



CERAMIC FUEL CELLS LIMITED

Clean power for your home



Preliminary Financial Results

Year to 30 June 2008

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Overview

- Customers and Products
- Manufacturing and Supply Chain
- Technology
- Financial
- Outlook 2008-09





Customers and Products

- **July 2007, signed further product development agreements**
 - [E.ON UK](#) and [Gledhill Water Storage Ltd](#) for the United Kingdom market
 - [Nuon](#) and [Remeha / De Dietrich Thermique](#) for the Benelux markets
- **January 2008, entered the Japanese market through a product evaluation and development agreement with the [Paloma Group](#)**
- **February 2008, announced first volume order for 50,000 mCHP units from Nuon, based on meeting agreed performance and price targets**
- **By June 2008, installed six NetGenPlus™ units with European customers and partners**



Manufacturing and Supply Chain

- Built and commissioned a plant in Merseyside, UK, to make high quality ceramic powders using the Company's proprietary technology
- Confirmed investment of €12.4 million for a large scale fuel cell plant in Heinsberg, Germany
- Long term supply agreements for fuel cell components with HC Starck and CeramTec
- Commercial relationships with suppliers of mCHP balance of plant components, achieving significant cost savings and size reductions





Technology

- **European 'CE' safety approval for the NetGenPlus™ unit**
- **Strong progress in cell power density, efficiency and fuel cell stack lifetime**
- **Extensive intellectual property portfolio supplemented with further patents granted**



Forschungszentrum Jülich
in der Helmholtz-Gemeinschaft





Financial

- **Sales revenue from customers up 42% to A\$617K / £288K**
- **Operational cash outflow increased by 4.4% to A\$19.8M / £9.3M to fund expanded product development, supply chain and manufacturing scale up**
- **Net loss increased by A\$4M / £1.8M to A\$23.7M / £11.1M**
 - Largely due to a non-cash impairment charge of A\$3,267K / £1,528K
- **Raised A\$14.7M / £7M in a placement of new shares in May 2008**
- **Total cash and investments at 30 June 2008 of A\$43.3M / £20.3M**



Outlook 2008- 09

- **Continue to develop products with utility customers and appliance partners**
 - Operate semi-integrated units at partners' facilities
 - Progress into building fully integrated units for European customers
- **Build up manufacturing capacity - partnerships with suppliers for fuel cells and commercial balance of plant components**
- **Volume fuel cell assembly plant in Germany, operational in June 2009**
- **Ramp up UK ceramic powder plant**
- **Continued advances to meet key technical targets for commercial fuel cell products – high efficiency and durability**