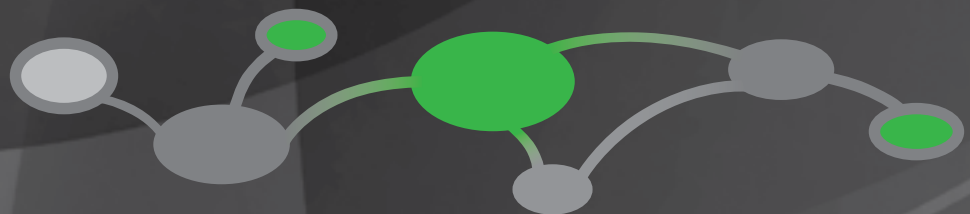
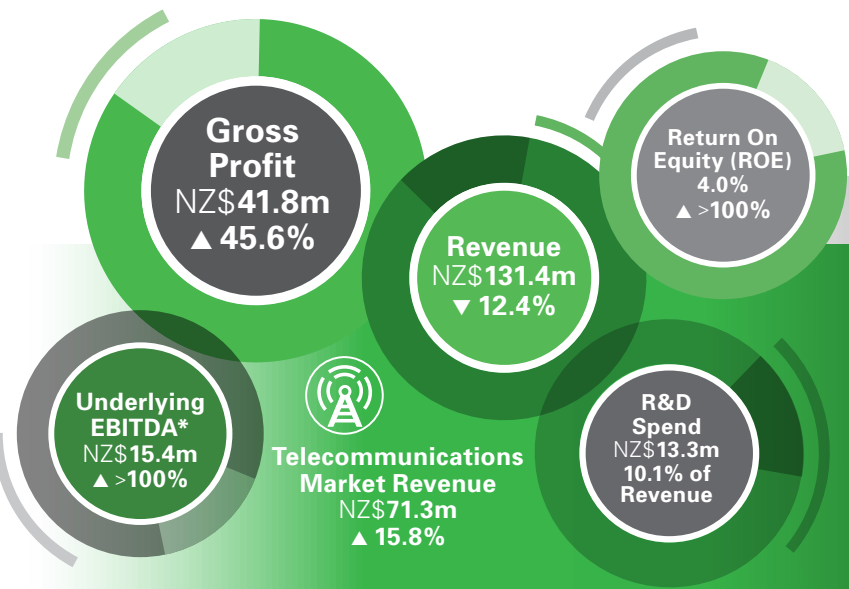


## 2015 Review

Advanced Timing for  
High Speed Connectivity



## Performance at a Glance



### Operational Key Points Financial Year (FY)2015

- The Lincoln, United Kingdom (UK) manufacturing plant closed in line with FY2015 plans.
  - Operating expenses reduced from the second half.
  - The Lincoln plant sold with a NZ\$1.0m gain on sale reported.
- The New Zealand (NZ) plant's manufacturing volumes ramped up from the UK transfer and additional demand.
- New organisational structures were embedded following FY2014 restructuring and market refocus.
  - Resources were realigned to target markets.



## Rakon by Location

	TOTAL	NEW ZEALAND	EUROPE	ASIA	NORTH AMERICA
<b>EMPLOYEES</b>					
Rakon consolidated	500	324	122 (France) 24 (UK)	18	12
Joint ventures and associates	979			505 <sup>(1)</sup> / 474 <sup>(2)</sup>	
<b>TOTAL</b>	<b>1479</b>				
<b>MANUFACTURING LOCATIONS</b>					
Rakon consolidated	3	1	2		
Joint ventures and associates	3			1 (Centum Rakon) 2 (Timemaker)	
<b>TOTAL</b>	<b>6</b>				
<b>RESEARCH AND DEVELOPMENT (R&amp;D)</b>					
Rakon consolidated	5	1	3 (France) 1 (UK)		
Joint ventures and associates	3			1 (Centum Rakon) 2 (Timemaker)	
<b>TOTAL</b>	<b>8</b>				
<b>CUSTOMER SUPPORT OFFICES</b>					
Rakon consolidated	11	1	4	4	2
<b>SEGMENT REVENUE (NZ\$)</b>					
Rakon consolidated	131,417,000	61,002,000	70,415,000 <sup>(3)</sup>		
Joint ventures and associates	58,028,000			37,128,000 <sup>(1)</sup> / 20,900,000 <sup>(2)</sup>	

Rakon has a 49% shareholding in Centum Rakon India Private Limited<sup>(1)</sup> and a 40% shareholding in the Timemaker<sup>(2)</sup> entities. Company employee totals are provided for these joint ventures. Revenue for these joint ventures is non-consolidated in the Rakon group financial statements. Revenue for Europe is Rakon's consolidated France and UK segment revenue<sup>(3)</sup>. Rakon also has a minority shareholding of 10% in ECEC Rakon Crystal (Chengdu) Co. Ltd. Information for this joint venture partner is not included in the table above.

**\*Disclosure of Non-GAAP Financial Information.** Rakon has used 'Underlying EBITDA' as a measure of non-GAAP financial information in this document and it is defined as: "earnings before interest, tax, depreciation, amortisation, impairment, loss on disposal of assets, employee share schemes, non-controlling interests, adjustments for associates and joint ventures share of interest, tax and depreciation, and other non-cash items." 'Underlying EBITDA' is a non-GAAP measure, with its presentation not being in accordance with GAAP. The directors present 'Underlying EBITDA' as a useful non-GAAP measure to investors, in order to understand the underlying operating performance of the group and each operating segment, before the adjustment of specific non-cash charges and before cash impacts relating to the capital structure and tax position. 'Underlying EBITDA' is considered by the directors to be the closest measure of how each operating segment within the group is performing. Management uses the non-GAAP measure of 'Underlying EBITDA' internally, to assess the underlying operating performance of the group and each operating segment. The use of 'Underlying EBITDA' in this document has been extracted from the audited financial statements for 2015. This document should be read in conjunction with the Rakon Limited Annual Report 2015. A detailed reconciliation of 'Underlying EBITDA' is contained at Note 4 (Segment information) of the financial statements.

## Advanced Timing for our Connected World

Rakon is a global high technology company that uses its unique expertise to design and manufacture world leading frequency control and timing solutions.

The technologies we all use to communicate with are evolving at an ever-increasing rate. Electronic traffic (voice, video, data) must be transferred reliably, at any time and at higher and higher speeds.

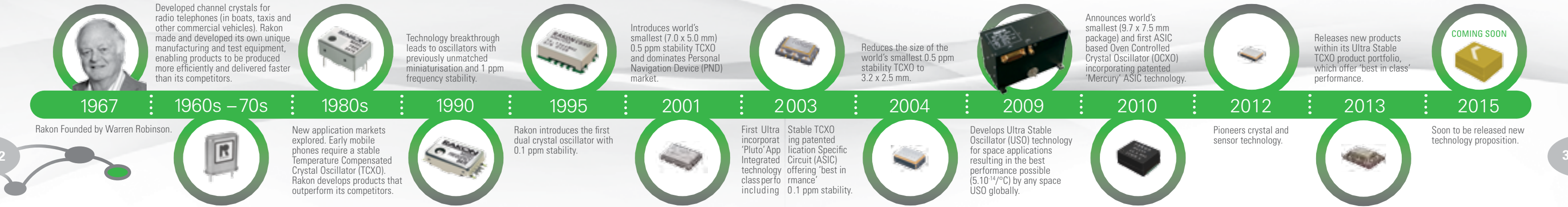
To cope with exponential traffic growth, networks must be upgraded to ensure the quality of the service we receive is maintained. These next generation networks use Rakon's high precision frequency reference clocks.

Rakon delivers advanced timing solutions; its products provide extremely accurate electrical signals which are used to generate radio waves, synchronise time or tell the time. Whether it be within wired, wireless and fibre telecommunications networks, navigation devices, or satellites in space – Rakon's products enable high speed connectivity.

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A Culture of Innovation and Advancement

## Running on Innovation





## Strengths, Strategy and Position

Rakon's customers include global leaders and well known industry names through its ability to anticipate their future needs and enable next generation technologies. Having comprehensive domain knowledge of customers' ecosystems and markets, helps drive new technologies toward adoption and evolution.

The company's strategic direction is centred on growth and profitability in the core markets of telecommunications, global positioning and space & defence. The focus is on delivering high value, high performance products from its world class design and manufacturing facilities.

Rakon is a world leader in frequency control, bringing to market breakthrough technologies. Leadership has been maintained by the introduction of revolutionary products and Rakon's expertise has driven disruptive market changes.

**Dear Shareholders,** welcome to this, the 10th Annual Report of your company, Rakon Limited. Last year we told you of the major structural changes that the Rakon team was undertaking to rebuild the business platform and focus for future profit growth. I am very pleased to report that the efforts the team have contributed across the group have been significant and as a result the first signs of profitable growth have emerged with the completion of this financial year.

This turnaround has delivered a net profit after tax of NZ\$3.2 million compared to last year's loss of NZ\$83.8 million. The Underlying EBITDA\* of NZ\$15.4 million this year compares to an Underlying EBITDA\* loss of NZ\$7.5 million last year. Importantly within this improved result was a solid second six months' performance, producing revenue of NZ\$70.0 million, an Underlying EBITDA\* of NZ\$11.1 million and an after tax profit of NZ\$6.6 million.

Rakon's net debt rose during the year from NZ\$6.4 million to NZ\$13.4 million. This increase is a natural consequence of the costs of reconstruction and the build-up in working capital for the new markets embraced, whereas last year debtors were being collected without any corresponding stock build up as we exited the large but unprofitable Smart Wireless Device (SWD) market.

The long range outlook for Rakon remains positive with the growing demand for timing modules to be embedded within global networks or products within those networks. As the 'Internet of Things' continues to grow toward the estimate of 50 billion things connected by the year 2020, Rakon's opportunities are significant. While the demand is not linear, it is growing strongly overall. Our goal is to have the smartest products continually at the head of the demand curve, before price reductions set in and to ensure that we are continually superseding the current products used. We will naturally gain economies of scale that allow us to achieve good margins as prices come down, but our development plans will produce new and superseding products to ensure that we don't get trapped with old technologies and low prices.

Every nation will need to upgrade its data delivery networks to cope with this huge demand.

These upgrades provide significant business opportunities for Rakon, however the development within each nation can vary significantly, largely driven by that nation's economic growth and community demands. This situation does impact on our ability to forecast with absolute accuracy, but we are confident of achieving improved results in the year ahead, for both Underlying EBITDA\* and net profit after tax.

Your Directors did not declare a dividend for the year given the nascent stage of the return to net profit after tax. The Directors will continue to assess the position of declaring a dividend in the future based upon such a decision being fiscally prudent.

In summary, it has been a busy but rewarding year for the team at Rakon and I would like to thank the team for their continued commitment and efforts in producing the turnaround.

As Directors we will never be completely satisfied with the financial results. We know Rakon has enormous potential as the technology leader it can be on the global stage and we give the Managing Director our full support to ensure we harness the potential Rakon possesses.

To our shareholders, again thank you for being part of the company and I look forward to meeting you at our Annual Shareholders' Meeting and answering your questions.

*Bryan W. Mogridge*

**Bryan Mogridge** Chairman



“  
... 50 billion things connected by the year 2020 ...  
”



“

At Rakon we not only develop our own products, but we also develop much of the equipment that is used to make and test the product. For example, Rakon's temperature test systems are unmatched in their combination of measurement precision and speed. We meet customers' cutting-edge performance expectations because we are able to test tighter specifications at a faster rate than anyone else. This gives us a competitive advantage in both product performance and product quality.

”



**Jack Farrant**  
Technical Product Manager



**Nick Moore**  
General Manager  
New Zealand

“

Financial Year 2015 was a year of significant change for Rakon. We concluded a number of strategic initiatives which included the closure of the Lincoln, United Kingdom (UK) facility and the transfer of its core engineering and manufacturing functions to our facility in Auckland, New Zealand (NZ). This was a challenging programme of work during which we saw a significant increase in demand for those product lines, either predominantly or solely engineered and manufactured by the Lincoln operation, that were outside the planned contingencies for the transfer. The team continually accepted these challenges as they arose. The transfer programme was delivered on time and to budget and with those affected customers continuing to grow their future business with us. The NZ team looks forward to driving the development and execution of our current strategic initiatives.

”

“

The production volumes during the second half of FY2015 significantly increased for Rakon's Pluto Application Specific Integrated Circuit (ASIC) and Mercury ASIC based product families when compared to the first half of FY2015 (predominantly produced in the UK). The Pluto ASIC based Ultra Stable TCXO\* product lines for the emergency beacon market doubled as did the Triton OCXO\* and the Mercury ASIC based OCXO product lines for the telecommunications infrastructure markets. Additionally the second half of FY2015 saw the launch of the next generation Pluto+ ASIC based product families and the NZ team fulfilling customer demand in excess of one million units of Ultra Stable TCXOs. \*Refer to the Glossary on page 18 and 19 for acronym meanings.

”



**Tarina Oliver**  
Manufacturing Operations  
Manager  
New Zealand

\*Refer to page 2 for explanation of Underlying EBITDA.



**In Financial Year (FY)2015** we started to realise the benefits from our efforts in returning the business to generating sustainable profits. At the beginning of FY2014 we implemented a programme of structural change and pleasingly this has resulted in a turnaround in our financial results for FY2015, with Rakon reporting a net profit after tax of NZ\$3.2 million.

The strategy of refocusing the company on the higher margin markets of telecommunications, global positioning and space & defence is now showing improved returns with almost all of Rakon's key financial indicators showing improvement.

## Financial Overview

In addition to the net profit for the year, Rakon reported an Underlying EBITDA\* of NZ\$15.4 million, just above our earnings guidance for the year. The result is a significant improvement over the prior year Underlying EBITDA\* loss of NZ\$7.5 million.

Revenue for the year was NZ\$131.4 million. This was 12% lower than the prior year but was expected and was signalled following our decision to exit the Smart Wireless Device (SWD) market in FY2014. The reduction in smart wireless revenue was partially offset by revenue growth of 16% in the telecommunications market with this key market contributing 54% to our total revenue in FY2015.

Gross profit for the year of NZ\$41.8 million increased significantly over the prior year of NZ\$28.7 million. Rakon benefited from a change in product mix, revenue growth coming from higher margin business and was aided in the second half by the declining NZD:USD currency exchange rate. The reported result includes NZ\$1.0 million from the gain on the sale of the Lincoln plant and a favourable tax expense benefit due to timing difference impacts of NZ\$2.7 million taken up in the deferred tax asset.

Operating expenses of NZ\$46.2 million were NZ\$10.4 million or 18% lower than the prior year, as a result of leaner operations following the structural change programme. In line with our plans for the year, operating expenses were reduced in the second half of FY2015 following the closure of the manufacturing facility in Lincoln, United Kingdom (UK).

Performance at Rakon's Indian joint venture, Centum Rakon India (CRI), was very pleasing. Earnings increased by NZ\$1.3 million from the prior period to NZ\$3.3 million, benefiting from the growth in Fourth Generation (4G) macro base station deployments that resulted in CRI delivering record Oven Controlled Crystal Oscillator (OCXO) volumes. Strategically, this investment is delivering a sound contribution.

Rakon's 40% investment in the Timemaker entities resulted in a NZ\$0.1 million loss, up NZ\$0.2 million over the prior period, with that group's position as a supplier to the very competitive global mobile phone market remaining challenging.

The company reported bank borrowings of NZ\$12.0 million and net debt of NZ\$13.4 million as at 31 March 2015.

Net debt increased over the period in line with expectations as the company paid for restructuring initiatives provisioned in FY2014, including cash outflows related to the Lincoln plant closure. Operating cash outflows of NZ\$3.6 million were as a result of the restructuring payouts and growth in working capital.

Prior to year end, we lowered and renewed our bank facility to NZ\$18 million with a 31 May 2016 maturity. This was a reduction of the facility from the previous NZ\$22 million level, with a lower headroom requirement.

## Operational Overview

The company achieved a number of constructive operational objectives in the year, building the foundations for a stronger Rakon in the future. Most notable amongst these was the closure of the company's Lincoln, UK plant which was successfully completed during the year in line with our plans. Aligned to this and also completed during the year, was the transfer and integration of the UK manufacturing to New Zealand that resulted from the Lincoln closure. The transfer was complex as it required us to transfer manufacturing knowledge and relocate critical plant and machinery. In addition we implemented production and delivery schedule changes that resulted from transitioning the accompanying global customer base.

At the same time as completing the transfer, the demand on products from the New Zealand manufacturing site also increased. The collective challenge of these changes was successfully achieved, with the New Zealand manufacturing plant working throughout the second half of the year to stabilise the operating platform and increase throughput in volumes.

It was particularly pleasing to achieve the earlier than expected sale of the Lincoln plant, completed within two months of its closure.

Following the period of structural change, we successfully embedded newly defined organisational structures – another key objective achieved in FY2015. I am pleased that we have been able to shift the focus to investing in our people again – through training and other continuous improvement activities, which will allow greater efficiency to positively impact our future.

## Markets

### Telecommunications

Rakon experienced strong revenue growth in the telecommunications market in FY2015. The latest 4G mobile phone technology is driving new telecommunications infrastructure investment, with Rakon capturing strong growth from 4G deployments of new base station equipment.

Infrastructure to support the new base stations and expand the capacity of the internet, is also driving record demand in fibre optics and wired and wireless equipment; each of these technologies require high specification frequency and timing products. Rakon was able to benefit from the significant growth in these markets, as network operators invested to deploy the supporting infrastructure needed to meet the demand on networks as a result of the growth in data volumes. Another new emerging market fuelling

data growth is the Internet of Things (IoT) where billions of devices connected to the network will further enhance our daily lives.

Early in the 2015 calendar year however, 4G base station demand cooled. With the increasing growth in data usage and 4G still being very early in deployment, telecommunication equipment manufacturers are expecting strong demand to return in the second half of FY2016.

## Global Positioning

Changes are currently impacting the global positioning market, for example, some mature products such as Personal Navigation Devices (PNDs) are in decline. These revenues are being replaced by growth in commercial and industrial Global Navigation Satellite System (GNSS) applications, used in industries such as surveying, mining and agriculture. Performance and reliability is paramount for these new applications, with the higher specification products that Rakon is supplying, generating higher margins.

The emergency beacon market (an established product group that remains in strong demand), is forecasted to grow 15% in the coming year.

New Machine to Machine (M2M) applications are emerging all the time, from drones, 'GoPros', through to autonomous cars.

## Space & Defence

Space & defence revenues were slightly lower overall than the prior year, however the second half of FY2015 saw the delivery of a number of key projects as planned. While the defence market has an upward trend, the space market has been soft in FY2015. Achievement against our own strategic objectives for the year is less than planned, with penetration beyond our core European markets yet to deliver new revenues. Our efforts are yielding design-in opportunities, however it will take one to two years to substantially break into these new territories where opportunities do exist.

## Strategy and Outlook

We remain dedicated to the strategic plan launched in FY2014, with the financial results for FY2015 in line with the progress that we expected to this point. Resources are now clearly aligned to the markets in which we are now focused and operating platforms are stable. We will continue to focus on progressing detailed objectives within the strategic plan in the coming year.

With all business units now contributing an Underlying EBITDA\* profit, we are optimistic about our prospects for FY2016. We expect total revenue to grow, supported by continued growth in the telecommunications market. The phasing of FY2016 revenue delivery is expected to be similar to FY2015, with a stronger second half compared to the first half.

For us to be a successful technology company, attractive to shareholders and new investors, we need to be continually at the forefront of releasing leading edge technologies and products. Over the year we have introduced some products where the capabilities supersede what has previously been in the market. The traction that we have gained with these products is very encouraging.

## Platform for Growth

The last few years have been a difficult period for Rakon and for you our shareholders. Over this time we have made some substantial changes to the company and with the posting of this profit result I feel that we have now turned the corner – which all shareholders have been waiting for.

Within the company there is an invigorated feel from the improvements that we are showing in our results and I believe we now have the platform to develop this next phase for Rakon – growing profits.



**Brent Robinson**

Chief Executive Officer / Managing Director

**Net Profit  
After Tax  
NZ\$3.2m**



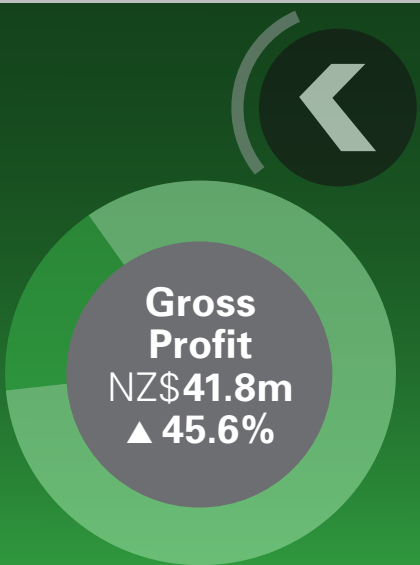




Strategic Direction Delivers Positive Result in Financial Year 2015

The Board is responsible for setting the strategic direction of Rakon Limited and overseeing management of the company, for the benefit of shareholders.

The strategy of refocusing the company on the higher margin markets of telecommunications, global positioning and space & defence is now showing improved returns with almost all of Rakon’s key financial indicators showing improvement.



**Bryan Mogridge** ONZM, FNZIOD  
Independent Chairman

Age 69  
Appointed Chairman in 2005.

Bryan has been a public company Director since 1984.

Formerly Chief Executive Officer (CEO) of Corporate Investments and Montana Wines.

Has chaired BUPA Care Services NZ Limited, Yealands Wine Group Limited, Momentum Energy PTY Limited, Waitakere City Holdings Limited, Enterprise Waitakere, The New Zealand Food and Beverage Exporters Council, The New Zealand Wine Institute and The New Zealand Tourism Board, among many other companies.

Was also Vice Chairman of UBS New Zealand and a former Director of Heartland Building Society Limited.

Other Current Directorships: Lantern Hotel Group PTY Limited (Chairman), Pyne Gould Corporation Limited (Chairman), BUPA Australia PTY Limited (Director) and Mainfreight (Director).

Bryan is also Chairman of the Starship Foundation.



**Brent Robinson**  
Executive Director

Age 56  
Appointed to Board in 2005.

36 years at Rakon which includes establishing a global business.

29 years as CEO / Managing Director.

Under Brent’s leadership Rakon has grown into a global and diversified business with revenues increasing from NZ\$1 million to NZ\$131.4 million.

Honorary Fellow of the Institution of Professional Engineers New Zealand.

Awarded the New Zealand Hi-Tech Trust – Flying Kiwi Award in 2011.



**Bruce Irvine**  
Independent Director

Age 59  
Appointed to Board in 2005.

Managing Partner of Deloitte Christchurch from 1995 to 2007.

Has chaired Canterbury Business Recovery Group Limited, House of Travel Limited and Pyne Gould Corporation Limited among many other companies.

Formerly involved in a voluntary capacity as a trustee of Canterbury Business Recovery Trust.

Other Current Directorships: Christchurch City Holdings Limited (Chairman), Heartland Bank Limited (Chairman), Godfrey Hirst Limited (Director), House of Travel Holdings Limited (Director), Market Gardeners Limited (Director), PGG Wrightson Limited (Director), Scenic Hotels Limited (Director), and Skope Industries Limited (Director).

Involved in a voluntary capacity as a trustee of Christchurch Symphony Trust and Christchurch Art Gallery Trust.



**Sir Peter Maire** KNZM  
Non-Executive Director

Age 63  
Appointed to Board in 2005.

Co-Founder and former President of Navman NZ Limited.

Honorary Fellow of the Institution of Professional Engineers New Zealand.

Made a Knight Companion of the New Zealand Order of Merit (KNZM) in 2008.

Formerly a Director of Orion Health Limited, Fusion Electronics Limited and a board member of New Zealand Trade and Enterprise.

Other Current Directorships: Callaghan Innovation Research Limited (Director), and Invenco Company Limited (Director and majority shareholder).



**Darren Robinson**  
Executive Director

Age 54  
Appointed to Board in 2005.

25 years at Rakon as Sales and Marketing Director.

Darren has driven sales for Rakon through exploring new markets, applications and establishing business with many Fortune 500 companies.

Under Darren’s sales and marketing leadership, Rakon now has sales revenue of NZ\$131.4 million and a full portfolio of frequency control solutions.



**Warren Robinson**  
Non-Executive Director and Founder

Age 80  
Appointed to Board in 2005.

Founded Rakon in 1967 and spent 19 years as Managing Director. Chairman until November 2005.

A member of the Institute of Electrical and Electronics Engineers.

A senior member of the New Zealand Electronics Institute.

A member of The Royal Society of New Zealand.

Warren has a First Class Certificate in Radio Technology.



**Herb Hunt**  
Independent Director

Age 67  
Appointed to Board in 2012.

Over 40 years experience in senior global operational and strategic roles in the technology industry with leading companies including IBM, Siebel Systems and Symphony Group.

32 year career with IBM including 12 years at IBM New Zealand, culminating as Chairman and CEO before rising to more senior roles in Australia, Asia, Europe and the United States of America.

Currently heads his own company, Transformation Services, in the United States which focuses on improving performance in sales, services and product development for international technology companies.

Formerly a Director of Wynyard Group Limited.

Other Current Directorships: Project Manager Holdings Limited (Director).

Rakon continues to be a leading supplier of high performance products which are sought after by customers in North America, Europe and Asia.



High end radar sub-systems are capturing new customers.





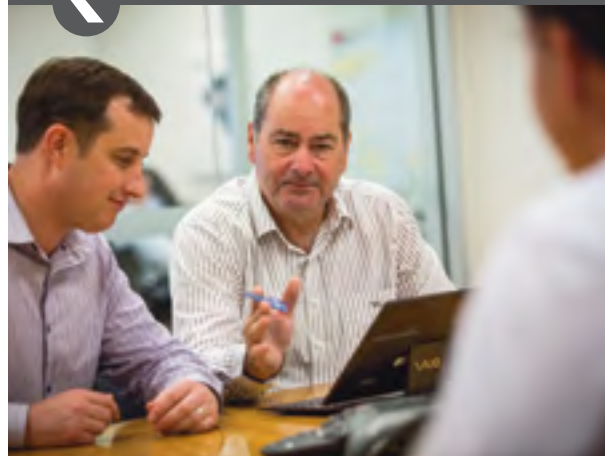


## Brent Robinson

Brent is Rakon's Chief Executive Officer and has been Managing Director since 1986. Under Brent's leadership Rakon has grown into a global business with revenues increasing from NZ\$1 million to NZ\$131.4 million. Brent also acts as Rakon's Chief Technology Officer, driving the business's technology and innovation.

## Darren Robinson

Darren has been Marketing Director since 1990. He leads the sales and marketing activities for Rakon globally and has been instrumental in driving Rakon's strategic direction to achieve revenue and market share growth. Darren has driven sales for Rakon through exploring new markets, applications and establishing business with many Fortune 500 companies.



## Nick Maire

Nick has over 18 years of experience within New Zealand founded high-tech, global manufacturing businesses including Navman, Invenco and Fusion Electronics. Nick was appointed as New Zealand General Manager in 2013 and is responsible for leading the Research and Development (R&D), engineering, product and project management, manufacturing and supply chain operations along with the development and execution of the New Zealand business's redefined strategic direction.



## Scott Stemper

In January 2015, Scott was appointed Global Quality Manager. He leads the development and improvement of quality processes and systems to enhance Rakon's drive to be the provider of world class products. Scott's background includes 10 years as Global Quality Manager with Raltron Electronics Corporation and 20 years with CTS Frequency Controls in oscillator product engineering and quality management roles. He has also held senior quality management positions with L-3 Communications and D&S Consultants Incorporated (DSCI).



## Simon Bosley

Simon joined Rakon in November 2012 and was appointed as Chief Financial Officer in February 2013. Simon has had a lead role in the structural changes undertaken by Rakon in FY2014 and FY2015. In his current role he is responsible for Rakon's finance, information systems and investor relations functions. Simon is also Rakon's Company Secretary. He previously spent ten years with Sony in executive management positions in New Zealand and Australia. Simon is a member of Chartered Accountants Australia and New Zealand (CAANZ).

## Dr. Sinan Altug

Sinan joined Rakon in 2002. In his role as the Managing Director of Europe, he is responsible for all aspects of Rakon's European business units, which includes manufacturing locations, R&D sites and sales – contributing significantly to Rakon's turnover. Prior to his current role, Sinan was Global Business Development and Applications Director, driving Rakon's entry and growth in multiple strategic business segments.



## Malcolm Leuchars

Malcolm joined Rakon in 2005. In his role as Global Human Resources (HR) Manager, he is responsible for all HR policies and processes. Malcolm has 25 years in HR and prior to joining Rakon has worked in a number of industries and roles including the following: General Manager of HR for Auckland Healthcare, an HR Contractor performing merger and acquisition work and Head of HR for two national retailers.



## Andrew McCraith

Andrew joined Rakon in 2010. He was appointed General Manager of Global Marketing in March 2015. In this role, Andrew is responsible for directing the following three core global marketing functions: strategic marketing, applications marketing and corporate marketing. Andrew's prior roles at Rakon include Global Director – Strategic Marketing and Business Development and Product Manager – XO's and VCXOs. Before joining Rakon he co-founded Silicon Clocks, a Micro-Electro-Mechanical Systems (MEMS) timing company, acquired by Silicon Labs.



**Dr. Sinan Altug**  
Managing Director  
Europe

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In the past year we focused on key strategic priorities to achieve our ultimate goal of returning Rakon to profitability. We put great focus on our core businesses, while redeploying resources into the most urgent areas and priorities. We have enhanced Research and Development (R&D) integration between the engineering teams in the United Kingdom, France and New Zealand to make full use of our exceptionally talented people and to further reap the benefits a truly global and cohesive team offers.

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**Mark Batey**  
Project Management  
Office (PMO) Manager

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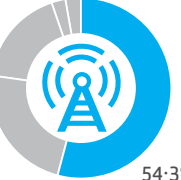




We currently have approximately forty global R&D projects underway which will potentially lead to bringing to market either new products or enhancements to existing products.

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# Products and Markets

Rakon's product portfolio comprises of high stability Crystal Oscillators (XOs), Voltage Controlled Crystal Oscillators (VCXOs) and crystal products, through to high volume precision Temperature Compensated Crystal Oscillators (TCXOs), Oven Controlled Crystal Oscillators (OCXOs), Oven Controlled SAW Oscillators (OCSOs), Digital Pulse Compression Sub-Systems (DPCSSs) and specialised products for extreme performance.

	Telecommunications	Global Positioning	Space & Defence	Other	Smart Wireless Devices
MARKET DEFINITION	The equipment which enables communications networks to operate. Includes base stations, microwave transmission, fibre optics, small cells and network timing.	Includes all Global Navigation Satellite System (GNSS) equipment and other location and positioning systems. Applications include Personal Navigation Devices (PND), high precision positioning (surveying, mining, and agriculture), as well as rescue beacons and sport and recreation products.	Applications where reliability as well as precision and performance are critical. This market also includes aviation and other high reliability applications.	Applications are multiple and include the following: wireless control, test and measurement, smart grids and metering, Machine to Machine (M2M) for the Internet of Things (IoT), as well as new and emerging markets.	Portable devices with added data functionality such as internet access, computing and video capability. Examples include smart phones and tablets.
PRODUCTS	OCXOs, TCXOs, VCXOs and XOs.	TCXOs and Crystals.	DPCSSs, OCSOs, OCXOs, TCXOs, VCXOs, XOs and Crystals.	OCSOs, OCXOs, TCXOs, VCXOs, XOs and Crystals.	TCXOs, VCXOs and XOs.
PRINCIPAL MANUFACTURING LOCATIONS	 India NZ	 NZ	 France NZ	 France NZ	 China
RESEARCH AND DEVELOPMENT	 France NZ UK	 NZ	 France	 France NZ UK	
SHARE OF REVENUE FY2015	 54.3%	 23.1%	 17.5%	 2.4%	 2.7%
KEY POINTS	<ul style="list-style-type: none"><li>Strong demand for new Fourth Generation (4G) mobile base stations, delivered record OCXO volumes for the Centum Rakon India factory in FY2015.</li><li>Although demand softened in the fourth quarter of FY2015, with 4G technology still being early in deployment, telecommunication equipment manufacturers are expecting stronger demand in the second half of FY2016.</li><li>Infrastructure to support the new base stations and expand the capacity of the internet, is driving record demand in fibre optics, wired and wireless equipment; all require high specification frequency and timing products.</li></ul>	<ul style="list-style-type: none"><li>Despite the steady decline in PND volumes, Rakon maintained a flat revenue for the year with improved margins.</li><li>Margin improvements are coming from the underlying growth of commercial and industrial GNSS applications where performance and reliability are paramount.</li><li>With autonomous cars soon becoming a reality, accuracy and dependability of the GPS sensor is essential, playing to Rakon's strengths.</li></ul>	<ul style="list-style-type: none"><li>Defence market revenue continues to trend up.</li><li>Space market in Europe has been soft in FY2015. With the introduction of the new European Space Agency (ESA) qualified product platform, order growth is expected in the coming year and will help reverse the European space revenue trend in the following year.</li><li>New high end radar sub-systems are capturing new customers.</li></ul>	<ul style="list-style-type: none"><li>Rakon is constantly looking for new and emerging markets that utilise its value added technology. New and emerging markets offer key opportunities and are a hotbed for Rakon's new products and technology.</li><li>The IoT is a rapidly growing market that is of interest to Rakon.</li></ul>	<ul style="list-style-type: none"><li>Rakon has divested from the low margin Smart Wireless Device (SWD) business to focus on high value, high performance products.</li><li>As a result of the divestment in the SWD business, Rakon sold its majority stake in Rakon Crystal (Chengdu) Co. Ltd. (RCC) to ECEC in October 2013.</li><li>Rakon retains a minority shareholding (10%) in the renamed entity ECEC Rakon Crystal (Chengdu) Co. Ltd. (ERC).</li><li>The ERC factory in Chengdu, is a strategic supplier to Rakon for its higher volume crystal and TCXO supply.</li></ul>



**Mary Carbin**  
Strategic Marketing Manager  
– Telecommunications and Positioning

“The telecommunications infrastructure market is growing with the rollout of heterogeneous networks and Rakon are a key supplier to many of the Tier One equipment manufacturers and timing solution providers.”



**Andrew McCraith**  
General Manager  
Global Marketing

“Mobile usage continues to drive both wireless investment as seen in the growth of 4G/Long Term Evolution (LTE) and the realisation of new high speed communication networks to transport that data.”

International Data Corporation (IDC) forecasts that the worldwide market for IoT solutions will grow from US\$1.9 trillion in 2013 to US\$7.1 trillion in 2020.

Information technology research and advisory firm Gartner estimates that IoT product and service suppliers will generate incremental revenue exceeding US\$300 billion in 2020.

Source: [www.forbes.com](http://www.forbes.com).  
Internet of Things By The Numbers:  
Market Estimates and Forecasts.

## Internet Usage Leaps in New Zealand

In May 2015 the New Zealand Herald reported that internet usage has spiked this year during what provider Spark has dubbed “a video streaming revolution”.

Spark Home, Mobile and Business Chief Executive, Chris Quin said “New Zealand consumers are embracing a digital lifestyle like never before”.

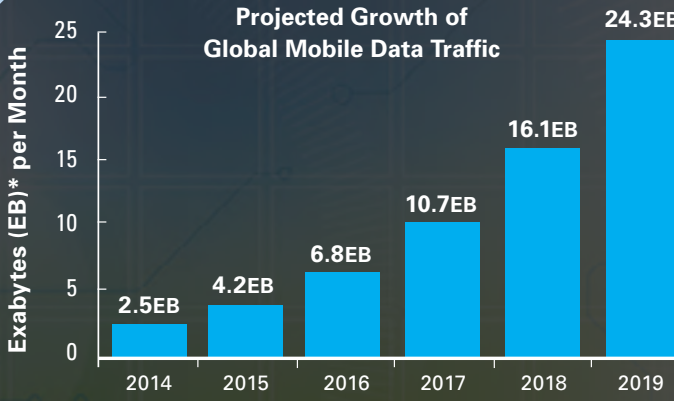
On the Spark network alone, traffic volumes had grown a record 26 per cent in the last three months to the end of March, Quin said. More New Zealanders than ever were shifting to higher data or unlimited broadband plans and enjoying online entertainment services such as Streaming Video On Demand (SVOD), he said.

Lightbox Chief Executive Officer Kym Niblock said SVOD services were having a huge impact on the way New Zealanders used the internet.

“Our figures show that peak bandwidth delivered by Lightbox has increased by over 400 percent since the beginning of January 2015”.

Work was already underway to fast-track planned Spark Network capacity upgrades, to help facilitate the surge, Niblock said.

Source: [www.nzherald.co.nz](http://www.nzherald.co.nz)  
Internet Use Leaps as Streaming Revolution Begins.



Source: [www.cisco.com](http://www.cisco.com).  
Cisco Visual Networking Index, Global Mobile Data Traffic Forecast Update, 2015.

\*A single exabyte (EB) has the capacity to hold over 36,000 years worth of High Definition (HD) quality video.  
Source: Cisco.



Rakon has a complete suite of leading edge timing and frequency control products. Rakon products are embedded in all parts of the communication network, end to end.





## Rakon Space Oscillators On Board O3b Satellites

On 18 December 2014 Thales Alenia Space's four satellites, manufactured for O3b Networks, were successfully launched by Arianespace from the Guiana Space Centre in French Guiana. The four satellites each use two space Oven Controlled Crystal Oscillators (OCXOs) designed and manufactured by Rakon – one for the GPS board and the other for the Satellite Management Unit.

“Rakon is very proud to be involved in this next-generation network which aims to combine the reach of satellites with the speed of fibre to deliver high speed data connectivity including broadband internet access to the ‘Other 3 billion’ people that still require high speed voice and data network communication” said Fabrice Goulven, Strategic Marketing Manager for Space & Defence.

Positioned at an altitude of 8,062 kilometres, four times closer to the earth than geostationary satellites, these Medium Earth Orbit (MEO) satellites, operating in the Ka-band, offer high data throughput and low mouth-to-ear, one-way latency for internet connectivity and other telecommunications services in emerging markets.

### About O3b

The company has a total of 12 satellites in orbit, delivering high-quality connectivity to customers in the Pacific, Africa, the Middle East and Asia.



**Ullas Kumar**  
Application Marketing Manager

“Rakon’s solutions produce the ‘ticks of time’ all around us, such as driving the electronics in your car or the heartbeat of the satellite up in space.

Growth in mobile data usage is driving infrastructure investment, and Rakon has a product in almost every type of network equipment needed.

”

### <sup>1</sup> AUTOMOTIVE

In-dash navigation systems for automobiles.

### <sup>2</sup> FINANCIAL MARKETS

Financial transactions require precise timing 24 hours, seven days a week, and the supporting network infrastructure has legally binding accuracy requirements. Accuracy requirements are now less than a microsecond.

### <sup>3</sup> BROADCAST SYSTEMS

For example media broadcast equipment.

### <sup>4</sup> INDUSTRIAL

Includes test and measurement equipment, indoor positioning and timing for machine control.

### <sup>5</sup> POSITIONING IN AGRICULTURE AND SURVEYING

Precision GNSS assists in surveying equipment and autonomous farming equipment.

### <sup>6</sup> SPORTS, RECREATION AND WEARABLES

Positioning for sports, recreation and fitness tracking.

\*For further application definitions and acronym meanings, please refer to the Glossary on pages 18 and 19.



Summary of Revenue and Profit/(Loss) For the year ended 31 March 2015	2015 (\$000s)	2014 (\$000s)
Revenue	131,417	149,951
<b>Underlying EBITDA*</b>	<b>15,369</b>	<b>(7,531)</b>
Depreciation and amortisation	(7,938)	(16,446)
Impairment	–	(41,387)
Loss on disposal of assets (sale of shares in subsidiary)	–	(8,467)
Interest	(1,272)	(1,715)
Adjustment for associates and joint venture share of interest, tax and depreciation	(3,600)	(2,787)
Non controlling interest and other non cash items	(1,015)	(4,390)
Income tax credit/(expense)	1,646	(1,076)
<b>Net profit/(loss) after tax</b>	<b>3,190</b>	<b>(83,799)</b>

Summary of Statement of Cash Flow For the year ended 31 March 2015	2015 (\$000s)	2014 (\$000s)
<b>Net cash flow</b>		
– Operating activities	(3,573)	12,487
– Investing activities	(3,601)	16,730
– Financing activities	711	(25,890)
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(6,463)</b>	<b>3,327</b>
Foreign currency translation adjustment	433	(1,817)
Cash and cash equivalents at the beginning of the period	4,800	3,290
<b>Cash and cash equivalents at the end of the period</b>	<b>(1,230)</b>	<b>4,800</b>

Balance Sheet As at 31 March 2015	2015 (\$000s)	2014 (\$000s)
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	4,858	9,211
Trade and other receivables	34,430	34,255
Derivatives – held for trading	52	–
Derivatives – cash flow hedges	281	1,056
Inventories	28,716	28,443
Current income tax asset	27	2
<b>Total current assets</b>	<b>68,364</b>	<b>72,967</b>

As at 31 March 2015	2015 (\$000s)	2014 (\$000s)
<b>Non-current assets</b>		
Derivatives – cash flow hedges	634	–
Trade and other receivables	1,260	–
Property, plant and equipment	16,912	24,374
Intangible assets	14,547	10,819
Investment in associate	8,697	7,666
Interest in joint venture	7,015	6,210
Deferred tax asset	7,425	6,349
<b>Total non-current assets</b>	<b>56,490</b>	<b>55,418</b>
<b>Total assets</b>	<b>124,854</b>	<b>128,385</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Bank overdraft	6,088	4,411
Borrowings	139	42
Trade and other payables	21,759	23,258
Derivatives – held for trading	103	–
Derivatives – cash flow hedges	911	–
Derivatives – interest rate swaps	112	23
Provisions	1,071	6,108
Current income tax liabilities	–	456
<b>Total current liabilities</b>	<b>30,183</b>	<b>34,298</b>
<b>Non-current liabilities</b>		
Derivatives – cash flow hedges	752	–
Borrowings	12,013	11,132
Provisions	2,098	1,825
Deferred tax liabilities	399	2,163
<b>Total non-current liabilities</b>	<b>15,262</b>	<b>15,120</b>
<b>Total liabilities</b>	<b>45,445</b>	<b>49,418</b>
<b>Net assets</b>	<b>79,409</b>	<b>78,967</b>
<b>Equity</b>		
Share capital	173,881	173,881
Reserves	(26,543)	(23,795)
Retained earnings	(67,929)	(71,119)
<b>Total equity</b>	<b>79,409</b>	<b>78,967</b>

This financial summary provides partially summarised financial information only, regarding the financial performance of Rakon Limited for the year ended 31 March 2015. Please refer to Rakon Limited's 2015 Annual Report for the full financial statements and accompanying notes.

\*Refer to page 2 for explanation of Underlying EBITDA.



**Broadband**

Refers to high speed internet access.

**Carrier Ethernet**

Ethernet is a family of computer networking technologies for Local Area Networks (LANs) and metropolitan area networks (MANs). Carrier ethernet is high speed ethernet for MANs.

**Connected Cars**

A system where cars are connected to a network. The car is equipped with internet access and can share the connection with devices both inside and outside the vehicle. Special technologies provide additional benefits to the driver such as automatic notification of crashes, safety alerts and other useful applications (apps).

**Crystal (Xtal)**

At the heart of XO's, VCXOs, TCXOs and OCXOs are quartz crystals.

**Crystal Oscillator (XO)**

An XO is a quartz crystal combined with basic oscillation circuitry. XO's can offer high frequencies with low performance. They are typically used in telecommunications networks and other broadband applications.

**Digital Pulse Compression Sub-System (DPCSS)**

A DPCSS is fully programmable and is used to upgrade an existing radar and to extend its life. DPCSSs have high speed digital processing capability, enabling remarkable increases in the overall system performance of radars.

**Drone**

An unmanned vehicle that is automatically or remotely controlled. They are either ground based Unmanned Ground Vehicles (UGVs) or airborne Unmanned Aerial Vehicles (UAVs) and they are seeing growth in popularity. Drones are often used in environments that are hazardous or challenging for humans to operate in, including search and rescue, firefighting, surveillance, bomb detection and aerial photography. New mainstream commercial uses include goods delivery and traffic monitoring.

**Emergency Beacon**

Tracking transmitters which aid in the detection and location of boats, aircraft and people in distress.

**Fourth Generation (4G)**

Stands for Fourth Generation (4G) data communications technologies. Where 3G provided voice and limited data capabilities, 4G provides for mobile broadband internet access. 4G allows for fast internet connections to smartphones, tablets and other wireless or mobile devices. 4G itself comprises of the following three standards: LTE (most common), Ultra Mobile Broadband and Worldwide Interoperability for Microwave Access (WiMax).

**Global Navigation Satellite System (GNSS)**

A satellite navigation system with global coverage. As of April 2013, only the United States NAVigation Satellite Timing And Ranging (NAVSTAR) Global Positioning System (GPS) and the Russian GLObal NAVigation Satellite System (GLONASS) were operational globally. China is in the process of expanding its regional BeiDou-1 system to a global system called BeiDou-2 by 2020.

**Global Positioning**

Includes all GNSS equipment and other location and positioning systems. Applications include the following: Personal Navigation Devices (PNDs), high precision positioning (surveying, mining, agriculture), rescue beacons and sport and recreation products.

**Heterogeneous Networks (HetNet)**

Traditional networks use predominantly large cell sites (or base stations), whereas a HetNet expands capacity by including additional small cells (smaller, lower power cell sites) in the network. Typical applications of HetNets include open outdoor environments, office buildings, sports stadiums and underground areas.

**Internet of Things (IoT)**

The Internet of Things is a connected network of physical objects with embedded electronics, software and sensors. These connected devices intelligently operate themselves. Examples include home control and security, heart monitoring implants, health monitoring sensors for farm animals, cars with built-in sensors, or devices that assist firefighters in search and rescue.

**Launch Vehicle**

A rocket used to carry a payload from earth into outer space.

**Long Term Evolution (LTE)****Long Term Evolution Advanced (LTE-A)**

Long Term Evolution refers to next generation telecommunications systems. LTE and LTE-Advanced (LTE-A) are standards for wireless communication of high speed data for mobile phones and data terminals.

**Machine to Machine (M2M)**

A broad label that can be used to describe any technology that enables networked devices to exchange information and perform actions without the manual assistance of humans.

**Manpack Radio**

Back pack communication systems carried by military personnel.

**Network**

A group or system of interconnected people or things.

**Oven Controlled Crystal Oscillator (OCXO)**

OCXOs are used in applications where precise reference clocks are needed to secure high volume data traffic. Stabilities can be better than 0.1 part per billion (ppb). Used in telecommunications infrastructure and space & defence applications.

**Oven Controlled SAW Oscillator (OCSO)**

An OCSO is an oven controlled oscillator with embedded Surface Acoustic Wave (SAW) technology. SAW technology enables high frequency fundamental outputs (available from 320 MHz up to 2 GHz). OCSOs also deliver ultra low phase noise performance. They are commonly used in test and measurement equipment, high speed converters, radar systems and other precise communication applications.

**RADio Detecting And Ranging (RADAR)**

An object detection system that uses radio waves to determine the range, altitude, direction, or speed of objects.

**Remote Sensing**

The science of obtaining information about objects or areas from a distance, typically from aircraft or satellites.

**Router**

A device that forwards data packets along networks.

**Small Cell**

A small cell is a low-powered radio access node that has a range of 10 m to 2 km. An integral part of 4G LTE networks, small cells are also an important element of Heterogeneous Networks (HetNet). Mobile operators use small cells to extend their wireless service coverage and/or increase network capacity. The term 'small cell' is frequently used by the industry as an umbrella term, to describe the different implementations of femtocells, picocells, metrocells and microcells. In essence, they are smaller versions of a large cell site (or base station).

**Smart Grid**

A smart grid is a modernised electrical grid that can detect and intelligently respond to changes in power supply and demand. Grid operators use smart grids to improve the efficiency, reliability, economics and sustainability of power generation and distribution.

**Smart Wireless Devices (SWDs)**

Portable devices with added data functionality such as internet access, computing and video capability. Examples include smart phones and tablets.

**Space & Defence**

In some industries reliability and high precision performance are critical. Rakon's high reliability solutions are found in space, defence, aviation and industrial applications which have the most stringent performance criteria.

**Switch**

In networks it is a device that filters and forwards packets between Local Area Network (LAN) segments.

**Telecommunications**

All the electronics infrastructure that connects you to the rest of the world by wired, wireless and optical communication networks.

**Temperature Compensated Crystal Oscillator (TCXO)**

A TCXO is essentially a quartz crystal combined with electronic circuitry to make an oscillator which removes much of the error in frequency, caused by variations in temperature.

**High Stability Temperature Compensated Crystal Oscillator**

High Stability TCXOs are used in high volume, high performance markets such as mobile phone devices where small oscillator size is important. High Stability TCXOs have a typical performance of 0.5 parts per million (ppm) over wide temperature ranges. They are available in sizes as small as 1.6 x 1.2 mm.

**Ultra Stable Temperature Compensated Crystal Oscillator**

Many applications demand an even higher level of performance than our high stability TCXOs. Using unique technology, Rakon's Ultra Stable TCXOs can achieve stabilities better than 50 parts per billion (ppb) over temperature. They are used in telecommunications networks and other high precision applications.

**Unmanned Aerial Vehicle (UAV)**

An aircraft without a human pilot aboard. Often referred to as a Drone (see page 18) or Remotely Piloted Aircraft (RPA), UAVs are used for aerial photography, military, sports, surveillance and geological research applications.

**Very Small Aperture Terminal (VSAT)**

A satellite communications system that serves home and business users.

**Voltage Controlled Crystal Oscillator (VCXO)**

A VCXO is an oscillator that, with an applied control voltage, can have its oscillation frequency adjusted. Customers using high performing OCXOs for base stations and telecommunications infrastructure also use many VCXOs at different frequencies as part of their timing network requirements. VCXOs can offer much higher frequencies, as well as very low phase noise performance.

## Contact

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**Managing Your Shareholding Online:**

To change your address, update your payment instructions and to view your investment portfolio including transactions, please visit:  
[www.computershare.co.nz/investorcentre](http://www.computershare.co.nz/investorcentre)

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**Jonathan Mayo**  
Graduate Mechatronics  
Engineer

“ I enjoy working at Rakon as it is an internationally recognised company developing innovative technology which provides countless engineering challenges. ”

”



Rakon has many skilled teams working together across its manufacturing facilities, design centres and customer support offices. Below: Some of the many team members within Rakon.

As a leader competing on the world stage, understanding market needs is imperative to deliver the next innovative solution. Technologies evolve at a rapid pace. To remain at the forefront of the industry, operational excellence, insightful management,

backed by a highly skilled team is essential. Investment in training is ongoing, to continuously advance and improve organisational effectiveness and efficiencies. This mix combined, gives rise to a culture that is vibrant and ever-changing.

Rakon gains from the collaboration of its truly global team, which is united by a shared curiosity and passion for technology – impacting the world we live in.



A group on the Temperature Compensated Crystal Oscillator (TCXO) production floor in Auckland, New Zealand\*. Front row, left to right: Jadranka Grujicic, Tao Nguyen, Anju Agnihotri, Tomoko Yasui, Jay Cai, Freda McFarland. Second row, left to right: Vijay Chandra (Engineer), Sukhwant Singh, Tuvaao Epati, Leon Yong (Engineer), Nagalakshmi Dwadasi, Spandana Gadde, Fenny Robertson. Back row, left to right: Harshad Prabhu (Engineer), Gireesh Nair, Puja Devi, Nitesh Chand, Ben Schmidt, Jagdeep Kaur, and Nileshni Goundar.\*Those wearing white smocks are Production Operators.



A group on the Surface Mount Technology (SMT) production floor in Auckland, NZ. Front row, left to right: Kavitha Murali, Sarita Dass, Madhavi Manubolu, Sandhya Byreddy, Lalitha Vijayanarasimhan (Team Leader). Second row, left to right: Gurvinder Kaur, Keli Liu, Sadhna Verma, Padmaja Badarla, Alice Tang. Back row, left to right: Veenal Aashis Datt, Riyaz Sharif (Technician), Riaz Rahool Buksh, Zobir Ali, Mohammed Harron, Fiona D. Rihari and Srikanth Devarakonda.



Some of the managers across the Auckland, NZ organisation. Front row, left to right: Prasad Talathi, Steve Lumborg, Naga Bettadhapura, Sowmya Injeti, Anita Chand. Second row, left to right: Ian Payne, Serge Onishchuk, David Grant, Tarina Olliver, Anand Rambhai, Ravi Ramalingam. At the back: André Greissner, Thomas Borja, Wayne Mackenzie, Andrew Connell, Mark Batey, Mark Burgess, Jack Farrant, Brent Clark, Ben Parry and Kevin McAloon.



A group on the Integrated Technology (IT) production floor in Auckland, NZ. Front row, left to right: Yoli Capundan, Anita Kumar, Yatin Solanki (Team Leader/Engineer), Minzhi Liu, Cheayenne Oberio, Merlie Sagoinit. Back row, left to right: Bianca Gunaratna, Manu Wipani, Harpreet Singh Mann, Mohammed Ilyas Siddeeq, Joseph Kumar (far back) and Vae Marurai (Technician).



A research and development group in Auckland, NZ. From left to right: Malkhaz Meladze, David Swarbrick, Ryan Barron, Yun Ho Tsoi, Lee Zhang, Sergei Sirenko, Bob Bennett, Malligai Premkumar, Oleg Sheynin and Avilash Singh.



A research and development group in Harlow, United Kingdom with Dr. Philip Davies, General Manager (United Kingdom). Front row, left to right: Derek Read and Tony Bisceglia. Second row, left to right: Dr. Philip Davies, Anis al-Najar, Kevin Aylward, Karl Ward. Back row, left to right: Bob Wills, Mark Cracknell and Nigel Hardy.



A research and development group at Pont Sainte Marie, France. From left to right: Laurent Couteleau, Olivier Bel, Marc Jouan, Yves Gavory, Eric Briquet, Johnny Leost, Hassan El Aabbaoui, Raphaël Delaune and Jean Renard.



A sales and customer support group in Taiwan. From left to right: Nelson Chen, Kimber Wang, Jason Chen, Mandy Chin and Vanessa Chang.



A group from a cross section of departments at Pont Sainte Marie, France (including Temexpress). From left to right: Christophe Guth, Pierre Netzer, Valérie Petit, Carole Gagnard, Franck Sirou, Olivier Bignon, Alain Rougier, Valérie Hasselin, Hervé Fialaire, Olivia Gerdy and Eric Payn.



A group from finance, information systems and global marketing at Mougins, France. From left to right: Marc Ginez, Christiane Mohler, Jean-Philippe Branche, Franck Baretti, Michel Manglano, Fabrice Goulven and Eugene Zerbib.



A research and development group at Mougins, France. From left to right: Karine Liffra, Christophe Novella, Xavier Tatopoulos, Robert Giannetti, Fabien Valerioti, Pascal Brechat and André Giordanengo.



Some of the senior managers from Argenteuil, Mougins and Pont Sainte Marie in France. From left to right: Claude Trialoup, Dr. Pierre Poulain, Franck Baretti and Alain Rougier.





## Running on Innovation

