

Financial Half Year Ended 30th September 2007

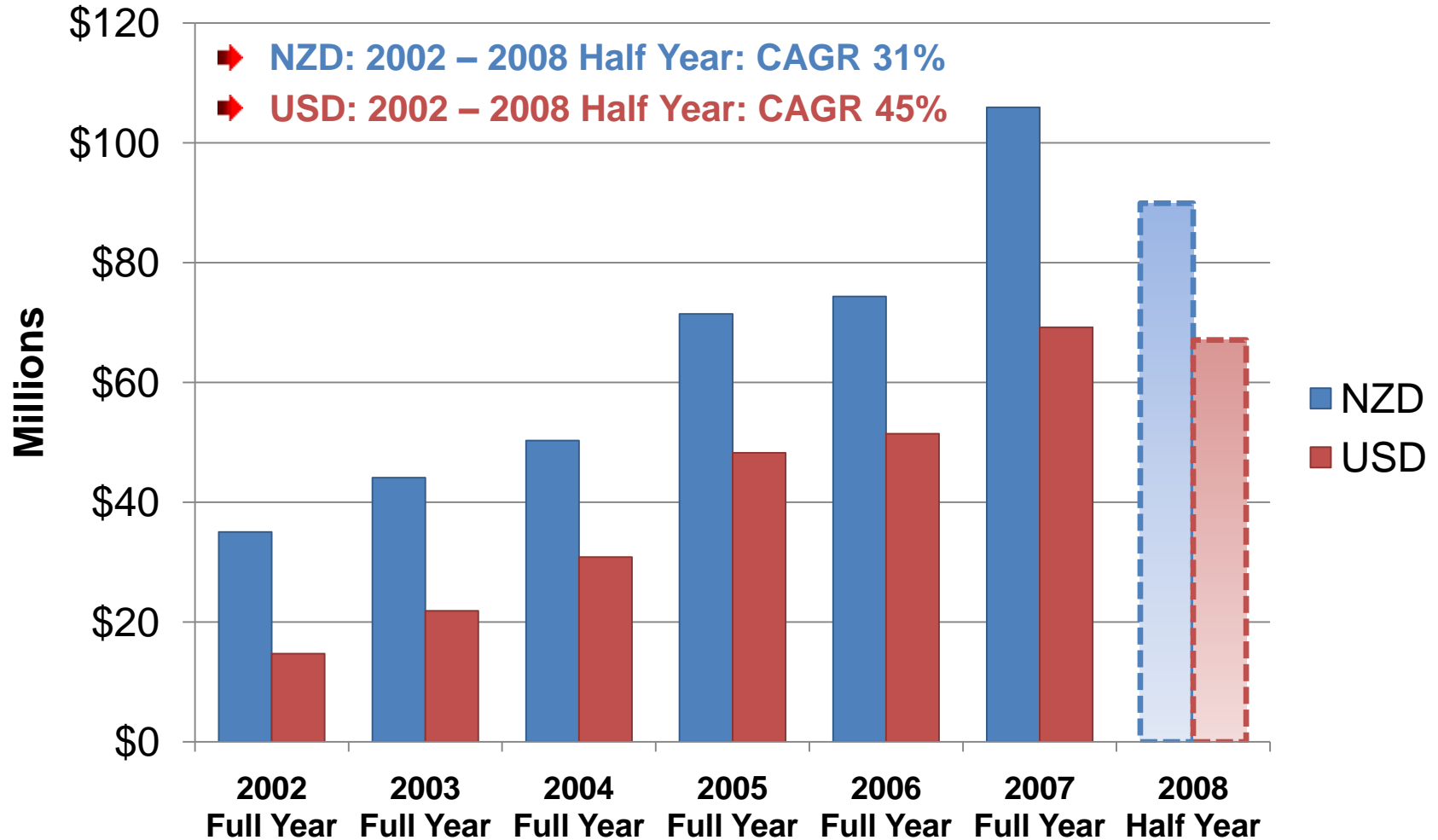
Rakon results announcement

| NZ\$ Millions | Six months ended 30 th September 2007 | Six months ended 30 th September 2006 | Year ended 30 th March 2007 |
|-------------------------------|--|--|---|
| Revenue | 89.9 | 50.5 | 105.9 |
| EBITDA | 12.4 | 10.2 | 20.2 |
| EBIT | 8.5 | 8.4 | 15.8 |
| Profit after tax | 5.7 | 5.5 | 10.4 |
| Earnings (cents per share) | 4.6 | 5.2 | 9.7 |
| Shares on issue (millions) | 126.8 | 106.3 | 121.1 |

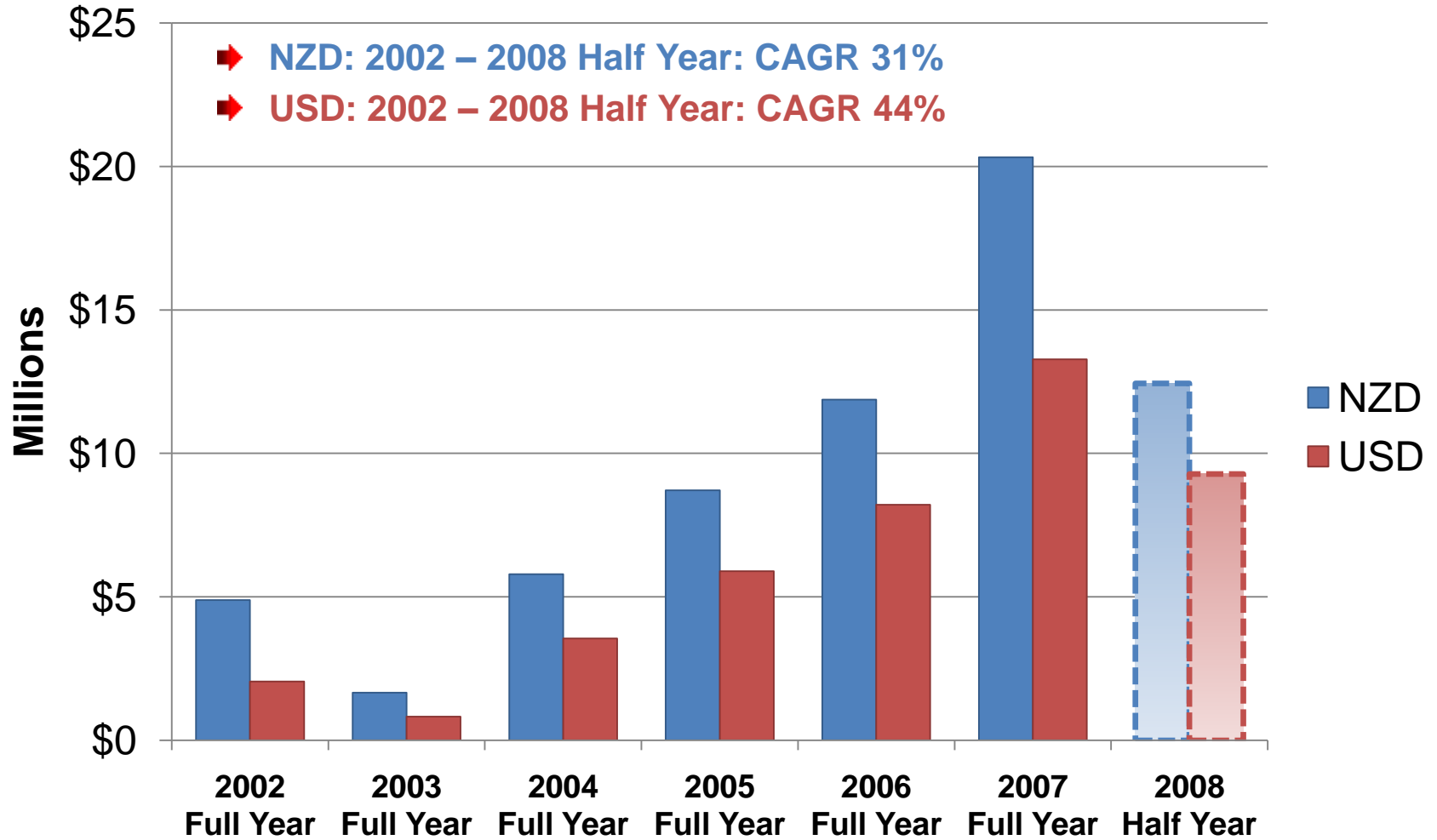
➔ **Revenue up 78% and EBIT up 22% on 2007 Half Year results**

- If FX for Half Year 2008 was at 2007 level Revenue would be NZ\$ 97.6m (+7.7m) and EBITDA NZ\$ 17.0m (+4.6m).
- New Zealand volume up 53%, average sales price and manufacturing costs lower
- UK results solid, France demand strong but manufacturing and logistics negatively impacting

Revenue Trend



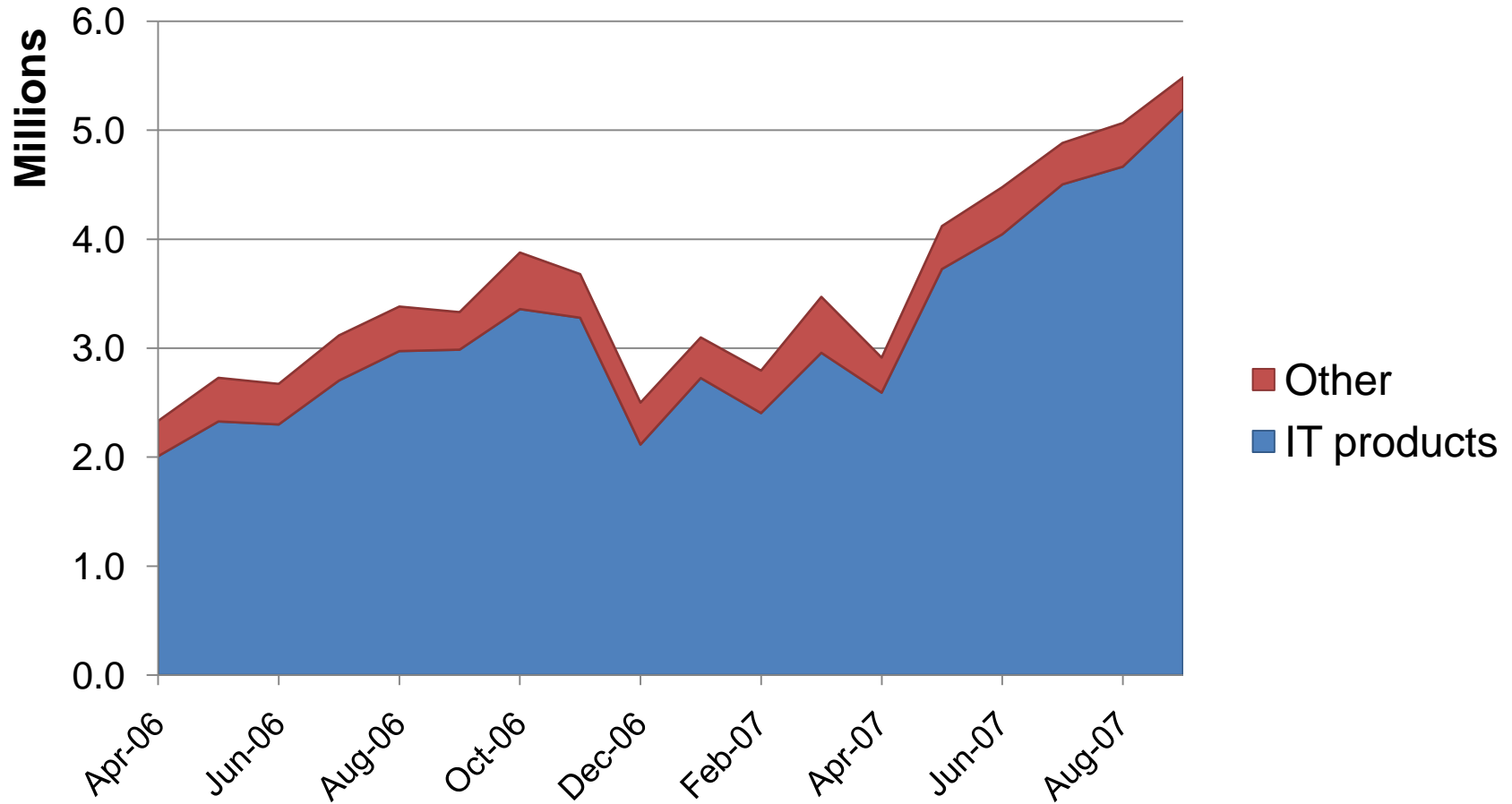
EBITDA Trend



| NZ\$millions | Revenue | EBITDA |
|-----------------------------------|----------------|---------------|
| HY 2007 | 50.5 | 10.2 |
| Volume | 17.6 | 6.3 |
| Sales Price/Mix | -4.1 | -4.1 |
| Manufacturing Efficiency/Cost/Mix | | 3.1 |
| Exchange rate (translation) | -7.7 | -4.6 |
| Exchange rate (revaluation/hedge) | | 1.2 |
| Indirect Costs | | -1.2 |
| Other | | -0.2 |
| HY 2008 | 56.3 | 10.8 |

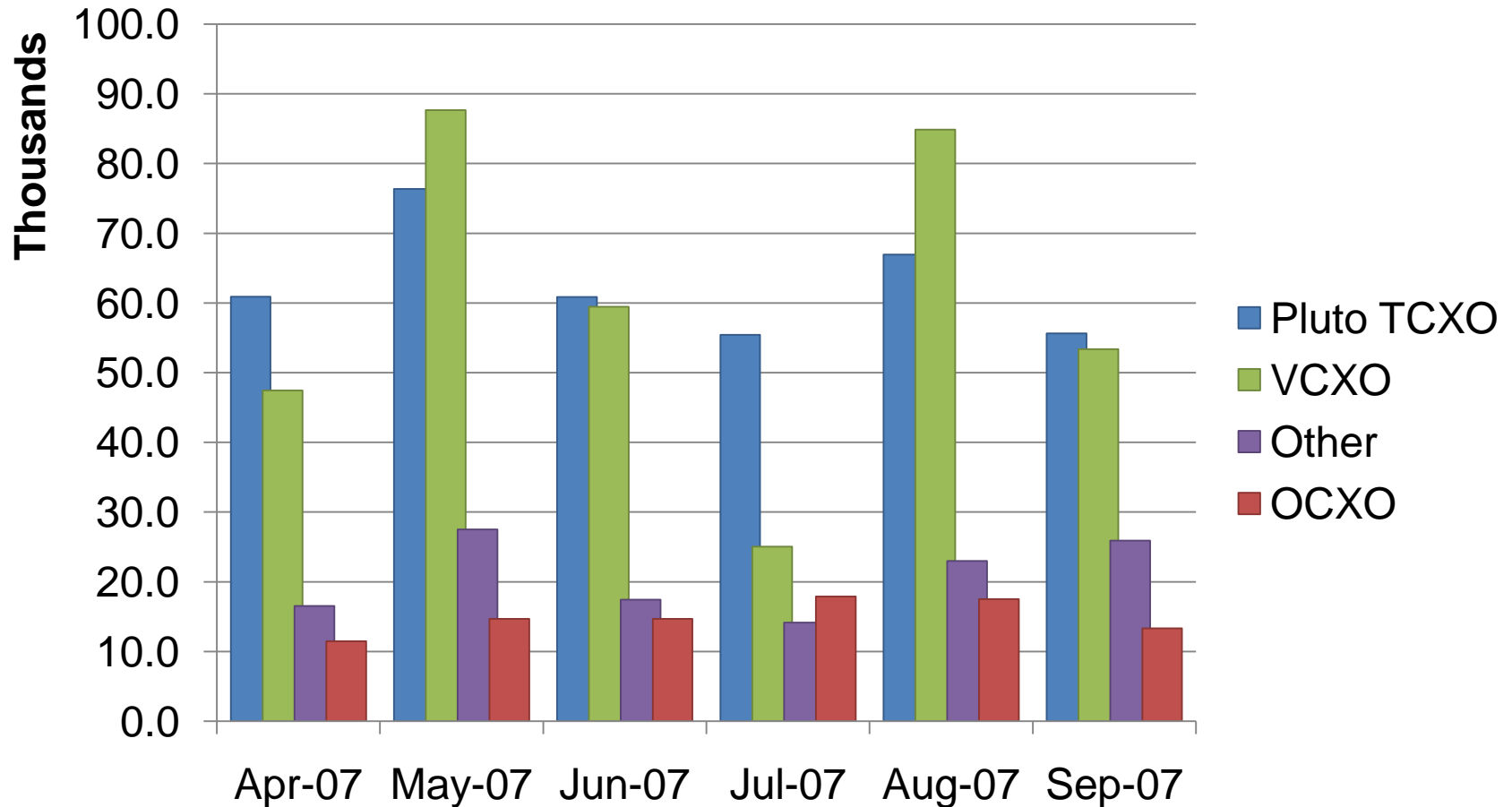
- **Volume up 53% on HY07**
- **Manufacturing savings largely offsetting sales price reductions**
- **Indirect Costs higher to support current and future growth**
- **Currency impact significant**

NZ Sales Volume by Month



- Substantial and steady growth in volume of integrated TCXOs
- Seasonality of demand unchanged

EU Sales Volume by Month



- **Steady demand for Pluto TCXOs and VCXOs**
- **Strong growth in OCXO demand**

- PND = Personal Navigation Device = Aftermarket on dash mount GPS
- Strong growth in 2007/2008 continues
- Customers such as TomTom, Garmin, Mitac (Mio/Navman) and Magellan all hitting record volumes in calendar 2007
- Growth of Chinese based PND manufacturers with very aggressive price targets
- Increased competition in low end PND manufacturers where performance less of a concern

- ▶ Key markets for high end TCXOs and OCXOs
- ▶ Industry suffering from slow down in growth globally
- ▶ Still good opportunities with deployment of next generation networks
 - 3G
 - WiMAX
- ▶ Chinese manufacturers (ZTE, Huawei) gaining global market share from incumbents
- ▶ Rakon has strong relationships with major manufacturers

- GPS is becoming a more widely adopted feature in cellular phones
 - Nokia N95, 6110; Blackberry 8800, 8310; etc...
- Large number of second tier phone manufacturers have been incorporating GPS into smart & feature phone models
- Current cellular GPS performance is not great and will need to improve before widespread adoption (signal acquisition, time to first fix)
- Rakon is designed into a number of these, however volumes are still small as consumer demand is still developing
- Demand is expected to ramp up in 2008 although exact numbers are unknown
- Tier 1 cell phone manufacturers (Nokia, Samsung, Motorola, Sony Ericsson, LG) have aggressive price and logistics requirements
- Rakon is working to develop new innovations in order to offer technological advantage over competitors

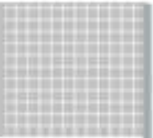
➤ Femtocells – Indoor Home 3G Basestations

- ABI research predict up to 32m units installed by 2011
- Rakon is only TCXO manufacturer with commercially viable solution to support the market
- Number of major networks have trials underway

➤ Beacons

- Rakon Pluto based TCXO the preferred choice of Beacon manufacturers
- Strong growth continuing - expect 130k beacons in 2008, from 80k in 2007
- Increasing production capacity in the UK to support this growth

- Very strong demand across Rakon's portfolio of products
- Very well positioned for emerging opportunities such as GPS in phone, femtocells, etc
- Previous guidance of NZ\$27 to \$32 million difficult to achieve given continued US\$ weakness
- Focus on expanding capacity and reducing cost and to maintain competitiveness and expand market position
 - China Project
 - France



The end

Thank you



This presentation contains not only a review of operations, but also some forward looking statements about Rakon Limited and the environment in which the company operates. Because these statements are forward looking, Rakon Limited's actual results could differ materially.

Although management and directors may indicate and believe that the assumptions underlying the forward looking statements are reasonable, any of the assumptions could prove inaccurate or incorrect and, therefore, there can be no assurance that the results contemplated in the forward looking statements will be realised.

Media releases, management commentary and investor presentations are all available on the company's website and contain additional information about matters which could cause Rakon Limited's performance to differ from any forward looking statements in this presentations. Please read this presentation in the wider context of material previously published by Rakon Limited.