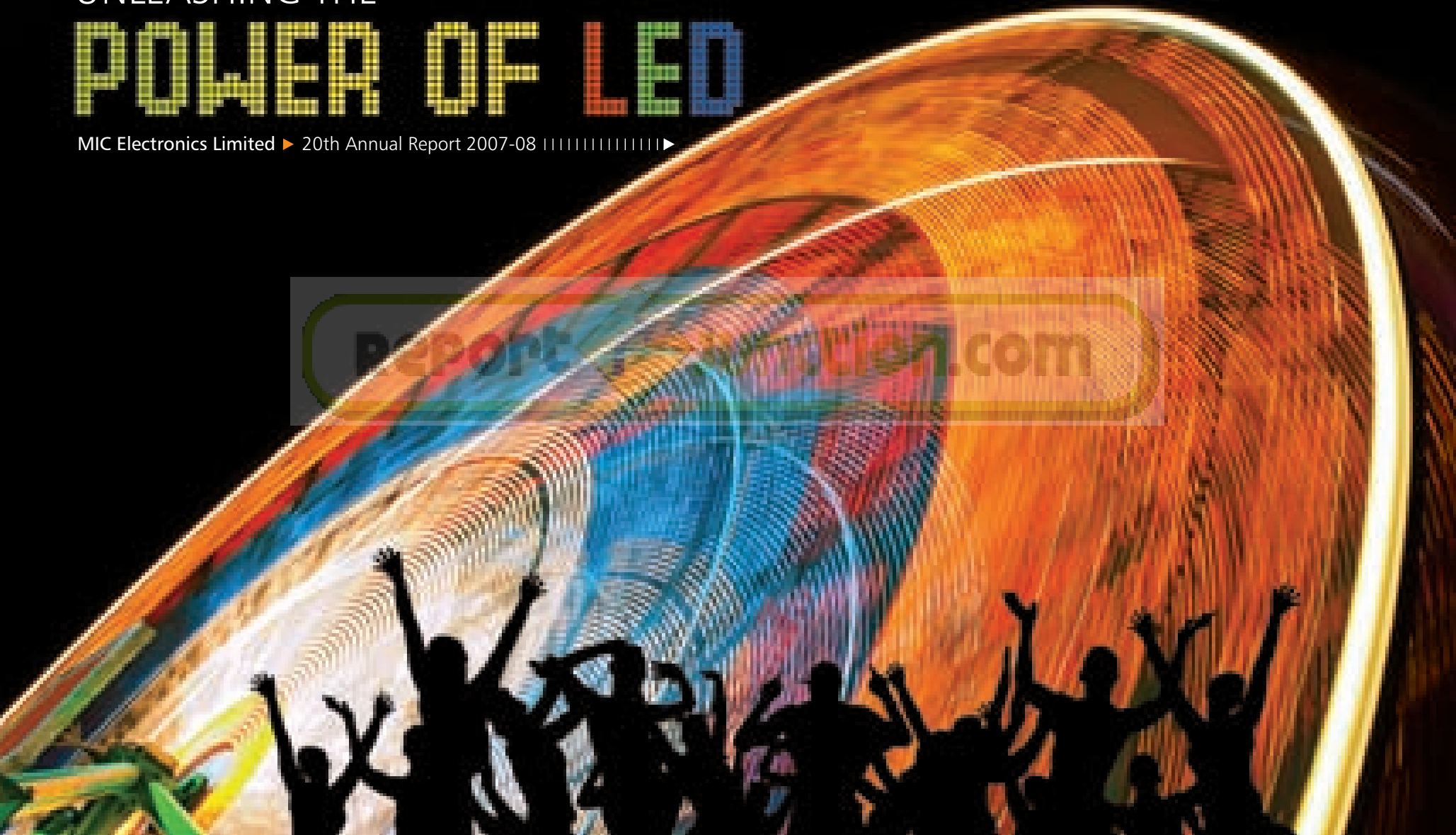
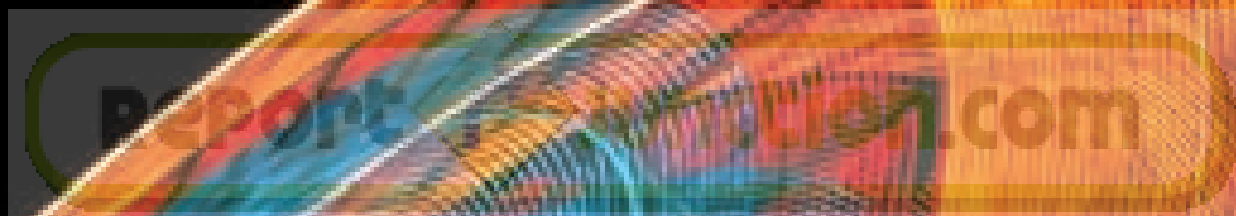


UNLEASHING THE POWER OF LED

MIC Electronics Limited ► 20th Annual Report 2007-08



Forward looking statement

In this annual report, we have disclosed forward-looking information to help investors to comprehend our prospects and take informed investment decisions. This report is based on certain forward-looking statements that we periodically make to anticipate results based on the management's plans and assumptions.

We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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"MY IDEA OF EXCITEMENT IS SITTING IN A PACKED STADIUM, MUNCHING POP CORN, WATCHING CRICKET ON A GIANT SCREEN AND YELLING 'FOOOOOUR!'"

Gourav Patil, 21, Mumbai



JUST AT THIS
MOMENT, A GIANT
SCREEN IS COMING
TO LIFE AND
HUNDREDS OF
HEADS ARE
TURNING.

JUST AT THIS
MOMENT, TWO
ROMANTICS ARE
GLUED TO A FILM
ON A GIANT
SCREEN AND
MISSING THE FACT
THAT THEY ARE
BLOCKING
SOMEONE'S WAY.

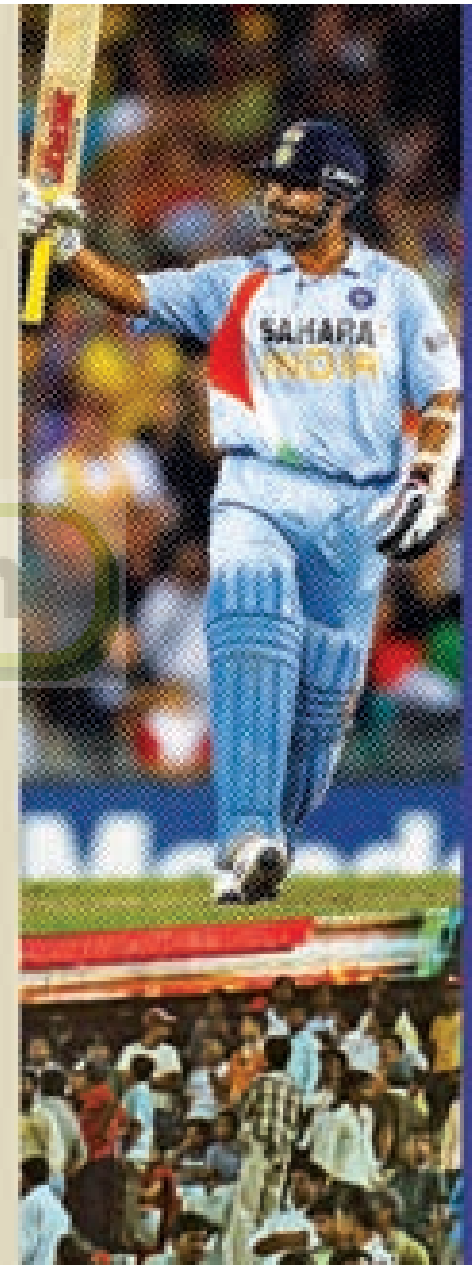
JUST AT THIS MOMENT, SOMEONE
IS CHECKING THE TRAIN
DEPARTURE SCHEDULE ON A GIANT
VIDEO DISPLAY AND INTONING
'THANK GOD, I AM ON TIME!'

TRAIN NO.	TRAIN NAME	EXP. TIME	AVD	PF. NO.
1082	MUMBAI Exp.	18:35	A	11
2083	JANASHATABDI Exp.	18:15	A	08
2511	GORAKHPUR Exp.	Cancelled		
2521	AHALYANAGARI Exp.	18:10	D	06
2525	KERALA Exp.	19:00	D	02
2547	NIZAMUDDIN Exp.	18:05	D	09
2571	NEELGIRI Exp.	18:15	D	07

JUST AT THIS
INSTANT,
SOMEONE IS
ENTERING A
SHOPPING
MALL ATRIUM
WITH A GIANT
SCREEN AND
SAYING
'AMMMMM.'



JUST AT THIS
MOMENT, THERE
ARE HUNDREDS
OF THOUSANDS
OF PEOPLE
LOOKING UP AT
A PRODUCT
FROM MIC.
ELECTRONICS.
NOT ONLY IN
INDIA. BUT ALL
OVER THE
WORLD.





Few locations of our true colour
LED displays

AUSTRALIA

Melbourne

AHMEDABAD

Gujarat Science City

DELHI

Delhi Metro Rail Corporation

DUBAI

Dubai International Financial Centre

ECUADOR

Barcelona Sports Club

HYDERABAD

Hyderabad Race Club

KOLKATA

City Centre

MUMBAI

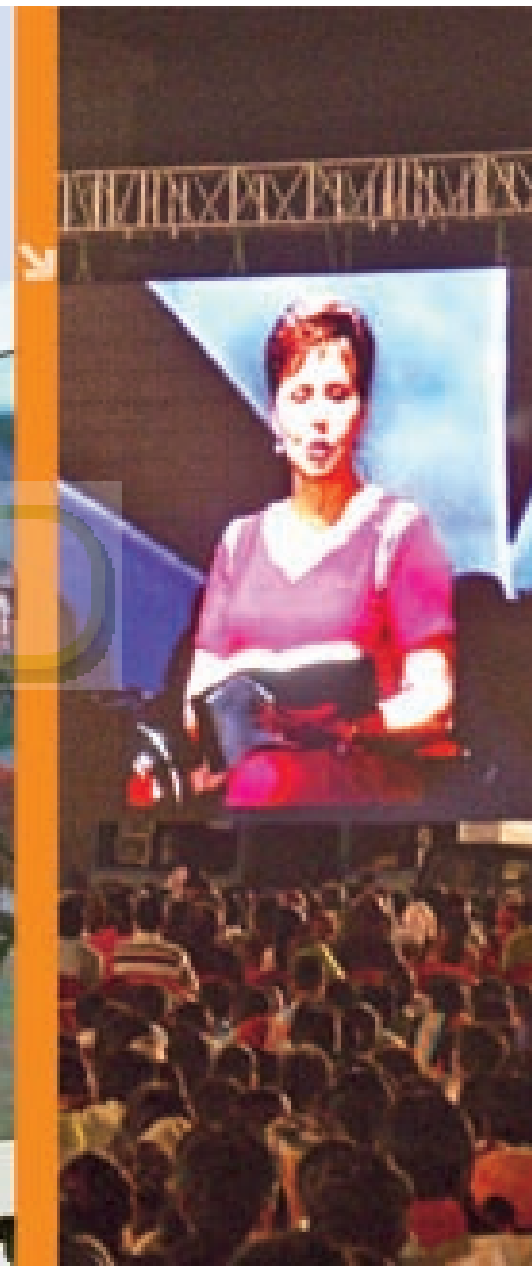
National Stock Exchange

SOUTH AFRICA

Durban

SRI LANKA

Colombo



THE BIG PICTURE AT THE COMPANY UNLEASHING THE POWER OF LED.

MIC Electronics is working to emerge among the top five global companies in true colour LED display systems. And among the top 10 global companies in LED lighting products.



Business

- Incorporated in 1986, the Company has a rich 22-year experience in LEDs and LED products.
- The Company operates in two business segments – media and informatics and communications (ICT).
- The Company focuses on the media segment comprising true colour LED displays and LED lighting products.
- The ICT solutions include embedded systems and telecom software, communication and electronic products.
- The Company is the only Indian player in the design, development and manufacture of true colour LED displays.



Presence

- Headquartered in Hyderabad, India
- Listed on the Bombay Stock Exchange and National Stock Exchange in India
- Production facilities located at Hyderabad, Yanam and Roorkee
- Software development centres at Hyderabad (India), Sydney (Australia) and Santa Clara (USA)
- Marketing and technical support centres in New Delhi, Mumbai, Kolkata, Chennai and Bangalore
- Global offices in the US, UAE, Australia and South Korea



Credentials

- Received more than 25 product approvals from Telecom Engineering Centre (TEC, Government of India)
- Accredited with ISO 9001:2000 leading to superior product quality
- Received quality approval from UL for true colour LED displays



Supplied the first LED video (basic) display



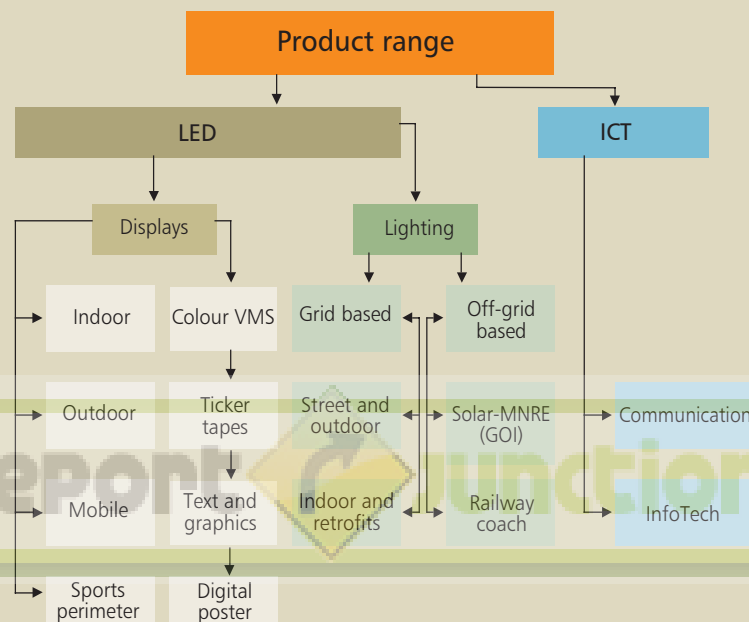
Received the National Best Award for R&D efforts in the electronics industry from DSIR



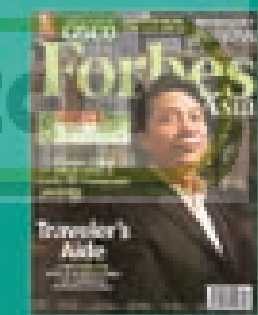
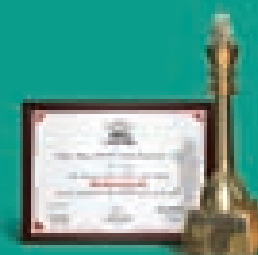
LED video display product placed in the 'Indian Innovators' Forum' - Hall of Fame



Supplied the first true-colour outdoor LED video display system



RECOGNITION



- Recognised by the Department of Scientific and Industrial Research (DSIR), Government of India, for its R&D
- Product placed in the Indian Innovators' Forum
- The best IPO (runner up) for 2007-08 by *Outlook Money*, *NDTV Profit*
- Featured among the '200 Best under a Billion' companies in Asia Pacific according to *Forbes*. MIC Electronics was one among the 22 selected companies in India.



Exported the first mobile video display to South Africa



Acquired InfoSTEP Inc, USA, to foray into global IT services

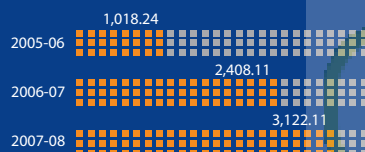


Listed on the BSE and NSE
Acquired Maave Electronics
Entered into Railway LED emergency lighting and MNRE lighting business

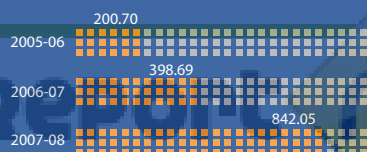


Entered into an OEM agreement with GE for LED street lighting
Entered into a 50:50 joint venture with LAFC, USA for LED display
Established MIC Electronics Inc.(US) a 100% subsidiary

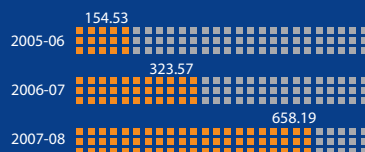
THE POWER OF LED... IS REFLECTED IN THE FINANCIALS



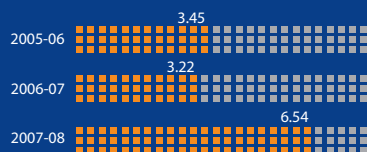
Increasing net sales (Rs. mn)



Robust EBIDTA (Rs. mn)

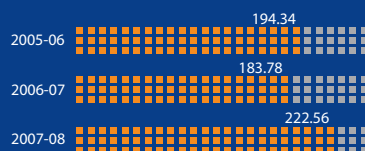


Surging net profit (Rs. mn)

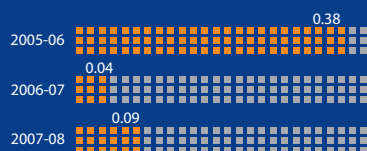


Earning per share* (Rs.)

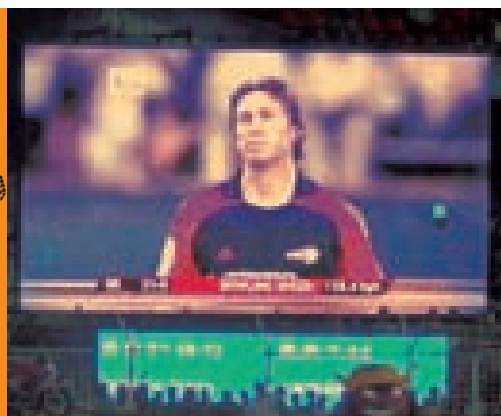
* Face value per share assumed at Rs. 2/- per share



Rising net block (Rs. mn)



Strengthening debt-equity ratio



Operational achievements in 2007-08

True colour LED displays

- Scaled the asset base for the rental business
- An increase in display rentals
- Received a license from the Delhi Metro Rail Corporation for installing and maintaining 25 full-colour day-and-night LED video display boards on line 3 of DMRL
- Developed the expertise to manufacture outdoor LED screens using three-in-one (RGB) LED chips
- Launched the 240 sq. mt true colour LED perimeter display with a single controller

LED lighting

- Installed 100 solar-based LED lights at Hyderabad
- Received approvals from the Ministry of New and Renewable Energy Sources (MNRE) for LED-based solar street light and home light