

RayTalk

A Quarterly Newsletter for Raymarine Employees

Autumn Issue

October 07

CEO Update

In August we reported excellent first half results to the City. Despite the decline of the retail US market, profit before tax was 14% up on the prior year, driven by strong growth outside America and the boost in margins provided by outsourcing to Flextronics in Hungary.

We also announced the acquisition of three distributorships which were completed in the first eight months of the year (See 'Acquisitions' on Page 12). Whilst the company under Raytheon ownership was used to working alongside colleagues from other countries, this is new to those who have only been with us in recent years. Having subsidiaries in France, Germany and Australia is a very welcome addition to the group, not only because of the additional revenue and margin they will generate but because it brings us closer to customers and provides much valued experience from new members to the Raymarine family. I would like to welcome our new colleagues and dedicate a few paragraphs to understanding what they can bring.

We are becoming a wider group of informed people with responsibilities, tasks and objectives. We should take care not to complicate the lines



of communication or lengthen the time taken for jobs. Time and confusion are our enemies. Let's find ways to make business life simple and speedy and let's concentrate on being smart. This is how great companies continually beat the competition and sustain their advantage. We need to use our reach across the world to understand what customers want and how we can fulfill their needs. We need to embrace new

ways to meet challenges and get to market fast. Whilst the concentration of world spending will remain in the West for some time, money is rapidly moving East. This is why we are seeing the emerging markets of Eastern Europe, the Middle East and Asia growing at a faster rate. We need to monitor our presence and our performance. Do we understand these markets satisfactorily, not just on how they trade but in the way they want to use marine electronics? Do we have the right people on the ground and are they being targeted correctly? We all have responsibilities to ensure that not only are our traditional volume markets being addressed well but these new rising markets are receiving attention.

We are undoubtedly facing greater challenges than we have in the past, but as I said in the company's interim report, we are confident in the future. The fundamentals of our business haven't changed but for the moment we have to run a bit quicker and think a bit smarter.

MALCOLM MILLER
CHIEF EXECUTIVE OFFICER

Raymarine Ambassadors Shine During 2007 Season

TEAM RAYMARINE

Shelley and Libby have battled hard this season and yet again, achieved a podium position of third place in the Honda 225hp powerboat series.

Not only does Team Raymarine consistently bring home the trophies but this year the team has brought in publicity through various other channels; adverts featuring the branded power boat during F1 programmes on prime time international TV, a feature on the BBC's Morning show taking a presenter out for a drive in the boat, prime positioning for Team Raymarine at the UK boat show entrances, a regular column in marine newspaper Boat News, an auction slot for Children in Need auction hosted by Terry Wogan, various radio interviews and magazine articles during the year.

Although Team Raymarine won't be racing in the Honda Championships in 2008, Shelley plans to increase her media profile and return with a



Team Raymarine

splash, in a class yet to be revealed, in 2009. It would be impossible to keep Shelley away from powerboating altogether, so you should watch out for her in the Round Britain race next year.

ASTARTE

Raymarine ambassador boat Astarte is a well branded, eye-catching Beneteau 34.7 whose main focus is racing (and winning). Skipper Nick Jones and his crew have enjoyed some excellent activity this season and achieved some notable results, putting themselves and Raymarine into the limelight.

Astarte began the season by winning the Warsash Spring Series, a perfect tie-in as the Spring Series is sponsored by Raymarine. During the 2007 racing season they achieved 5th in class during the Round the Island race, 12th in class for the IRC nationals (battling adverse weather and testing their electronics to the full), 14th in class for RORC St Malo and scooped second place during the prestigious Dartmouth Regatta.



Astarte

SKIP NOVAK - PELAGIC

Four times Whitbread Round the World racer Skip Novak has been pushing the boundaries for Raymarine's electronics for years now.

His 55 foot vessel *Pelagic*, and 74 foot *Pelagic Australis*, are logistic support vessels operating in some of the world's most hostile conditions. For the last 15 years, *Pelagic*, and more recently her sister sailing vessel *Pelagic Australis*, have undertaken expeditions in extreme areas from the Antarctic to the Arctic, providing support for climbing projects, scientific field research and film making expeditions.

Reliability and low maintenance are the key factors when choosing equipment. Skip comments, "We have sailed over 18,000 miles in the last nine months, in conditions that range from 60 knots of wind, through to freezing conditions, in snows storms, fog and zero visibility. Through all of this, our electronics have



Pelagic during an icy expedition

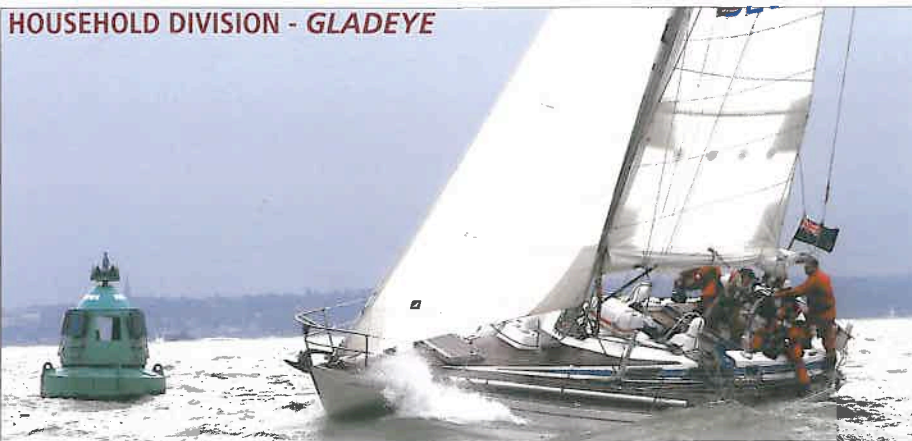
proved to be one hundred per cent reliable."

With the constant development of new technologies and functions within Raymarine electronics, we have recently updated Skip's equipment to ensure that he has the most

advanced products to cope with the tough conditions and locations he visits.

Pelagic provides an excellent testimonial to the durability and functionality of Raymarine's products.

HOUSEHOLD DIVISION - GLADEYE



Gladeye in action

Officers of the Household Division have been sailing for pleasure for generations. More recently, since the end of the Second World War more soldiers have had the opportunity to get afloat.

The 'Windfall' Yachts, Goering's fleet of racing vessels which were built for the 1936 Olympics and maintained immaculately throughout the war years, were requisitioned by the British and sailed back to the UK from Keil in 1946. One such yacht was allocated to the Household Division; she was renamed *Gladeye* and was used primarily to get officers and guardsmen of the Household Division afloat.

This special yacht was sailed to success in many an ocean race, including the Fastnet Race in the 1950s and 1960s. She was sold to Lloyds of London in the early 1970s and a 44' *Moody*

replaced her. Following the *Moody*, an *Oyster Heritage 37* was purchased.

In the safe hands of generations of Boatswains and skippers, all eager to extend their experience, *Gladeye* through the years, has provided the ideal vessel to introduce our soldiers to offshore sailing. The *Oyster* won the Governor's Cup in 1999; a race from Cape Town to St Helena and was finally replaced in 2003 with the current *Gladeye*, a *Swan 391*.



Gladeye logo

The origin of the name *Gladeye* comes from the lyrics of a music hall song made popular during the First World War - "Give her the

glad eye now!" The song spawned the tactical recognition flash of the Guards Division during the Great War – and the 'ever open eye' of the Guards Armoured Division was born. During the Second War, the artist and Welsh Guards Officer, Rex Whistler, whilst stationed in Pickering, North Yorkshire, redesigned the 'eye' to what we see today.

Nowadays all serving soldiers in the household division are, by default, members of the sailing association and as such are responsible for the re-fit and general running of *Gladeye*.

The re-fit included the installation of a C Series, LifeTag system, ST60+ instruments and Ray54E and Ray101E radios which will help to improve her performance during the races and make the sailing more enjoyable for the soldiers onboard.

Gladeye will be competing in most of the major races in 2008 including; Cowes Week, Cork Week and the Swan World Championships.



Household Division soldiers get to experience 'life on the ocean wave'