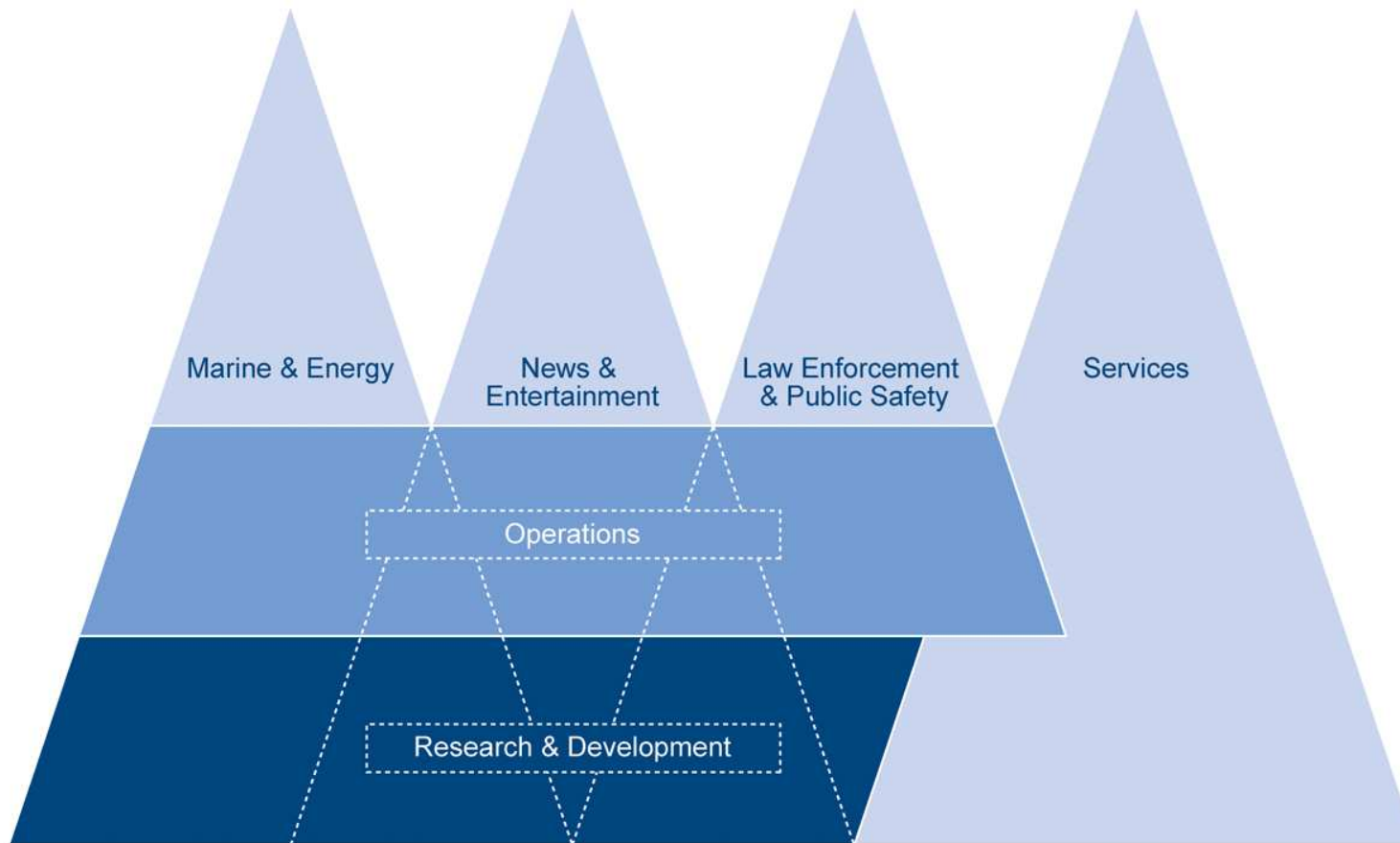
# Strategy – The Vislink Brand

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- Strategically focused company, uniquely selling **secure communications technologies** into selected markets:
  - News and Entertainment
  - Law Enforcement and Public Safety
  - Marine and Energy
  - Services (satellite, microwave and wireless communications)

# The Company Organisation

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# **‘Secure Communications’: Competitive advantages**

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- Customer Focus – builds on current market positions
- More rapid international growth within existing sectors
- Exploits technology investment across selected customer base
- Low cost, flexible manufacturing supply chain
- Opportunity to extend current markets and add new ones

# Business Unit Objectives

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- News & Entertainment
  - Extend content aggregation into IP-based workflow management
- Law Enforcement & Public Safety
  - Video collection and transmission for surveillance
- Marine & Energy
  - Extend market penetration by selling other Group products and services
- Services
  - Develop international business through maintenance and extension of fixed earth station business

# Early Wins

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- £2.5m new orders for Law Enforcement & Public Safety (recovering momentum lost last year)
- 25 new products/upgrades to be launched in next 30-90 days
- Bidding MRC/Advent products into Marine & Energy
- First 'combo' broadcast package sold into Middle East
- Integrated purchasing is implementing cost-savings to deliver 0.5% gross margin improvement as targeted
- 70 headcount reduction since 1st January - >15 per cent of work force (at all levels)

# Work in Progress

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- UK Site Consolidation – two sites identified, terms in negotiation, move planned for 4th Quarter
- US site: space halved with effect from June 1st.
- Systems strategy agreed – pilot underway; subject to satisfactory results, rollout from 2nd Quarter
- New sales teams being recruited in Dubai and Singapore

# Management

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- Vislink has breadth and depth of experience
  - and a relatively young team
- Focus - forward planning and implementation
- Clear accountabilities
- Appraisal and training

# Current trading

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- IMS released yesterday
- Trading in the first quarter in line with expectation
- Orders received down 21% at constant exchange rates
  - News & Entertainment slow; 2 GHz relocation orders down 49%
  - Services + 35%; Law Enforcement & Public Safety + 80%
  - Marine and Energy constant
- Headline revenue was up 0.6%
  - Underlying revenue +14.2% (excludes 2GHz relocation, constant FX)
- Strong balance sheet