



Adacel 2012 and forward
Annual General Meeting
16 November 2012

Seth P Brown
Chief Executive Officer

2012 Recap

	2012	2011	+/-%
• Orders	\$39.9 M	\$31.8 M	+25.5%
• Revenues	\$38.5 M	\$37.3 M	+3.5%
• Profit before Tax	\$4.6 M	loss \$3.1 M	nm
• Profit after Tax	\$4.2 M	loss \$3.0 M	nm
• Cash Flow	+\$1.3 M		
• Net cash	+\$5.8 M		

CEO Immediate Priorities

- Streamline and consolidate company management
- Right-sized cost structure to return to profitability
- Set in motion a plan to change overall company culture
- Implemented company-wide training programs for all employees

TOUGH DECISIONS NOW

CEO Vision for Success

1. Continue to do what we do best
2. Focus on profitable product offerings and services
3. Eliminate unnecessary costs
4. Determine a path for future growth

Core Capabilities - What We Do Best!

Simulation & Training Products



ATC

Unified Training Solution



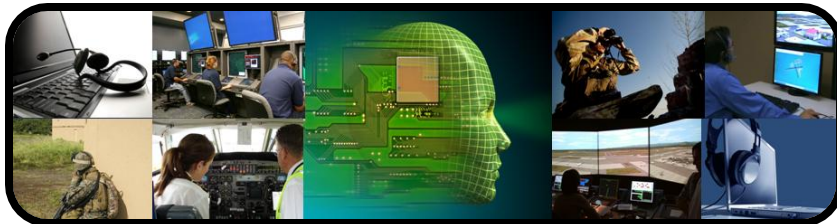
Operational Voice



ATM Solutions



Speech Recognition in Simulation



Global Services & Support



Strategic Planning

Focused Business Development
Focused R&D Spending

Simulation & Training

- Issues:
 - Cyclical, Uncertain Markets
 - Commodity Based Acquisitions
- Strategic Response:
 - Bundled Offerings
 - Focus Market Penetration and Development on Asia/Pacific and FAA (Ops and Support)
 - Enhance Capabilities for Future Market Disruption

Air Traffic Management

- Issues:
 - Dominated by Large Competitors
 - Typical Acquisitions Bundled
- Strategic Response:
 - Focus Market Development on Asia/Pacific and Oceanic/Procedural
 - Partner with Large Prime

Operational Speech Recognition Systems

- Issues:
 - Military Markets Uncertain
 - Long Adoption Cycles
- Strategic Response:
 - Focus Market Development on Commercial Aviation
 - Partner with OEM's and Major Avionics Manufacturers

Primary Strategic Initiatives

- Market Development for ATC Simulation and Training and ATM in Asia/Pacific Focusing on China and the PacRim
- Market Development with Expanding Operations and Support Services Position with FAA
- Further Develop Unified Training Solution
- Acquire Aviation English Training Capabilities
- Market Development in Operational Speech Focusing Primarily on Commercial Aviation

Summary

- We have the right-sized organisation to be competitive and execute and promote market expansion of products
- Strategic initiatives provide a potential organic path with accelerating growth to 2017 with 2013 a year of further consolidation in performance
- Strategic plan is dynamic and requires ongoing review

Adacel Technologies, Inc.

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