

# Quarterly Industry Update

As of September 30, 2014

Industry: Consumer Electronics



## Industry Summary

Cogent Valuation identified publicly traded companies, IPOs, and recent M&A transactions within the Consumer Electronics industry, which provides a basis for market and transaction pricing that can be used by your firm in estimating market sentiment and its impact on your firm's value. Since September 30, 2013, the median 52-week share price return of the Consumer Electronics industry has increased by 12.0%. In the last quarter, the median price-to-earnings multiple increased from 22.9x to 36.7x.

## Comparable Public Company Key Statistics

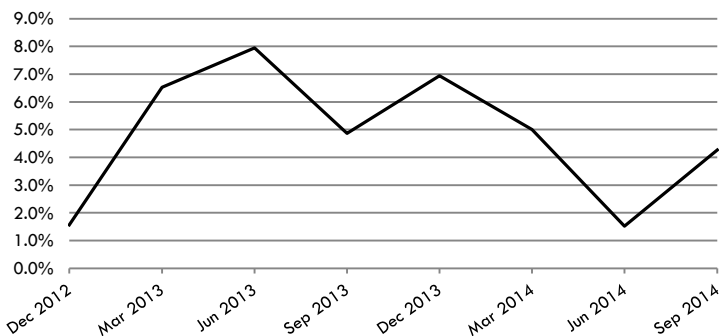
Median 52-Week Return	12.0%	Median EV/Revenue Multiple	2.0x	Median Price/Earnings Multiple	36.7x
Median 3-Year CAGR Return	11.1%	Median EV/EBITDA Multiple	10.7x	Median EV/Gross CF Multiple	17.0x

## Comparable Public Company Market Price Returns (As of September 30, 2014)

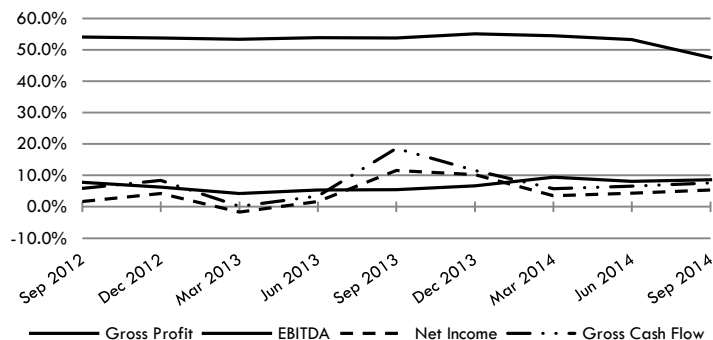
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2013	2012	2011	2010	2009
Fleetmatics Group PLC	-29.5%	-5.7%	-18.8%	N/A	N/A	N/A	71.9%	N/A	N/A	N/A	N/A
InvenSense, Inc.	-5.1%	-13.0%	12.0%	28.5%	N/A	N/A	87.0%	11.5%	N/A	N/A	N/A
LoJack Corporation	8.6%	-27.8%	22.5%	32.0%	7.3%	-5.1%	29.4%	-9.1%	-52.5%	59.9%	-1.9%
Logitech International SA	-6.5%	-1.2%	46.1%	18.5%	17.9%	-6.7%	81.7%	-3.5%	-58.8%	10.0%	12.6%
TiVo Inc.	-2.5%	-0.9%	2.9%	10.8%	11.1%	4.3%	6.6%	37.2%	3.9%	-15.2%	42.2%
<b>Median of Industry Public Companies</b>	<b>-5.1%</b>	<b>-5.7%</b>	<b>12.0%</b>	<b>23.5%</b>	<b>11.1%</b>	<b>-5.1%</b>	<b>71.9%</b>	<b>4.0%</b>	<b>-52.5%</b>	<b>10.0%</b>	<b>12.6%</b>

(Multiple year periods are calculated as the average annual return.)

## Median Quarterly Revenue Growth of All Consumer Electronics Companies



## Median Gross Profit, EBITDA, Net Income and Gross Cash Flow Margins



## Median Public Company Multiples of the Consumer Electronics Industry

Date:	9/30/2012	12/31/2012	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014
EV/Revenues Multiple	2.0x	4.0x	3.6x	4.1x	1.9x	1.9x	1.9x	2.1x	2.0x
EV/EBITDA Multiple	12.2x	10.6x	12.2x	18.5x	22.5x	21.2x	20.0x	13.3x	10.7x
Price/Earnings Multiple	21.3x	53.6x	17.6x	53.0x	28.2x	52.6x	31.6x	22.9x	36.7x
EV/Gross Cash Flows Multiple	9.1x	45.2x	29.0x	43.8x	16.5x	23.4x	12.9x	11.7x	17.0x

This industry research is provided at no charge to Cogent Valuation's clients. Research or detailed information not covered in this report can be obtained for a fee. Contact Steven Kam at 415-392-0888 for additional information or questions in connection with this research report.

# Quarterly Industry Update

As of September 30, 2014

Industry: Consumer Electronics



## Industry Initial Public Offerings (dollars in millions, except share prices)

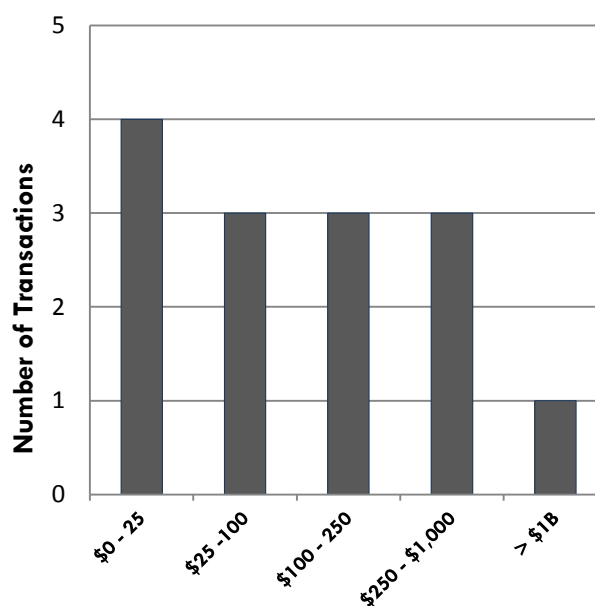
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
8/1/2013	Control4 Corporation	\$16.00	4.0	\$64.0	\$55.3	\$3.8	\$118.4	\$6.5	(\$2.1)	\$8.5
10/4/2012	Fleetmatics Group PLC	\$17.00	7.8	\$132.8	\$118.3	\$33.4	\$117.5	\$19.0	\$1.9	\$27.3
11/15/2011	InvenSense, Inc.	\$7.50	10.0	\$75.0	\$102.3	\$0.0	\$129.7	\$39.7	\$27.7	\$41.6
6/30/2010	AutoNavi Holdings Limited	\$12.50	8.6	\$107.8	\$126.7	\$0.0	\$70.7	\$23.2	\$13.7	\$23.2
9/29/1999	TiVo Inc.	\$16.00	5.5	\$88.0	\$23.8	\$1.7	\$0.0	(\$18.3)	(\$18.3)	(\$18.2)
<b>Median of All IPOs</b>		<b>nm</b>	<b>nm</b>	<b>\$88.0</b>	<b>\$102.3</b>	<b>\$1.7</b>	<b>\$117.5</b>	<b>\$19.0</b>	<b>\$1.9</b>	<b>\$23.2</b>

nm: not meaningful

## Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought
12/6/2013	MapMyFitness, Inc.	Under Armour, Inc.	\$150.0	100%
9/17/2013	MEMSIC	IDG Capital Partners	\$108.8	81%
5/31/2013	Hamlin Electronics	Littelfuse	\$145.0	100%
5/23/2013	Ubiquisys	Cisco Systems	\$310.0	100%
4/30/2013	MakeMusic	LaunchEquity Partners	\$17.3	72%
12/20/2012	LOREX Technology	FLIR Systems	\$48.7	100%
8/29/2012	2-Track Global	World Capital Market	\$1.4	59%
8/2/2012	Standard Microsystems	Microchip Technology	\$909.6	100%
7/2/2012	Avaak	Netgear	\$26.4	100%
5/15/2012	Comverge	Bayside Capital	\$74.5	100%
1/3/2012	Navman Wireless OEM	Telit Communications	\$3.8	100%
10/1/2011	Ralink Technology	MediaTek	\$486.9	100%
5/24/2011	Atheros Communications	QUALCOMM	\$3,581.4	100%
2/15/2011	Movea	SMK-Link Electronics	\$5.0	100%
<b>Median of All Transaction Targets</b>			<b>\$91.7</b>	<b>100%</b>

## Size of Merger and Acquisition Transactions (dollars in millions)



**Disclosures and Limitations:** This research report is for informational and discussion purposes only. Information presented herein is not investment advice of any kind to any person and does not constitute a recommendation as to the purchase or sale of any interests or as to any other course of action. General, financial, and statistical information concerning the details of this report and related industry are from sources Cogent Valuation believes to be reliable. Cogent Valuation has accurately reflected such information in this research report; however, Cogent Valuation makes no representation as to the sources' accuracy or completeness and has accepted this information without further verification. Neither all nor any part of the content of this report may be conveyed to the public through advertising, public relations, news, sales, mail, direct transmittal, or other media without the prior written consent of Cogent Valuation. Cogent Valuation's research is as of the date reported herein. Cogent Valuation has no affiliation with any of the companies comprising the industry used as a basis for research in this report, nor does Cogent Valuation hold any investments in the companies listed herein. The content of this report may be used, in part, as a basis for any work that Cogent Valuation performs for you in the future at the sole discretion of Cogent Valuation. THIS REPORT IS NOT TO BE USED OR CONSIDERED UNDER ANY CIRCUMSTANCE BY ANYONE AS INVESTMENT ADVICE. This industry research is provided at no charge to Cogent Valuation's clients. Research or detailed information not covered in this report can be obtained for a fee. Contact Steven Kam at 415-392-0888 for additional information or questions in connection with this research report. Copyright © 2014 Cogent Valuation. All Rights Reserved.