



IdaTech plc
(“IdaTech” or “the Company”)

Preliminary Results for the period 13 July 2006 to 31 December 2007

IdaTech plc ("IdaTech" or the "Company" or "The Group"), an advanced fuel cell solutions company headquartered in Bend, Oregon, USA, today announces its preliminary results. The preliminary results contain financial information for the statutory period from 13 July 2006 until 31 December 2007 and proforma financial information relating to the calendar years ending 31st December 2006 and 2007.

Operational Highlights for the unaudited proforma year ended 31 December 2007:

- Successful commercial launch of ElectrGen™ XTR, ElectrGen™ XTi and iGen™
- Establishment of low cost volume manufacturing facility in Tijuana, Mexico - fully operational, on schedule and budget
- Successful delivery of a dual-fuel (diesel and military fuel) Tactical Fuel Cell Generator system to the US Army
- Addition of 7 new channel partners, giving IdaTech 22 channel partners in total, forming the platform for volume sales
- IdaTech is now either certified or accepted as a vendor by 8 telecommunication companies.

Financial Highlights for the unaudited proforma year ended 31 December 2007:

- Sales* increased by 17.8% to US\$ 5.1 million of which US\$ 1.0 million was derived from the sale of IdaTech's commercial products
- EBITDA loss for the year to 31 December 2007 US\$ 11.0 million (2006 US\$ 12.2 million)
- Operating loss for the year to 31 December 2007 was US\$ 16.3 million (2006 US\$ 18.9 million)
- Admitted to trading on the AIM market of the London Stock Exchange on 6 August 2007 raising gross proceeds of approximately US\$ 36.1 million** (approximately £17.7 million)

• The statutory loss for the period 13 July 2006 to 31 December 2007 was US\$ 19.0 million

*Excluding discontinued products

**Including a loan facility of US\$10 million

Commenting on the Preliminary Results, Hal Koyama, Chief Executive Officer of IdaTech, said:

"2007 was an exciting and successful year for IdaTech in which the Company commercially launched three new products and joined AIM

"IdaTech is positioned well for commercial growth in 2008 and is confident of achieving its objectives which include developing the customer base established last year into initial field deployments, continuing to expand this customer base, diversifying its revenue streams by increasing commercial efforts in relation to the iGen™ and achieving approved vendor status with new and existing telecommunications customers. "

For further information please contact:

IdaTech plc

Harol Koyama, Chief Executive Officer
James Cooke, Chief Financial Officer

Dresdner Kleinwort

Charles Batten / Ben Bailey / Jon Drage

Buchanan Communications

Charles Ryland / Catherine Breen

Today +44 (0) 20 7466 5000

Thereafter +1 541 322 1000

+44 (0) 20 7623 8000

+44 (0) 20 7466 5000

Chairman's Statement

2007 was an exciting year for IdaTech during which the Group met commercial, operational, technical and financial expectations. The Group commercially launched three new products and, in August 2007, IdaTech's shares were admitted to the Alternative Investment Market (AIM) of the London Stock Exchange.

IdaTech continues to make progress in all aspects of its operations. The ElectraGen™XTR was successfully launched at the beginning of the year, with the integrated ElectraGen™XTi following at the Intelec Telecommunications Power Show in Rome in September 2007. This product range is targeted for use in the telecommunications industry to provide back up power for base stations.

At the end of the year, the Industrial iGen™, a fully integrated portable power system, was launched, opening an entirely new line of products addressing sub-kilowatt applications

including automated battery charging in signaling sensing and telemetry, security and telecommunication applications as well as solar and wind hybrid configurations.

The US Department of Defense awarded the Group a follow-on development contract for a tactical fuel cell generator worth US\$ 2.6 million for delivery over 12 months to September 2008. In addition, IdaTech worked on a number of other development contracts, with various branches of the US Government and industrial companies.

During the year, the manufacturing facility in Tijuana, Mexico became operational on time and on budget. This facility allows the Group to manufacture its products in significant volumes in a flexible and efficient manner.

As stated at the time of Admission to AIM, the Group is expected to require further financing in the future. The Directors note that the Group's Auditors have included an emphasis of matter paragraph in their audit report in relation to this requirement for funding.

Financial Overview

The financial statements consist of a long period of account from 13 July 2006 (the date of incorporation of IdaTech UK Limited) to 31 December 2007. In order to present a meaningful overview of the Group's activities the following financial overview and that in the Business Review compares the unaudited proforma results for the years to 31 December 2007 and 2006.

Excluding discontinued products, sales for the unaudited proforma year to 31 December 2007 increased by 17.8% to US\$ 5.1 million of which US\$ 1.0 million was derived from the sale of IdaTech's commercial products (2006 US\$ 4.7 million).

The operating loss for the year to 31 December 2007 was US\$ 16.3million (2006 \$18.9 million). Cash flow utilised by operations increased to US\$ 13.6 million in the year (2006 US\$5.3 million after a tax receipt of \$7.3m) and the Group ended the period with access to cash resources of US\$ 23.8 million, including an unsecured unconditional loan facility of US\$10 million.

Admission to AIM

The Company was admitted to trading on the AIM market of the London Stock Exchange on 6 August 2007 securing proceeds of approximately US\$36.1 million including a loan facility of US\$10 million.

People

IdaTech is an energetic organisation full of talented and committed individuals working together to ensure the Group's success. During 2007, 14 employees overall were added on a net basis to the team, adding to Sales, R&D and Operations, significantly enhancing the skill sets across the whole business. IdaTech is well positioned to take advantage of the opportunities ahead.

The Board of Directors has a breadth and depth of knowledge and experience ably suited to helping IdaTech achieve its potential.

In what has been a successful but challenging year, I would like to pass on the Board's appreciation to all of IdaTech's employees for their hard work, commitment and contribution to the achievements of IdaTech to date.

Chief Executive's Business Review

Strategy

IdaTech's strategy is to focus on the rapid development and deployment of a portfolio of commercial fuel cell products that offer advantages over traditional solutions such as those used for back-up power, particularly in telecommunications, while continuing to develop advanced technology to address mass markets of the future.

To date, the Company has "seeded" the market for the ElectraGen™ family of backup power systems by securing installations and evaluations with a number of major telecommunications companies seen as early adopters of fuel cell technology. IdaTech believes that its ability to make hydrogen onsite and as needed from liquid fuel using its proprietary reformer technology is a key competitive advantage and an enabler to early adoption of its fuel cell technology.

In December 2007, IdaTech launched its second product platform, called iGen™, a compact fuel cell system with integrated reformer for sub-kilowatt applications. The iGen™ product family is important as it provides IdaTech with a more diverse product offering and revenue stream and demonstrates the flexibility of IdaTech's technology to address a variety of products and applications.

In technology development, IdaTech advanced the state of its proprietary metal membrane hydrogen purification, Hypurium™ under contract with major corporations in Japan and Europe. This technology has shown promise for applications that could range to multi-megawatt and facilitate the transition to clean power and hydrogen production globally. Additionally, the Company delivered a fully functional dual fuel (diesel and military) cell system to the US Army, and won a second year contract for the next generation

development of this system. Fuel cell systems that can operate using diesel fuel (one of the world's most prevalent small generator fuels) are believed to open the potential for mass market applications.

Financial Overview

As noted in the Chairman's statement, as the financial statements consist of a long period of account from 13 July 2006 (the date of incorporation of IdaTech UK Limited) to 31 December 2007, the following financial overview compares the unaudited proforma results for the years to 31 December 2007 and 2006.

Revenue for 2007 was US\$ 5.1 million (2006 US\$ 4.7 million) of which US\$1.0 million was from the sale of products in the ElectraGen™ range (2006 product revenue US\$ 0.6 million). Revenue from development contracts, derived from Government and industrial customers was US\$3.7 million, up from US\$3.0 million in 2006. A gross profit of US\$ 0.4 million (2006 US\$ 0.7 million) was recorded. This decrease in margin was attributable to the planned increase in overheads incurred in establishing the Mexican operation. Excluding these costs the gross profit margin would have been in line with 2006 at 14%.

The operating loss for 2007 was US\$16.3 million (2006 \$18.9 million). This decrease arose following a reduction in operating expenses, driven mainly by a reduction in sales, general and administrative expenses ('SGA') and share based payment charges. SGA expenses fell by US\$ 4.8 million to US\$ 10.7 million in the year ended 31 December 2007 principally as in the year to 31 December 2006 one-off costs associated with the acquisition of IdaTech LLC by Investec were incurred and a reduction in the share payment charge of US\$2.3 million. This reduction occurred because of a one-off charge in 2006 relating to the termination of a scheme at a cost of US\$ 4.4 million, partially offset by charges on two schemes founded in 2006 of US\$ 2.1 million.

For the year to 31 December 2007 research costs including the amortization of intangible assets of US\$ 2.1 million were US\$ 8.3 million (before deducting tax credits of US\$ 1.6million and expenditure capitalised of US\$ 0.7 million). For the year to 31 December 2006 expenditure including amortisation of intangible assets of US\$ 1.0 million was US\$ 7.6 million (before deducting tax credits of US\$ 3.5 million).

The increase in the amortisation charge of US\$ 1.1 million arose as there was a full year's charge in 2007 compared to 2006 of the intangible assets acquired by the Group in July 2006.

After allowing for this increase, research costs decreased from US\$ 6.5 million to US\$ 6.2 million. This decrease arose due to the planned discontinuation of the EtaGen™ product line in 2006. In accordance with International Financial Reporting Standard 38 'Intangible Assets', US\$ 0.7 million (2006 nil) of costs were capitalised. In addition a tax credit from

the State of Oregon of US\$ 1.6 million (2006 US\$ 3.5 million) was deducted from gross research costs.

Cash flow utilised by operations increased to US\$ 13.6 million in the year (2006 US\$5.3 million after a tax receipt of \$7.3 million) principally as a result of the increased working capital needed to fund the inventory build up of US\$ 1.1 million for the ElectraGen™ and iGen™ products. In addition, there is an increase in trade and other receivables of US\$ 2.3 million of which US\$ 1.6 million relates to the State of Oregon tax credit that will be received after the period end.

As at 31 December 2007, the Group had access to cash resources of US\$ 23.8 million, including an unsecured unconditional loan of US\$ 10 million.

Commercially available products and new product launches

ElectraGen™

The ElectraGen™ family of critical backup power products includes the three systems described below which are suitable for critical backup power applications, where backup power is required to cover for temporary grid loss.

The ElectraGen™ is a standalone fuel cell system using stored hydrogen fuel. This is used in applications which require backup times of less than 8 hours.

ElectraGen™ XTR

A reformer-based system commercially launched at the beginning of 2007, the ElectraGen™ XTR is designed for longer duration backup times and requires only approximately 10% of the floor area needed by a comparable system fuelled by bottled compressed hydrogen. This and the convenience of using a simple liquid fuel has proved to be very attractive to IdaTech's target customer base.

ElectraGen™ XTi

Launched in September 2007, the ElectraGen™XTi is a 5 kWe fully integrated fuel cell system, combining an ElectraGen™ XTR fuel reformer unit in a single cabinet and was developed following a number of customer-driven design improvements over the original skid-mounted ElectraGen™XTR.

iGen™

In December 2007, the first of IdaTech's sub-kilowatt integrated fuel cell products was launched for the industrial market. The iGen™ is a compact CE certified 250 watt integrated fuel cell and reformer solution for charging batteries in industrial applications. It operates

using the same liquid fuel of methanol and water as the ElectraGen™ and is designed to work with battery packs and renewable energy systems such as solar and wind power in challenging environments. The iGen™ system allows battery charging capability in standalone or hybrid configurations for a variety of applications instead of using conventional internal combustion generators. Potential applications for the industrial iGen™ system include automated battery charging in signaling, sensing and telemetry, security and telecommunications applications, including solar and wind hybrid configurations.

The iGen™ is the first product in IdaTech's sub-kilowatt integrated fuel cell products; a system for use in the consumer Recreational Vehicle and Sailing Boat market is under development as is one for the Military market. This latter development is dependent on the receipt of future third party funding.

Commercial Progress

Revenue from the sale of 32 ElectraGen™ systems was \$1.0 million for the year to 31 December 2007 (2006: US\$0.6 million). 22 of the systems sold were either XTR or XTi systems and 10 were ElectraGen™ hydrogen-based systems. This sales mix, with 69% of sales being reformer based, illustrates IdaTech's industry leading reforming capability and its ability to break through the "hydrogen barrier" by producing hydrogen on-site and on-demand from a convenient liquid fuel without the need to store and manage compressed bottled hydrogen gas.

During the year, the ElectraGen™ XTR was selected by a major global telecommunications integrator for use at a demonstration site of a new base station design. The ElectraGen™ XTR was the only fuel cell system selected as the integrator required the system to use liquid fuel and only IdaTech could provide such a system; this highlights the key competitive advantage IdaTech has in the fuel reforming field.

IdaTech continues to tender for a number of significant opportunities for field deployment of its systems. IdaTech has been shortlisted by the major European telecommunications company previously announced and has begun discussions about potential future deployments.

The administration and funding for the German fuel cell program is now in place. Jointly with IdaTech's local partners and customers, a number of projects are being pursued which may qualify for the programme.

During 2007, IdaTech expanded its network of channel partners with the addition of seven new partners in Central and South America, Europe and Asia. At the end of 2007, IdaTech had 22 channel partners, laying the foundation for future growth and to support the accelerated adoption of IdaTech's products in key regions.

Six of the top ten global major telecommunication groups by revenue have purchased an ElectraGen™. ElectraGen™ is certified for network deployment and IdaTech or its partners are approved vendors at five of these ten, having passed the critical phase of test and evaluation and are in various stages of certification with the remaining key companies.

As at March 2008, IdaTech was either an approved vendor or certified with eight telecommunication companies worldwide.

IdaTech continues to make good progress towards mass field deployment of its systems and in January 2008 received an order for 10 ElectraGen™ XTR systems from Microm S.A. de C.V, which is focused on integration of equipment and supply to the telecommunications industry.

In addition, IdaTech has held two important public product demonstrations. An ElectraGen™ XTR system that was sold as back up power to Investec Bank (IdaTech's major shareholder) in London. It has been successfully demonstrated to dozens of potential customers, securing three sales in 2007 and at the same time widening the knowledge base about fuel cells. This proves that fuel cells can be operated in urban areas like central London. A second demonstration was through one of IdaTech's key partners, Chloride Group Plc, whereby an ElectraGen™ system is being used to backup a small data centre in France illustrating its flexibility and capacity to work in situations outside of the telecommunications industry.

Operational Progress

IdaTech established a manufacturing facility in Tijuana, Mexico in 2007 which became fully operational in the second half of the year on time and on budget. This facility gives IdaTech a flexible, low cost volume facility without the need for large capital investment. By the end of the year this facility was producing nearly all of the ElectraGen™ systems.

The Company continues to look at using third party suppliers for components and sub-system modules where this is cost effective.

The production of the reforming module and the iGen™ will be transferred to Tijuana in a planned phased transition during 2008.

Technical Progress

In September 2007, IdaTech successfully delivered and demonstrated a dual-fuel (diesel and military fuel) integrated system to the US Army under the first phase of a development contract worth US\$ 3.0 million. Highlighting IdaTech's leadership in fuel reforming, a second phase worth US\$ 2.6 million over twelve months was awarded in 2007 and is currently underway for delivery in 2008.

In 2007, IdaTech won a development contract for \$0.5m over 12 months from the US Department of Energy to make the iGen™ more rugged.

In December 2007, a modified iGen™ portable power system was delivered to the US Army. It met or exceeded the US Army's technical specifications and achieved an almost 48 per cent. size and 35 per cent. weight reduction compared with the standard Industrial iGen™.

During the year, IdaTech worked on a number of private commercial development contracts worth US\$ 3.7 million in total. In December 2006 IdaTech won a three year agreement with a large Japanese company with potential revenues of up to US\$3.0 million to develop a palladium metal membrane system based on IdaTech's patented HyPurium™ metal membrane for potential future applications of industrial scale hydrogen purification. In 2007 IdaTech signed technology development contracts with aggregate revenues of approximately US\$0.7 million with a second Japanese company and a French company in relation to larger scale purification methods. Both of these products are for delivery within 12 months.

Outlook

IdaTech's focus in 2008 is to build on the success achieved during 2007, in particular to grow the customer accounts established last year into initial field deployments, expand its customer base, diversify its revenue streams by increasing commercial efforts in relation to the iGen™ and achieve approved vendor status with new and existing telecommunications customers.

IdaTech believes it has positioned itself well for commercial growth in this market, but recognises that customer adoption rate will be a factor in the timing of ramp up. The Group has built its Mexican facility to be able to respond to significant volume orders in recognition that growth and adoption may come in unpredictable "spurts," as is often the case for adoption of new technology. The Company is excited to see that catalysts to accelerated commercial penetration are beginning to appear, such as the Federal Communications Commission ('FCC') ruling in the USA, forcing increased backup time at up to 200,000 sites across the country and subsidies for this technology in countries such as the USA and Germany. The FCC ruling has already generated interest in the ElectraGen™ systems from the affected telecommunications companies.

IdaTech is positioned well for commercial growth and the Board is confident of achieving its objectives for 2008. However, the Board also recognises that achieving financial expectations for 2008 is dependent on the Group converting a number of expressions of interest for the ElectraGen™ product family into a number of substantial orders during the rest of the year.

MUNERATION COMMITTEE

Consolidated income statement for the period 13 July 2006 to 31 December 2007

	<u>Note</u>	13 July Unaudited Proforma 2006 to 31 December 2007 US\$'000	Unaudited Proforma year ended 31 December 2007 US\$'000	2006 US\$'000
Revenue	4,5	7,680.7	5,076.7	4,709.3
Cost of sales		(6,754.2)	(4,695.7)	(4,051.0)
Gross profit		926.5	381.0	658.3
Research costs		(6,097.3)	(5,990.0)	(4,076.6)
Sales, general and administrative expenses		(14,319.5)	(10,716.8)	(15,470.7)
Adjusted EBITDA *		(12,092.0)	(10,997.2)	(12,240.4)
Depreciation		(498.4)	(309.8)	(410.2)
Amortisation of intangible assets		(3,108.8)	(2,089.7)	(1,019.1)
Share based payments		(3,791.1)	(2,929.1)	(5,219.3)
Operating loss		(19,490.3)	(16,325.8)	(18,889.0)
Finance income		420.0	396.9	76.4
Finance costs		(1,290.7)	(354.5)	(940.2)
Loss for the period before tax		(20,361.0)	(16,283.4)	(19,752.8)
Taxation		1,358.1	1,010.5	7,650.9
Loss for the period		(19,002.9)	(15,272.9)	(12,101.9)
Basic and diluted loss per share (US\$)	9	(0.39)	(0.42)	(0.44)

**earnings before interest, tax, depreciation, amortisation and share based payments*

The income statement for the Group since incorporation on 13 July 2006 to 31 December 2007 is shown in the first column above. The columns headed "Unaudited proforma year ended 31 December 2007 and 2006" are disclosed to show the underlying trade of the business – see Note 2 to these statements.

All amounts relate to continuing activities.

Consolidated balance sheet as at 31 December 2007

	<u>Note</u>	As at 31 December 2007 US\$'000	Unaudited Proforma As at 31 December 2006 US\$'000
ASSETS			
Non-current assets			
Property, plant and equipment		838.0	710.6
Goodwill		18,001.2	18,001.2
Intangible assets		24,328.8	24,843.4
Trade and other receivables		100.0	65.4

		43,268.0	43,620.6
Current assets			
Inventories		1,669.1	527.6
Trade and other receivables		3,217.9	990.6
Cash and cash equivalents		13,797.2	1,370.5
		18,684.2	2,888.7
Total assets		61,952.2	46,509.3
LIABILITIES			
Current liabilities			
Trade and other payables		(3,461.1)	(2,397.7)
Borrowings		(3.0)	(158.4)
Provisions for other liabilities and charges		(462.4)	(651.7)
Deferred income tax liabilities		(768.8)	(768.8)
		(4,695.3)	(3,976.6)
Net current assets / (liabilities)		13,988.9	(1,087.9)
Non-current liabilities			
Borrowings		(55.2)	(58.2)
Deferred income tax liabilities		(7,252.7)	(8,021.5)
		(7,307.9)	(8,079.7)
Total liabilities		(12,003.2)	(12,056.3)
Total net assets		49,949.0	34,453.0
EQUITY			
Capital and reserves			
Share capital	7	991.2	37,300.8
Share premium		57,754.8	-
Retained earnings – deficit		(18,274.7)	(2,847.8)
Reverse Acquisition reserve		9,477.7	-
Total shareholders' equity		49,949.0	34,453.0

The capital structure of the Group changed between 31 December 2006 and 31 December 2007 as described in Note 2. The comparative figures as at 31 December 2006 are the IdaTech UK Limited Group and are disclosed only to aid understanding of these financial statements.

Consolidated cash flow statement for the period 13 July 2006 to 31 December 2007

	<u>Note</u>	13 July Unaudited Proforma		
		2006 to	Year ended 31	
		31	December	
		December	2007	2006
		2007	US\$'000	US\$'000
Cash flows from operating activities				
Cash outflows from operations	8	(13,441.6)	(13,596.1)	(11,703.5)
Tax received		330.7	330.7	7,303.3
Interest paid		(1,290.7)	(354.5)	(940.3)
Net cash outflow from operating activities		(14,401.6)	(13,619.9)	(5,340.5)
Cash flows from investing activities				

Purchase of property, plant and equipment	(621.3)	(456.7)	(69.1)
Purchase of intangible assets	(1,947.3)	(1,575.1)	(301.1)
Acquisition of subsidiaries, net of cash	6 (34,380.6)	-	(34,380.6)
Interest received	420.0	396.9	76.4
Net cash outflow from investing activities	(36,529.2)	(1,634.9)	(34,674.4)
Cash flows from financing activities			
Increase in capital invested in IdaTech Technologies, Inc	-	-	30,480.9
Proceeds of issue of shares (net of expenses)	64,982.9	27,839.8	37,300.8
Proceeds from borrowings	44,262.5	8,161.7	1,654.6
Repayments of borrowings	(44,517.4)	(8,320.0)	(28,208.5)
Net cash inflow from financing activities	64,728.0	27,681.5	41,227.8
Net increase in cash and cash equivalents	13,797.2	12,426.7	1,212.9
Cash and cash equivalents at beginning of the period / year	-	1,370.5	157.6
Cash and cash equivalents at end of the period / year	13,797.2	13,797.2	1,370.5

The cash flow statement for the Group since incorporation on 13 July 2006 to 31 December 2007 is shown in the first column above. The columns headed "Unaudited proforma year ended 31 December 2007 and 2006" are disclosed to show the underlying trade of the business – see Note 2 to these statements.

Consolidated statement of changes in shareholders' equity for the period 13 July 2006 to 31 December 2007

	Share Capital	Share Premium	Employee Benefit Trust Reserve	Retained Earnings	Reverse Acquisition Reserve	Total Shareholders' Equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
As at 13 July 2006 (date of incorporation of IdaTech UK limited)	-	-	-	-	-	-
Shares issued by IdaTech UK Limited to acquire ITI Group	37,300.8	-	-	-	-	37,300.8
Shares issued in IdaTech UK Limited	6,961.6	-	-	-	-	6,961.6
Shares issued by IdaTech plc upon incorporation at par	99.2	-	-	-	-	99.2
Shares issued by IdaTech plc to acquire IdaTech UK Limited	540.8	34,019.7	-	-	-	34,560.5
Shares issued by IdaTech plc to employee benefit trust	53.5	2,606.9	(2,660.4)	-	-	-
Shares issued by IdaTech plc upon the initial public offering	297.7	29,475.5	-	-	-	29,773.2

Expenses relating to initial public offering	-	(8,347.3)	-	-	-	(8,347.3)
Reverse acquisition reserve	(44,262.4)	-	-	-	9,477.7	(34,784.7)
Share based payments	-	-	-	3,791.1	-	3,791.1
Loss for the period	-	-	-	(19,002.9)	-	(19,002.9)
Shares sold by employee benefit trust	-	-	288.6	-	-	288.6
Share based payments - utilised	-	-	-	(621.2)	-	(621.2)
Currency translation differences	-	-	-	(69.9)	-	(69.9)
As at 31 December 2007		991.2	57,754.8	(2,371.8)	(15,902.9)	9,477.7 49,949.0

Reverse acquisition reserve: The reverse acquisition reserve arose as a result of the share for share exchange undertaken in advance of the initial public offering. This reserve comprises the excess of the market value of the IdaTech plc shares issued to the IdaTech UK Limited shareholders over and above the nominal value of these shares.

Notes to the preliminary financial statements

1. Authorisation of financial statements and statement of compliance with IFRSs

The preliminary announcement for the period 13 July 2006 to 31 December 2007 has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union at 31 December 2007. Details of the significant accounting policies adopted in this preliminary announcement are set out below.

These preliminary statements do not constitute statutory accounts within the meaning of Section 240 (5) of the Companies Act 1985. They have, however, been extracted from the statutory accounts for the period 13 July 2006 to 31 December 2007 on which an unqualified report has been made by the company's auditors.

2. Significant accounting policies

The principal accounting policies applied in the preparation of this financial information are set out below. These policies have been consistently applied.

Basis of preparation

Introduction

IdaTech plc is a public limited company which is listed on the Alternative Investment Market ('AIM') of the London Stock Exchange and is registered and domiciled in the UK.

This preliminary announcement has been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRIC interpretations endorsed by the European Union and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS.

These financial statements have been prepared on a going concern basis. The Directors, after making appropriate enquiries, have a reasonable expectation, that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason the Directors have adopted the going concern basis in preparing these financial statements.

Although the Directors expect that the net funds available together with its other existing sources of finance will be sufficient to fund the Group for a period of at least twelve months from the date of approval of these financial statements, the Group is expected to require further financing beyond this time period.

The Directors note that the Group's Auditors have included an emphasis of matter paragraph in their audit report in relation to this requirement for funding.

The income statement and balance sheet show no intention or necessity to liquidate or curtail significantly the operations of the Group. Specifically, the assets of the Group have been valued and reported on the basis that they will be used for the purpose for which they were purchased in the ongoing operation of the business and no liabilities have been included that may arise on a significant curtailment of Group activities.

IdaTech plc (the "Company") was incorporated on 25 May 2007. With effect from 7 June 2007, the Company became the legal parent company of IdaTech UK Limited and its subsidiary undertakings. This business combination, effected through an exchange of equity interests, has been accounted for as a reverse acquisition in accordance with IFRS 3 'Business Combinations'. IdaTech UK Limited was incorporated on 13 July 2006 and acquired IdaTech Technologies, Inc, ("ITI") IdaTech, LLC and IdaTech Fuel Cells GmbH on 20 July 2006.

The Group is required to prepare financial statements on the basis of a long period of account commencing on 13 July 2006 to 31 December 2007 with no comparatives. Hence the consolidated income statement includes the results of IdaTech UK Limited and its subsidiaries for the period 13 July 2006 to 31 December 2007, with the results of IdaTech plc since 25 May 2007.

Unaudited proforma results

In addition to disclosing the information relating to this long period of account, the directors believe it is useful to disclose the unaudited proforma income statement and cash flow statement for the years ending 31 December 2007 and 2006 as well as an unaudited proforma balance sheet as at 31 December 2006. This presentation has been selected to ensure comparability between the information presented herein for 2007 and 2006.

These additional unaudited proforma disclosures for the years ending 31 December 2007 and 2006 comprise the following information:-

- The unaudited proforma consolidated income statement includes the results of IdaTech UK Limited and its subsidiaries for the year ended 31 December 2007, with the results of IdaTech plc since 25 May 2007.
- The unaudited proforma income statement for the year ended 31 December 2006 combines the results of ITI, IdaTech, LLC and IdaTech Fuel Cells GmbH (the "ITI Group") for the year ended 31 December 2006 with that of IdaTech UK Limited from 20 July to 31 December 2006. This includes trading and cash flow results of the ITI Group from 1 January to 19 July 2006 even though it was not under the control of the IdaTech UK Limited or IdaTech plc Group during that time.
- The unaudited proforma consolidated balance sheet as at 31 December 2006 is that of the IdaTech UK Limited Group.

The consolidated retained earnings reserves of the Group as at 31 December 2007 include the pre IdaTech plc acquisition retained earnings of IdaTech UK Limited and its subsidiaries as required by IFRS 3.

Prior to the incorporation of IdaTech plc, IdaTech UK Limited was the holding company of the ITI Group. Until the Admission to the AIM market of the London Stock Exchange on 7 August 2007, IdaTech UK Limited was a wholly owned subsidiary of the Investec plc Group ("Investec").

Prior to the acquisition by IdaTech UK Limited, the ITI Group was wholly owned by IDACORP, a US state utility company.

The following interpretation was adopted early by the Group.

IFRIC 11, IFRS 2 – 'Group and treasury share transactions', was early adopted in 2007. IFRIC 11 provides guidance on whether share-based transactions involving group entities (for example, options over a parent's shares) should be accounted for as equity-settled or cash-settled share-based payment transactions in the stand-alone accounts of the parent and group companies. This interpretation does not have an impact on the group's financial statements.

The following standards, amendments and interpretations to published standards are mandatory for accounting periods beginning on or after 1 January 2007 but they are not relevant to the Group's operations:

IFRS 4, 'Insurance contracts';

IFRIC 7, 'Applying the restatement approach under IAS 29, Financial reporting in hyper-inflationary economies';

IFRIC 9, 'Re-assessment of embedded derivatives'; and

The following standards, amendments and interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2008 or later periods, but the Group has not early adopted them:

IAS 23 (Amendment), 'Borrowing costs' (effective from 1 January 2009). It requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs will be removed. The Group will apply IAS 23 (Amended) from 1 January 2009 but is currently not applicable to the Group as there are no qualifying assets.

IFRS 8, 'Operating segments' (effective from 1 January 2009). IFRS 8 replaces IAS 14 and aligns segment reporting with the requirements of the US standard SFAS 131, 'Disclosures about segments of an enterprise and related information'. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The Group will apply IFRS 8 from 1 January 2009. The expected impact is still being assessed in detail by management, but it appears likely that the number of reportable segments, as well as the manner in which the segments are reported, will change in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. As goodwill is allocated to Groups of cash-generating units based on segment level, the change will also require management to reallocate goodwill to the newly identified operating segments. Management does not anticipate that this will result in any material impairment to the goodwill balance.

The following interpretations to existing standards have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2008 or later periods but are not relevant for the Group's operations:

IFRIC 12, 'Service concession arrangements' (effective from 1 January 2008). IFRIC 12 applies to contractual arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector

services. IFRIC 12 is not relevant to the Group's operations because none of the Group's companies provide for public sector services.

IFRIC 13, 'Customer loyalty programmes' (effective from 1 July 2008). IFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement and the consideration receivable from the customer is allocated between the components of the arrangement using fair values. IFRIC 13 is not relevant to the Group's operations because none of the Group's companies operate any loyalty programmes.

IFRIC 14, IAS 19 – 'The limit on a defined benefit asset, minimum funding requirements and their interaction'.

Research and development

Expenditure on research activities is charged as an expense in the period in which the cost is incurred. Development costs have been capitalised where they meet all of the criteria specified in International Accounting Standard ("IAS") 38 'Intangible Assets'.

Intangible assets

Intangible assets include intellectual property, core technology and licence fees. The Group has capitalized patents covering many aspects of the Group's proprietary technology, including issued patents as well as pending applications and disclosures presently at various stages of preparation for application.

The Group's intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any provision for impairment. Amortisation is calculated using the straight line method to allocate the cost of the intangible over their estimated useful economic lives as follows:

Core technology 20 years

Intellectual property 10 years

Licence fees 1 to 3 years

Upon the acquisition of the Group by the Investec Group on 20 July 2006, certain intangible assets were recognised. These assets relate to the core technology of IdaTech, LLC and the intellectual property of its two most advanced products.

The valuation of the core technology is calculated using a discounted cash flow method on an expected royalty fee that would be generated if such technology were to be licensed. The

valuation of the intellectual property has been calculated using the discounted cash flow of the expected profitability of the products over their useful lives.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is allocated to cash-generating units (CGUs) identified according to business segments; as there is only one business segment there is only one corresponding CGU. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Impairment

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non financial assets that have suffered impairment are reviewed for possible reversal of impairment at each balance sheet date.

Segmental reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services within a particular economic environment (geographical segment) or providing products or services that are subject to risks and rewards that are different to other segments (business segment). Shared costs are allocated to segments based on arms-length service agreements, or allocated on a basis consistent with the consumption of the associated goods or services.

Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the group's financial performance.

The main risks associated with the Group's financial assets and liabilities are set out below.

(a) Market risk

Foreign currency risk

The Group has invested in operations outside the United States of America and also buys and sells goods denominated in currencies other than US dollars. As a result the value of the Group's non-US dollar revenues, expenses, financial assets and liabilities and cash flows can be affected by movements in exchange rates in general, although at present these operations are not significant. The Group's transactional currency exposures arise from sales or purchases by Group companies in currencies other than its functional currency. The Group currently does not have significant exposures to foreign exchange due to the small size of the operations outside of the United States. The Group currently does not enter into forward contracts due to this small exposure.

The only foreign currency held is that in UK Pounds by IdaTech plc. The amount held is not significant and related foreign currency risk is immaterial.

Interest rate risk

Since the initial public offering on 7 August 2007, the Group has been financed by the cash it raised during that process. Prior to that date, the Group was financed by loans from the Investec Group, the ultimate parent undertaking on a floating interest rate. Whilst fixed rate interest bearing debt is not exposed to cash flow interest rate risk, there is no opportunity for the Group to enjoy a reduction in borrowing costs in markets where rates are falling. In addition, the fair value risk inherent in fixed rate borrowing means that the Group is exposed to unplanned costs should debt be restructured or repaid early as part of the liquidity management process. Floating rate interest is exposed to cash flow US interest rate risk, with any increases in the cost of finance increasing the cost of servicing the debt. Floating rate interest debt does allow the Group to take advantage of restructuring the debt without incurring fixed interest charges.

No interest sensitivities have been disclosed as there are no material loans outstanding at the period end.

(b) Credit risk

Credit risk arises from cash and cash equivalents and credit exposures to customers. When the Group has liquid resources available, it places them with a range of financial institutions and is therefore exposed to credit solvency risk from these institutions. The Group has a policy that defines at which institutions funds can be placed and an instrument dealt, and defines credit limits based on those institutions' credit ratings.

Group policies are aimed at minimising losses, and require that deferred terms are granted only to customers who demonstrate an appropriate payment history and satisfy creditworthiness procedures. Individual exposures are monitored with customers subject to credit limits to ensure that the Group's exposure to bad debts is not significant.

(c) Liquidity risk

The Group aims to mitigate liquidity risk by controlling cash management within its operations. Investment is carefully controlled, with authorisation limits operating up to Group board level and cash payback periods applied as part of the investment appraisal process. Excess cash used in managing liquidity is only invested in financial instruments exposed to insignificant risk of changes in market value.

Capital risk management

The Group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets.

At 31 December 2007 the Group had net funds and so the gearing ratio was zero (31 December 2006 unaudited and on a proforma basis zero).

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of work in progress and finished goods includes materials, labour and factory overhead. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Any inventory item which does not form part of a current product line is declared as obsolete and fully written off.

Taxation

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Employee benefits

(a) Pension obligations

The Group has a defined contribution plan covering substantially all full-time employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefit relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due.

(b) Share-based compensation

The Group operates a number of share based remuneration schemes. These schemes are accounted for in accordance with IFRS 2 'Share Based Payment' under which a charge is recognised in the income statement based on the fair value (the economic value) of the grant, measured at the grant date. The charge is spread over the vesting period and non-market conditions may be subject to adjustment if the number of options or shares actually vesting differs from that assumed at the outset. This must be revisited each balance sheet date. The valuation methodology takes into account future share price volatility, future dividend yield, future risk-free interest rate, an estimate of the earnings per share and exercise behaviour and is based on the Binomial Lattice method.

The Group adopted IFRIC 11 early. There was no impact on the earnings of the Group but the share based charge as disclosed in the income statement has been allocated to the trading subsidiaries IdaTech, LLC and IdaTech Fuel Cells GmbH which employ the people to whom the charge relates.

Provisions

Provisions for warranty and installation and for onerous contracts are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of economic resources will be required to settle the obligation and the amount has been reliably estimated. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the

class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to one item included in the same class of obligations may be small. Provisions are measured at the present value (based on a discounted cash flow) of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. Any increase in provisions due to the passage of time is recognised as an interest expense.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts and sales related taxes.

Sale of goods

Sales of goods are recognised when equipment is shipped, when title passes or when specific milestones are met, as specified in a customer's contract, or, in the case of trial units, on the customer's acceptance of the product.

Development contracts

The amount of profit attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be seen with reasonable certainty. Revenue for such contracts is stated at cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years. Provision is made for any losses which are foreseen. In respect of the Group's cost reimbursement contracts with certain customers (where the customer contract defines the sales value in terms of actual costs incurred on the projects), revenue is recognised as the costs of the contract are incurred.

Contract work in progress is stated at costs incurred less those transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched with revenue.

Amounts recoverable on contracts are included in debtors and represents revenue recognised in excess of payments on account.

Research and development related tax credit

The Group receives a tax credit based on the value of qualifying research and development expenditure. This is based on a percentage of the expenditure incurred and is received as cash periodically in arrears. The tax credit is accrued for as the qualifying expenditure is

incurred and to the extent the cash has not been received, the amount due to the Group is included in trade and other receivables.

3. Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are outlined below.

Warranty provision

At 31 December 2007, the Group has recorded a liability of US\$462,400 (31 December 2006 US\$543,300) for warranty and installation costs. As the Group and the industry in which it operates are in the development stage, there is little historical data upon which to establish a reserve for warranty and installation costs. The liability recorded represents management's best estimate of the potential future costs of warranty and repair, which is calculated as a percentage of product costs based on experience.

Share based payments

The Group operates a number of share based remuneration schemes. The valuation requires a number of estimates and assumptions to be made.

Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy in Note 2. Management's assumptions in performing this test are a source of estimation uncertainty.

Valuation of intangible assets on acquisition

Intangible assets that existed at the date of the acquisition were identified through an assessment of the economics of the transaction and split into core technology and intellectual property R&D attributable to the existing products.

There are a number of assumptions underlying the valuation of these intangibles. Therefore this is a source of estimation uncertainty.

4. Revenue

The Group's revenue, all of which is derived from continuing operations, is from the sale of goods and delivery of development contracts:

	13 July 2006 to 31 December 2007 US\$'000	Unaudited Proforma Year ended 31 December 2007 2006 US\$'000 US\$'000	
Sale of goods - current products	1,681.8	983.5	647.8
Sale of goods - discontinued products	-	-	400.0
Development contracts	5,218.0	3,719.0	3,045.3
Other	780.9	374.2	616.2
	7,680.7	5,076.7	4,709.3

5. Geographic and business segments

Given the current phase of the business and the presently limited definitive product lines available for sale, management considers the Group to be operating in one primary market segment, related to fuel cells. The secondary segment is considered to be geographic.

The country of the operations is the USA. Revenue is allocated below based on the country in which the Customer is based.

	13 July 2006 to 31 December 2007 US\$'000	Unaudited Proforma Year ended 31 December 2007 2006 US\$'000 US\$'000	
Revenue			
United States	4,696.3	2,720.3	2,969.4
Europe	1,995.9	1,437.6	1,520.8
Mexico	30.0	30.0	-
All other	958.5	888.8	219.1
Total Revenue	7,680.7	5,076.7	4,709.3

	As at ended 31 December 2007 US\$'000	Unaudited Proforma as at 31 December 2006 US\$'000
Total Assets		
United States	52,287.1	46,327.2
Europe	9,067.6	180.0
Mexico	597.5	2.1

All other	-	-
Total Assets	61,952.2	46,509.3

Total assets are allocated on the basis of where the assets are located. Identifiable intangible assets and goodwill are assumed to reside in the country in which the principal activity to which it relates is based.

	13 July	Unaudited Proforma	
	2006 to 31	Year ended 31	
	December	December	
	2007	2007	2006
	US\$'000	US\$'000	US\$'000
Capital Expenditure			
United States	36,860.5	248.6	41,223.5
Europe	-	-	-
Mexico	208.1	208.1	-
All other	-	-	-
Total Capital Expenditure	37,068.6	456.7	41,223.5

Capital expenditure is allocated based on where the assets are located.

The capital expenditure includes the purchase by IdaTech UK Limited of ITI, IdaTech, LLC and IdaTech GmbH Fuel Cells GmbH at a cost US\$34,500,000 — see Note 6 for further details.

6. Acquisitions

On 20 July 2006 IdaTech UK Limited acquired the entire issued share capital of the ITI Group. The acquired business contributed revenues of US\$ 2,604,336 and a net loss of US\$ 2,097,307 to the Group for the period from 20 July 2006 to 31 December 2006.

The ITI Group contributed revenues of US\$ 5,076,686 and net loss of US\$ 10,636,082 to the Group for the year ended 31 December 2007.

Details of net assets acquired and goodwill are as follows:

	Carrying values	Fair value	
	pre-	Adjustment	Total
	acquisition		
	US\$'000	US\$'000	US\$'000
ASSETS			
Property, plant and equipment	800.6	(7.5)	793.1
Intangible assets	2,647.7	22,842.6	25,490.3
Inventories	634.5	24.7	659.2
Trade and other receivables	994.1	(6.2)	987.9

Cash and cash equivalents	119.4	-	119.4
	5,196.3	22,853.6	28,049.9
LIABILITIES			
Borrowings	313.1	-	313.1
Trade and other payables	1,627.6	-	1,627.6
Provisions	483.7	(11.2)	472.5
Deferred income tax liability	-	9,137.9	9,137.9
	2,424.4	9,126.7	11,551.1
Fair value of net assets acquired			16,498.8
Goodwill			18,001.2
Cash consideration			34,500.0

Goodwill acquired represents a payment made in anticipation of future economic benefits from assets that are not capable of being individually identified and separately recognised. The goodwill arising is attributable to the workforce of the acquired business, the expected future production and sale of currently undeveloped products and goodwill arising from the deferred tax liability.

7. Called up share capital

	As at 31 December 2007 US\$'000	Unaudited Proforma As at 31 December 2006 US\$'000
IdaTech UK Limited		
Authorised		
20,000,000 Ordinary Shares of £1 each	-	39,264.0
19,000,001 allotted, called up and fully paid	-	37,300.8
IdaTech plc		
Authorised		
100,000,000 Ordinary Shares of £0.01 each	2,002.4	-
49,499,969 allotted, called up and fully paid	991.2	-

IdaTech plc

IdaTech plc was incorporated with an authorised and issued share capital of £50,000 divided into 5,000,000 Ordinary Shares of £0.01 each.

The following changes have occurred in the share capital of the Company since its date of incorporation:

(a) On 7 June 2007, the Company issued 27,313,475 Ordinary Shares to Investec in consideration for the transfer of all of the issued shares of IdaTech UK Limited;

(b) On 21 June 2007, the Company issued 2,686,525 Ordinary Shares to the trustee of the IdaTech Employee Trust;

(c) On 7 June 2007, the authorised share capital of the Company was increased from £50,000 to £1,000,000 by the creation of 95,000,000 Ordinary Shares of £0.01 each; and

(d) On 7 August 2007, the Company issued a further 14,499,969 shares in connection with the Admission of the Company to AIM.

All issued shares are fully paid.

IdaTech UK Limited

IdaTech UK Limited was incorporated on 13 July 2006 with an issued share capital of one share of £1 par value. On 29 December 2006 an additional 19,000,000 shares of £1 each were issued at par.

All issued shares are fully paid.

8. Cash outflow from operations

	13 July 2006 to 31 December 2007 US\$'000	Unaudited Proforma Year ended 31 December 2007 US\$'000	2006 US\$'000
Loss before income tax	(20,361.0)	(16,283.4)	(19,752.8)
Adjustments for:			
- Depreciation	498.8	309.8	410.2
- Amortisation	3,108.8	2,089.7	1,019.1
- Share based payment charge	3,791.1	2,929.1	5,219.3
- Loss on disposal of property, plant and equipment	78.0	19.5	58.1
- Finance costs - net	870.7	(42.4)	863.8
- Inventories	(1,009.9)	(1,141.5)	587.7
- Trade and other receivables	(2,330.5)	(2,261.9)	241.5
- Trade payables	1,922.5	974.3	(113.5)
- Other payables	(10.1)	(189.3)	(236.9)
Net cash utilised by operating activities	(13,441.6)	(13,596.1)	(11,703.5)
Net book amount of property, plant and equipment disposed	78.0	19.5	58.1
Total proceeds from disposal of plant, equipment and property	-	-	-
Loss on disposal	78.0	19.5	58.1

9. Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the company by the weighted average number of ordinary shares in issue during the year.

13 July Unaudited Proforma

	2006 to 31 December 2007 US\$	Year ended 31 December 2007 US\$		2006 US\$
Loss attributable to the equity holders of the Company	(19,002,900)	(15,272,900)	(12,101,959)	
Weighted average number of ordinary shares in issue	48,616,724	36,119,874	27,313,475	
Basic loss per share (US\$ per share)	(0.39)	(0.42)	(0.44)	

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

The impact of the share options is anti-dilutive. Therefore the diluted loss per share is the same as the basic loss per share.

10. Principal subsidiaries

IdaTech plc subsidiaries are as follows:

<u>Subsidiary</u>	<u>Country of Incorporation</u>	<u>Proportion of Share Capital Held and Voting Rights</u>	<u>Nature of Business</u>
Idatech UK Limited	UK	100%	Holding company
IdaTech Technologies, Inc	USA	100%	Holding company
IdaTech, LLC	USA	99.9%	Development of fuel cell technology
IdaTech Fuel Cells GmbH	Germany	100%	Sales and marketing for European operations