Presentation to Reunert Investors

26 September 2007

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NASHUA ELECTRONICS

Products and Services

Manufacturing
Distribution
Retail

Nashua Electronics

Group Finance
- Finance and accounting
- Warehousing and logistics
- Parts
- Service networks
- Distribution Creditors and debtors management

Manufacturing

Panasonic Business Systems
- OA
- Telecommunications
- CCVE
- Air conditioning
- Presentation
- IT Products

\+
- Installation/Service /Reticulation/Support

Panasonic Systems
- OA
- Telecommunications
- Broadcast
- CCVE
- Presentation
- IT

Panasonic Consumer
- Brown goods
- White goods
- Batteries and media
- Small appliances
- Photographic
- Air conditioning

Futronic
- Brown goods
- White goods
- Small appliances
- CCVE (Consumer)
- Hardware

Nashua
- Air Conditioning

Nashua Electronics E-commerce/Retail
- Electronic consumer products (top brands)
- Electronic Retail business products (top brands)
- Delivery/Installation/Advice /Support

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Systems Business

Five business units

1. Office Automation & IT
2. Telecommunications
3. Presentation Systems
4. CCVE Systems
5. Broadcast Systems

Common Key Success Factors

1. Steep technological development curve (Digital Product)
2. Direct dedicated distribution
3. BEE requirement
4. Brand identity (distribution and consumer awareness)
5. Turnkey Solution
6. Critical importance of software/IT
7. Broadband / I.P. products

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Major hurdles facing Distributors in the Consumer Electronics Industry

- **Ease of entry to the market**
  - Digital technology
  - Speed of R&D development
  - Transfer of technology
- **Potential Market Slow Down**
  - Interest Rates
  - Credit Bill / Controls
  - Slow down in housing boom
- **Brand Premium Erosion**
- **Management of Forex**
- **Duty Evasion**
- **New industry competition through product convergence**
  - I.T. Companies
  - Broadcasters
- **Limited new Product developments**
- **Price Erosion**

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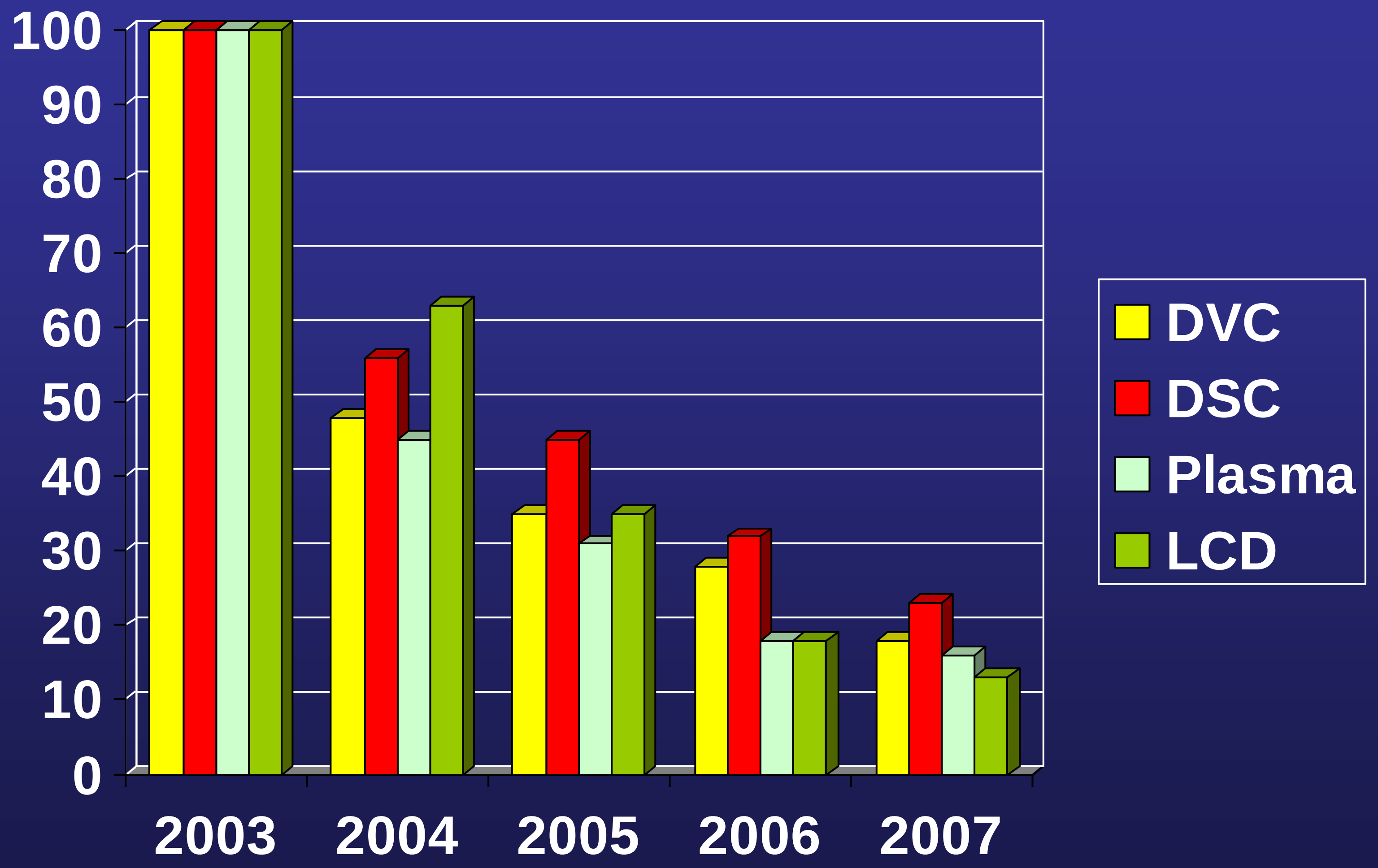
Unit Price Erosion



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- **New industry competition through product convergence**
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  - Broadcasters
- **Limited new Product developments**
- **Price Erosion**
- **Excessive logistics and warranty costs**
- **Dominant power of retailer**

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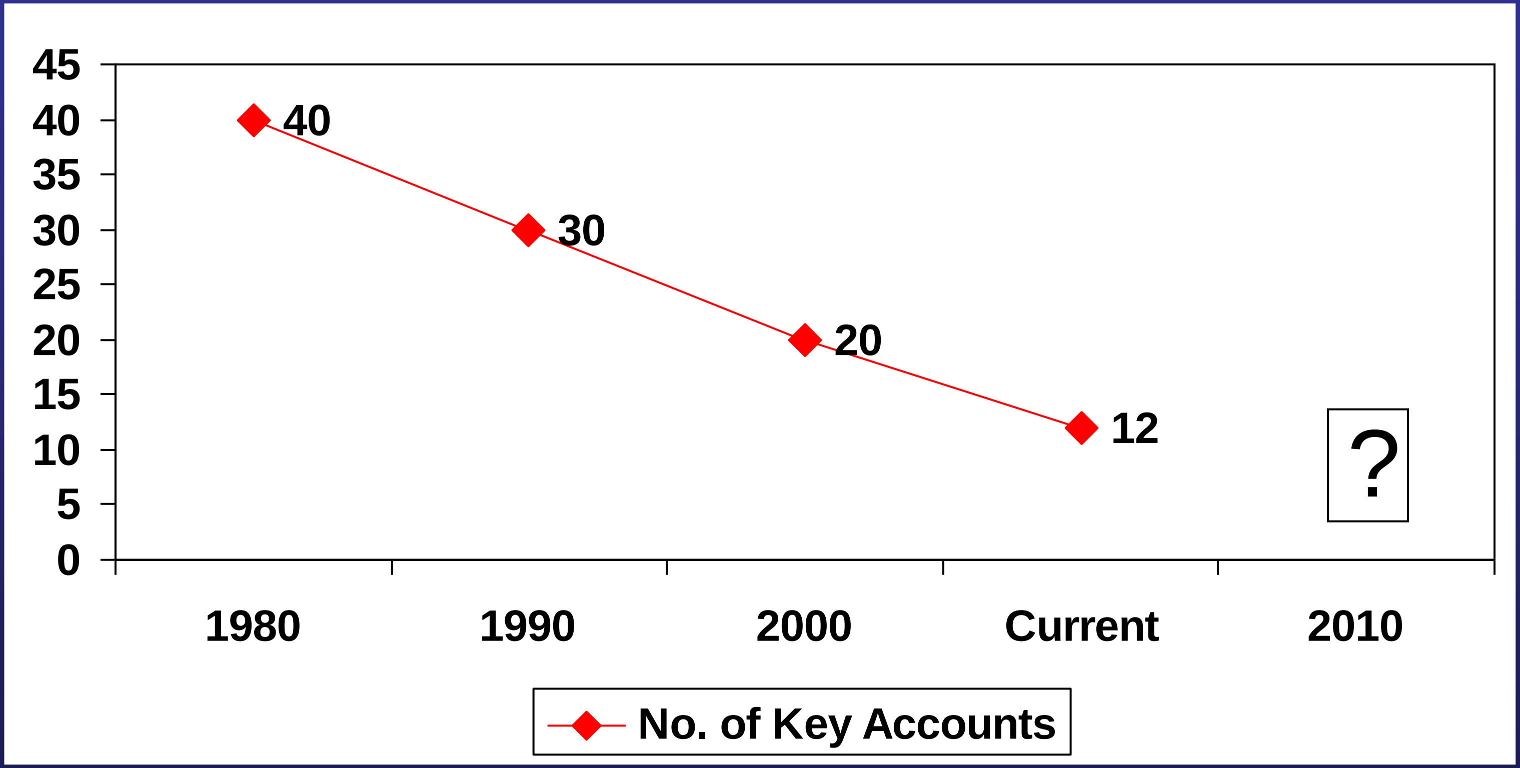
Consolidation of key accounts

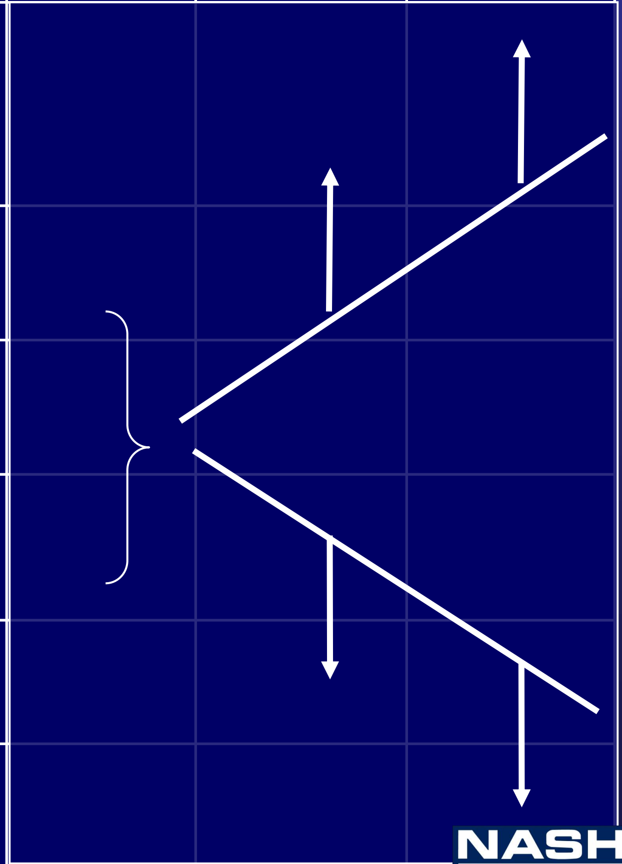


Key Accounts

J D Group
Lewis Stores
O K Furniture/Shoprite
Massmart
Ellerine Holdings
Metcash
Pick 'n Pay
Iser Group
Furnex Group
Spar
Group Appliance
Shaw Group

Consumer Electronics Industry

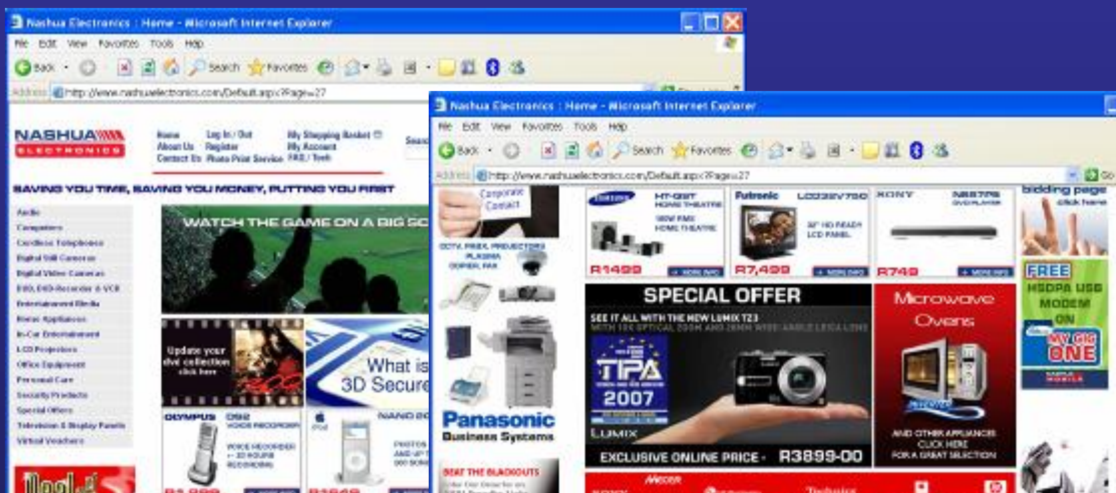
Industry Margin				Industry Power		
Before 2000	**2005**	**2010 and beyond**		**Before 2000**	**2005**	**2010 and beyond**
N/A	Low	±20%	Designer/ R&D software			
Low	±20%	±10%	Comp. Manufact.			
±20%	<5%	Very Low	Prod. Manufact /			
±20%	<5%	Very Low	Distributor			
±10%	±20%	±10%	Retailer			
-	-	-	Consumer			



Retail Strategy

NASHUA ELECTRONICS RETAIL DIVISION

E-commerce



Retail Stores (own and franchises)

1. Leverage Nashua Brand Equity and Advertising
2. Source and sell Multi brands
3. Prepare for shortening of distribution pipeline (Consumer & Systems products)
4. Position for e-commerce evolution

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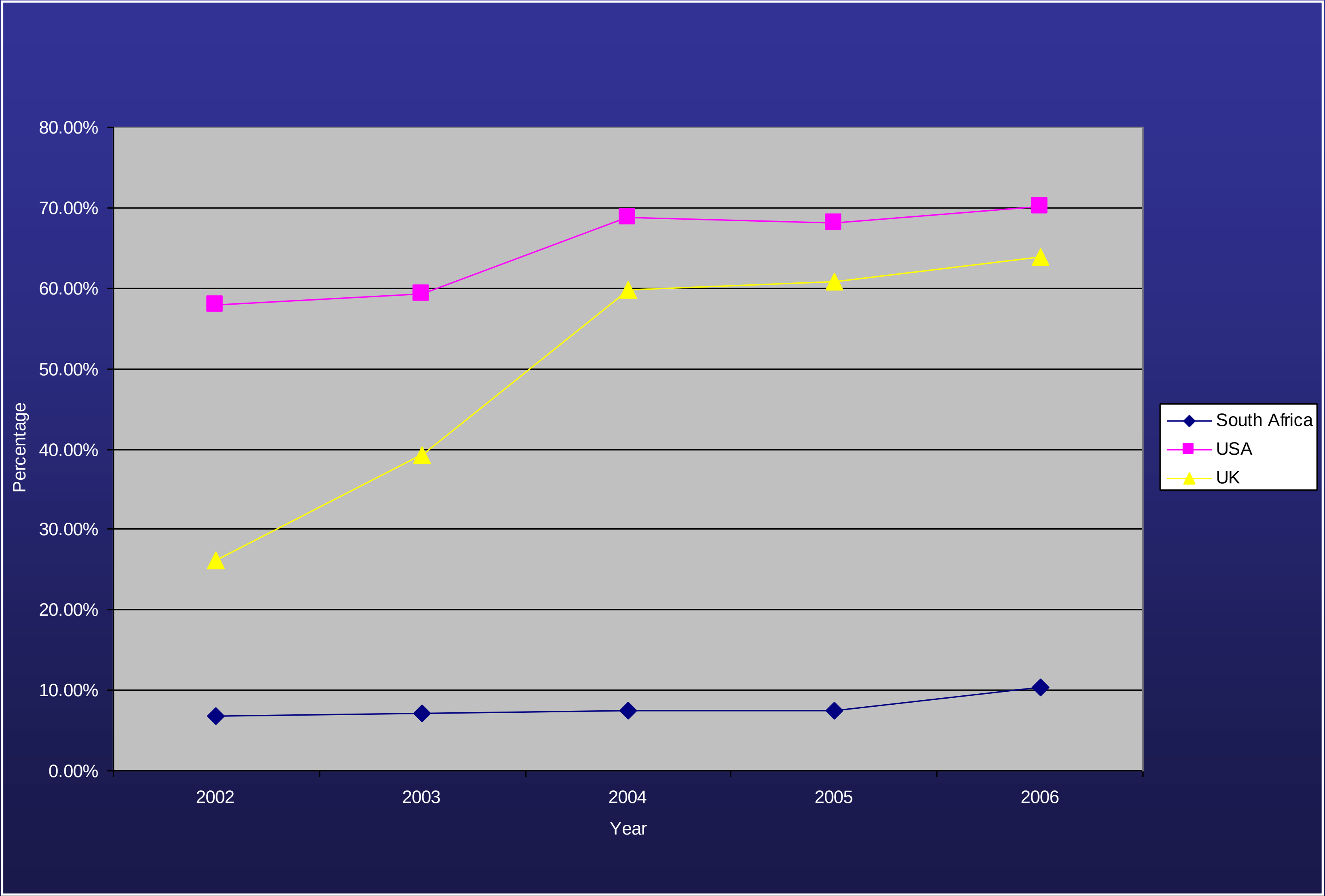
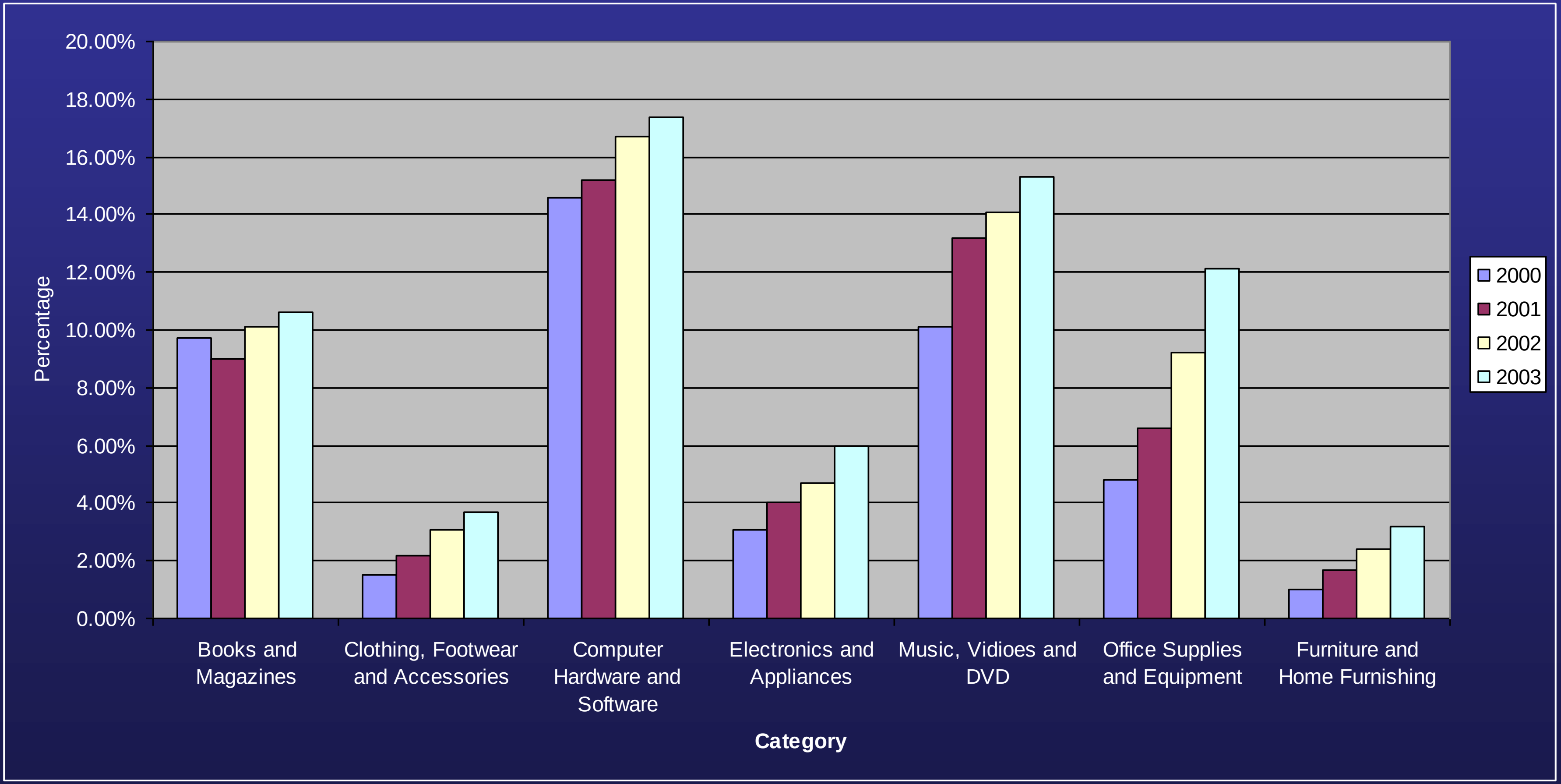
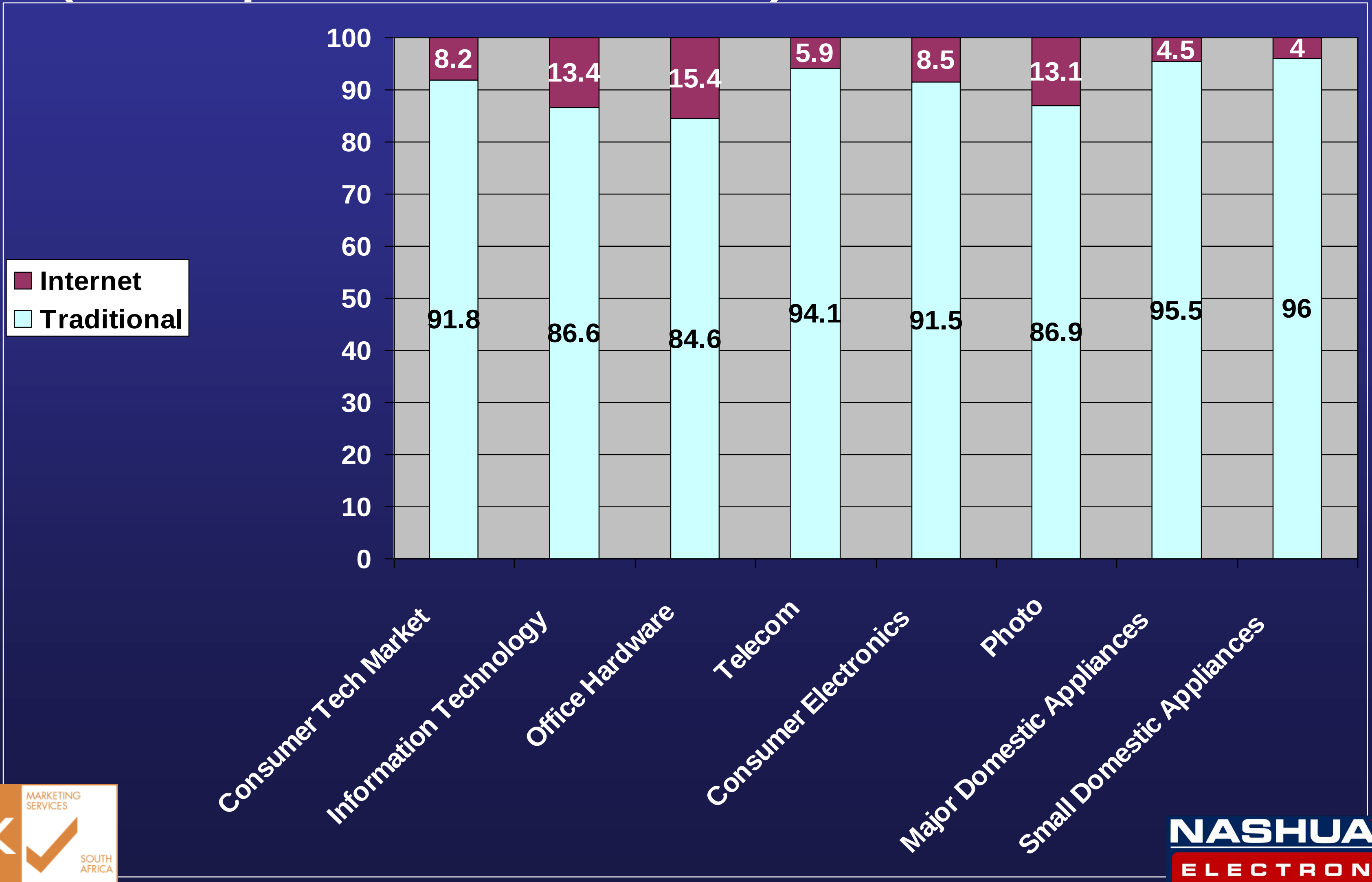
Percentage of Internet Usage



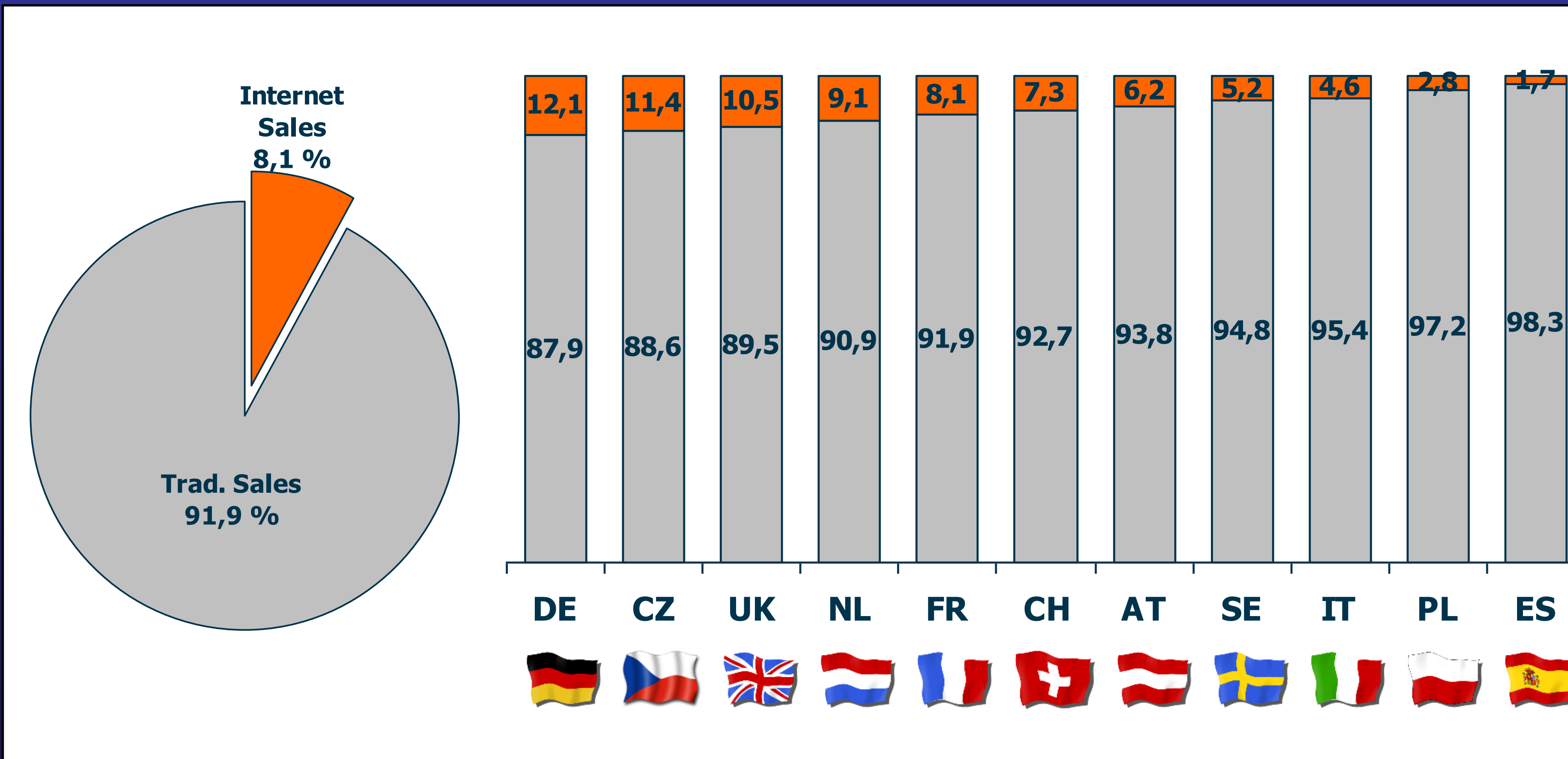
E-Commerce % Market Share of Total Retail Sales (USA)



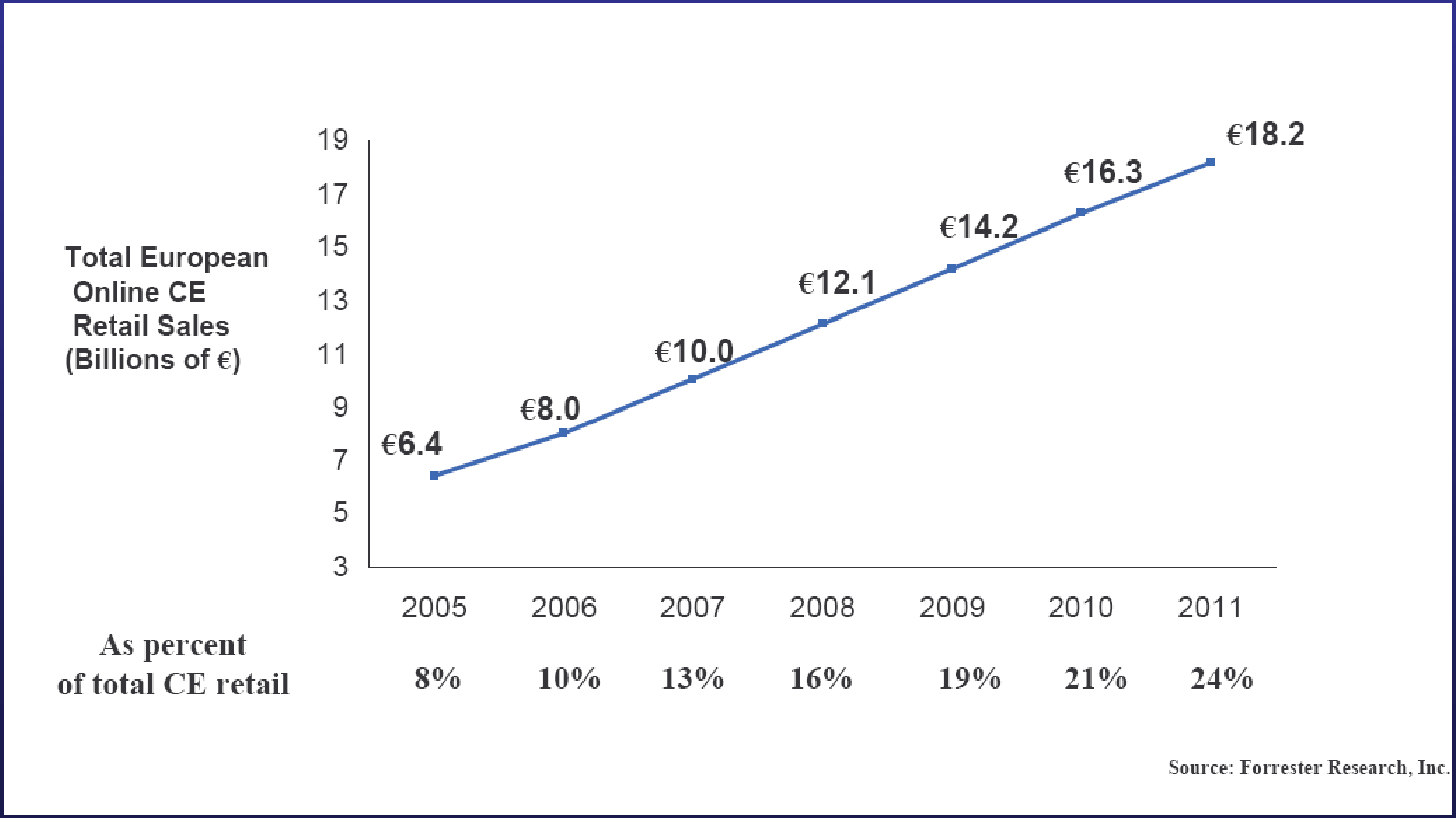
Consumer Goods Internet vs Traditional Retail Sales by Product Type (European Countries) Jan-Mar 2007



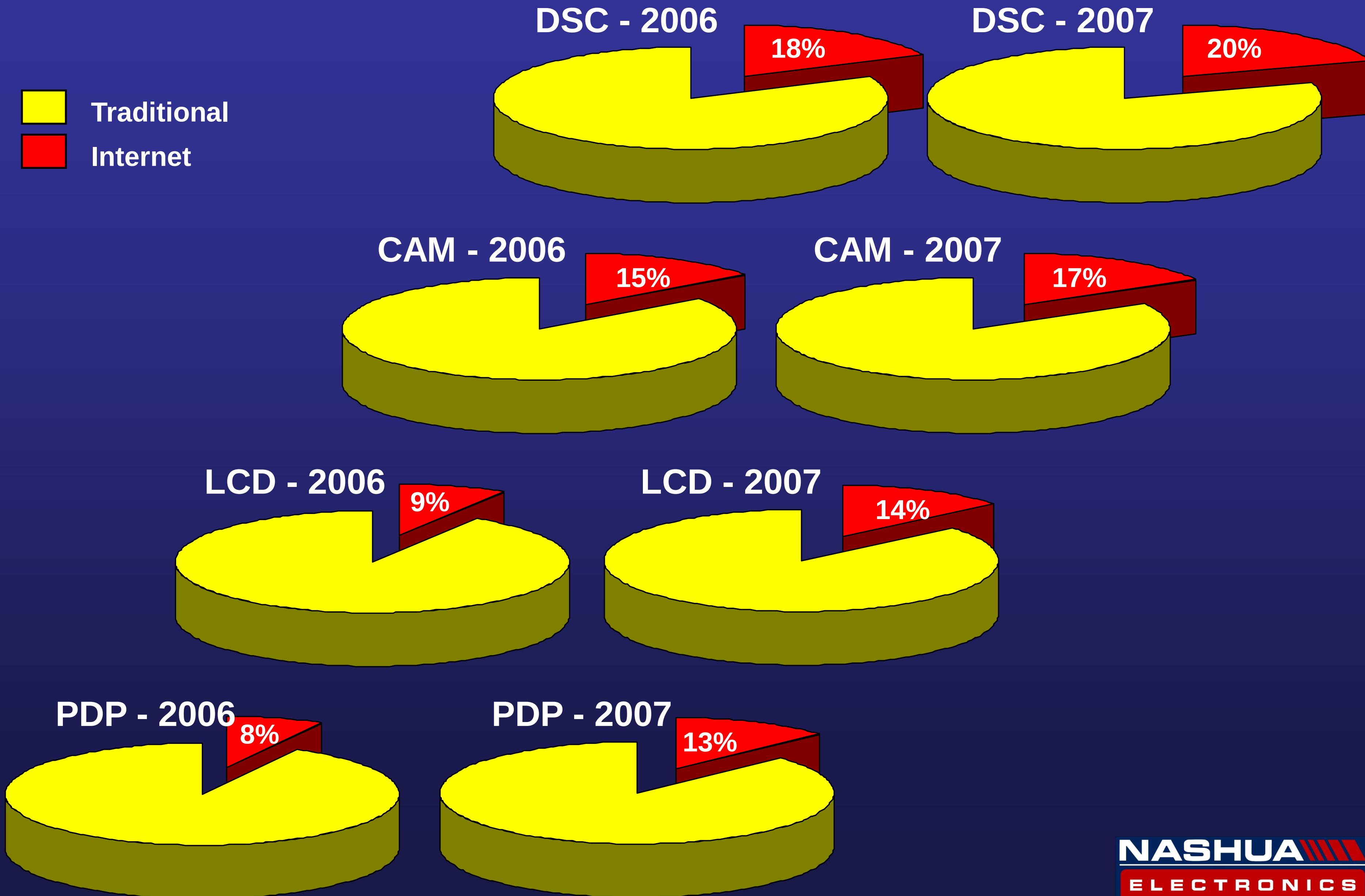
Consumer Goods Internet vs Traditional Retail Sales by Country (European Countries) Jan-Mar 2007



Online CE retail will reach 24% of total CE retail sales in 2011



UK Industry result by category



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