

••• AC-DC ••• DC-DC ••• DIN Rail ••• Desktop ••• Configurable ••• AC-DC ••• DC-DC ••• DIN Rail ••• Desktop ••• Configurable

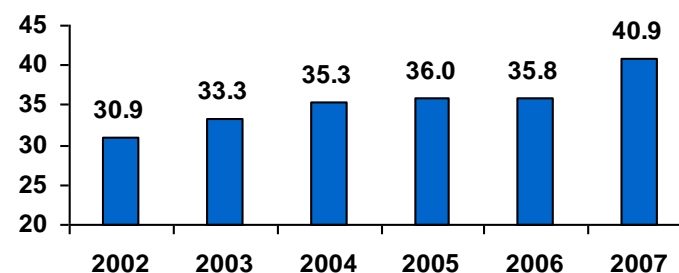
XP Power Interim Results

Six months ended 30 June 2007

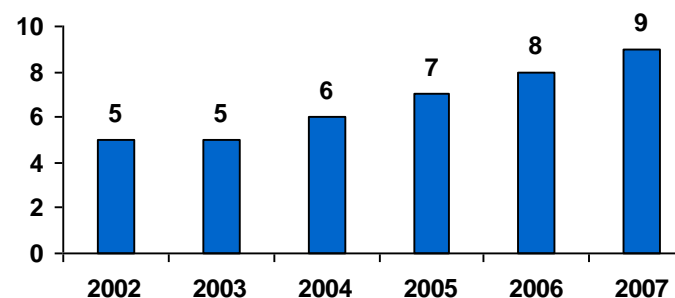
Financial Highlights

<u>£ Millions</u>	<u>2007</u>	<u>2006</u>	<u>Change</u>
Own brand revenue	24.9	22.5	+ 11%
Third party revenue	9.3	16.3	- 43%
Total Revenue	34.2	38.8	- 12%
Gross margin	14.0	13.9	+ 1%
Gross margin %	40.9%	35.8%	+ 5.1 points
Profit before tax clean	4.4	4.3	+ 2%
PBT clean margin	12.9%	11.1%	+ 1.8 points
Basic earnings per share	7.5p	14.0p	- 47%
Adjusted diluted earnings per share	17.3p	16.9p	+ 2%
Interim dividend per share	9.0p	8.0p	+ 13%

Gross Margin %



Interim Dividend Per Share



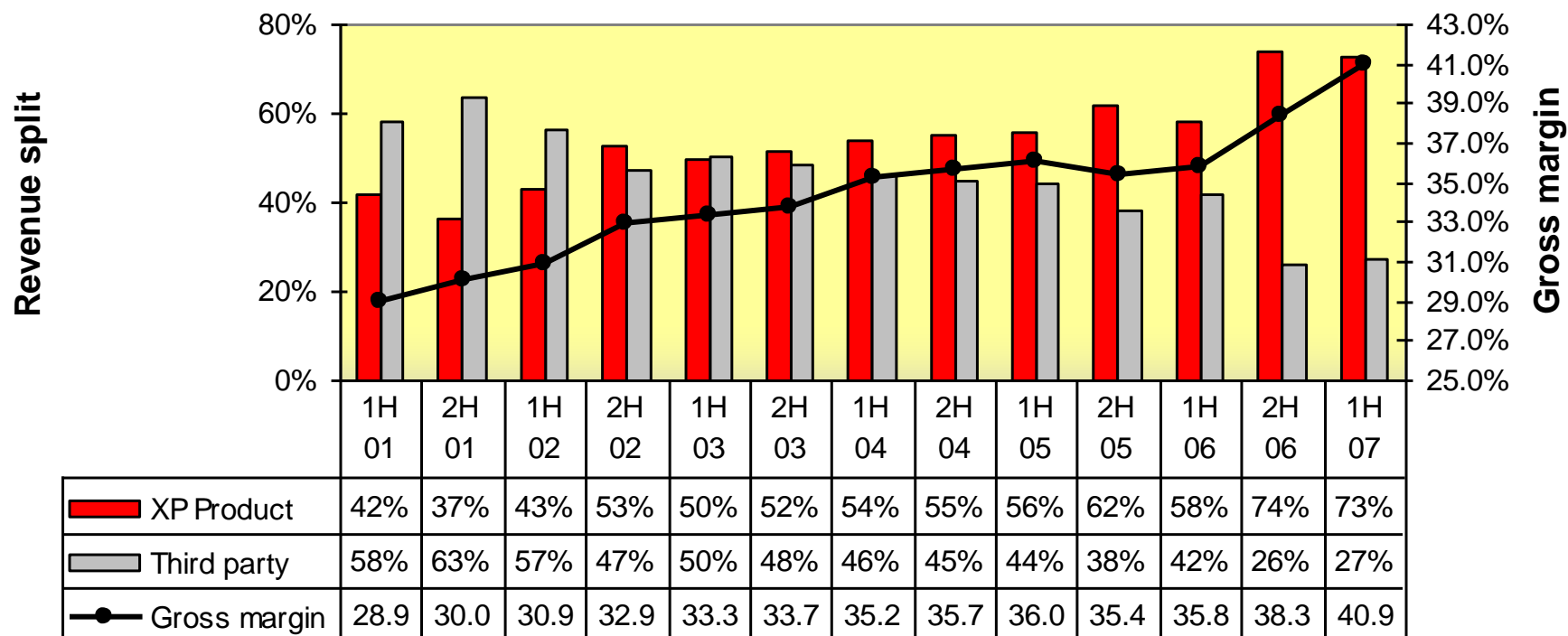
Income and Expenditure Statement

<u>Income and Expenditure Statement</u>	2007		2006	
	£ M	%	£ M	%
Revenue	34.2	100%	38.8	100.0%
Gross margin	14.0	40.9%	13.9	35.8%
Development cost (Gross)	1.2	3.5%	1.4	3.6%
Capitalised development	(0.4)	(1.2%)	(0.5)	(1.3)%
Development cost (Net)	0.8	2.3%	0.9	2.3%
Operating expenses	8.0	23.7%	8.1	20.9%
Reorganisation costs	2.3	6.4%	0.7	1.8%
Amortisation	0.1	0.3%	0.1	0.3%
Operating profit	2.8	8.2%	4.1	10.6%
Net interest expense	0.8	2.3%	0.6	1.6%
Profit before tax	2.0	5.8%	3.5	9.0%
Pre tax clean (1)	4.4	12.9%	4.3	11.1%
Adjusted diluted earnings per share (2)	17.3p		16.9p	

(1) Pre tax clean = Profit before tax plus reorganisation costs plus amortisation

(2) Adjusted for reorganisation costs and amortisation

Product Split and Gross Margin Trend



Summary Balance Sheets

<u>£ Millions</u>	<u>June 2007 (unaudited)</u>	<u>December 2006</u>	<u>June 2006 (unaudited)</u>
<u>Non-current assets</u>			
Goodwill	29.9	30.1	27.8
Other intangible assets	2.9	2.6	2.6
Property plant and equipment	3.3	3.2	3.4
Other non-current assets	0.8	0.7	0.6
Total non-current assets	36.9	36.6	34.4
<u>Current assets</u>			
Inventories	10.5	11.1	8.7
Receivables	15.6	17.2	18.6
Cash and derivatives	3.8	4.3	2.6
Total current assets	29.9	32.6	29.9
<u>Current liabilities</u>			
Bank loans	3.0	7.6	20.4
Other payables	10.1	13.9	11.6
Total current liabilities	13.1	21.5	32.0
Deferred consideration	2.6	2.5	3.4
Bank loans	20.3	14.4	-
Deferred taxes	1.7	1.4	1.3
Net assets	29.1	29.4	27.6

Cash Flow Statements

£ Millions	Six months to 30 June 2007	Six months to 30 June 2006
Operating profit (excluding associates)	5.1	4.8
Exceptionals	(2.3)	(0.7)
Working capital movements	(0.1)	(3.1)
Net cash flow from operating activities	2.7	1.0
Investing activities		
Net capital expenditures	(0.4)	(0.6)
Product development capitalised	(0.4)	(0.5)
Acquisition of associate / subsidiary	(1.4)	(0.8)
Net cash used in investing activities	(2.2)	(1.9)
Financing activities		
Interest paid	(0.8)	(0.6)
Equity dividends paid	(1.9)	(1.7)
Sales of shares	0.4	0.4
Increase / (decrease) in bank loans	5.9	-
Increase / (decrease) in bank overdrafts	(4.5)	0.6
Net cash used in financing activities	(0.9)	(1.3)
Net (decrease) / increase in cash	(0.4)	(2.2)
Cash at the end of the period	3.8	2.6

Effect of US Dollar Exchange Rate Changes

<u>Translation effect (North America)</u>	<u>2007</u>	<u>2006</u>	<u>Change</u>
USA revenue	\$33.2	\$37.1	-10.5%
Average US\$/£ exchange rate	1.98	1.78	-11.2%
USA revenue as reported	£16.8	£20.8	-19.2%
USA revenue at 2006 rate	£18.7	£20.8	-10.1%
Approximate effect on pre tax clean	(£0.2)		

Transaction effect (Europe)

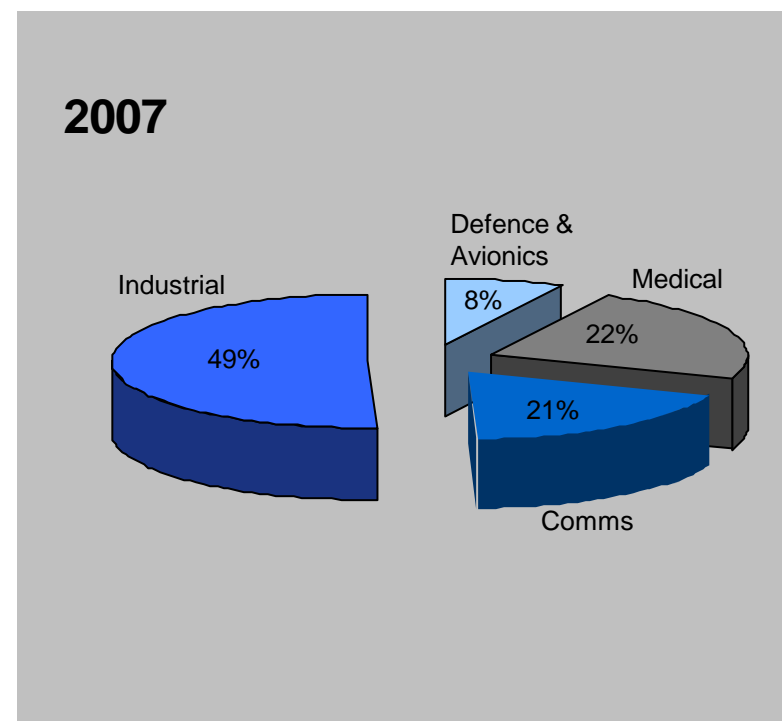
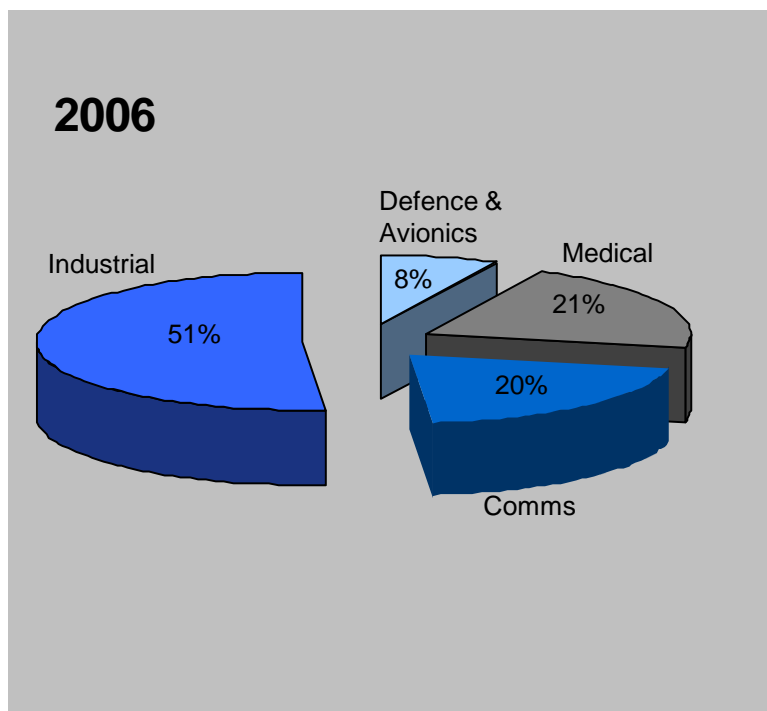
Approximately 25% of revenues and 50% of cost of sales are denominated in US\$.

11% weakening of US\$ versus Euro and Sterling results in a margin pick up of approximately £0.1 million or 0.3% of revenue.

Own brand business

Own brand business grew 17% after normalising effects of the weakening US Dollar

Industry Sector Split



Why Headquarter in Asia?

- Our supplier base is in Asia
- Our customers are moving there
- Our competitors manufacture there
- More competitive corporate tax cost
- High calibre, low cost resources



New Products – MFA350

- Mechanically flexible – U Channel and “Hotswap” formats
- High power density up to 11.1 W/In³
- High efficiency
- -10°C to +70°C operation
- Ideal for value added applications



New Products – ECL Family

- Lower power (10 and 15 Watt) industrial AC-DC unit
- Ultra compact size
- PCB mount, open frame and encapsulated PCB mount formats
- Class II earth
- 10 and 15 Watt series currently available



New Products – JCA Family

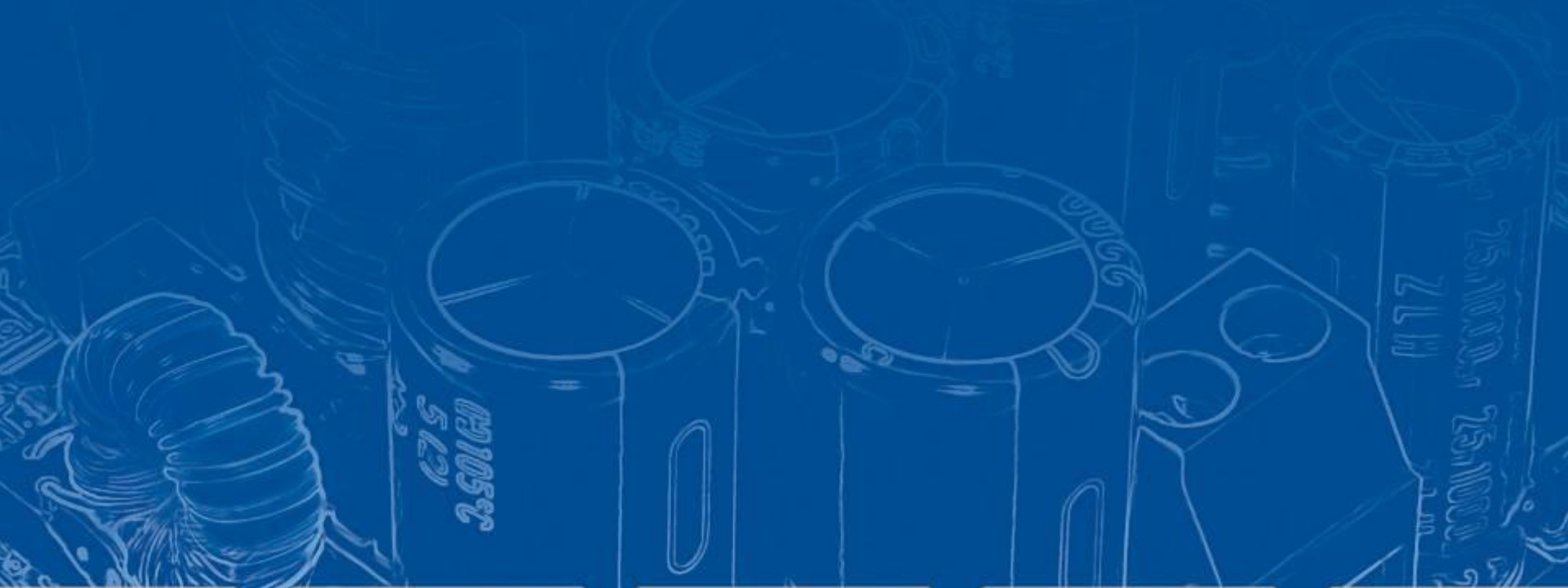
- Lower power (2 to 6 Watt) industrial DC-DC units
- Industry standard pin out but with a smaller package size
- Operating temperature -40°C to $+100^{\circ}\text{C}$
- High 1500 VDC isolation



Summary

- Relocation of headquarters to Singapore is complete
- Own brand business is now 73% of revenue (2006: 58%)
- Interim dividend increased to 9p per share (2006: 8p)
- Expect overall revenues to be less than in 2006 but good growth in own brand business
- Gross margin percentage exceeded our target of 40%
- Well positioned to capture more value from our sales





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