

# Quarterly Industry Update

As of March 31, 2016

Industry: Industrial Printers



## Industry Summary

Cogent Valuation identified Industrial Printers publicly traded companies, IPOs, and recent M&A transactions within the Industrial Printers 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. Over the last year since March 31, 2015, the median 52-week share price return of the Industrial Printers industry was -15.7%. Between March 31, 2014 and March 31, 2016, the median EV/EBITDA multiple decreased from 8.2 to 6.7. However, the median price-to-earnings multiple increased from 19.4 to 20.5 over the same period.

## Comparable Public Company Key Statistics

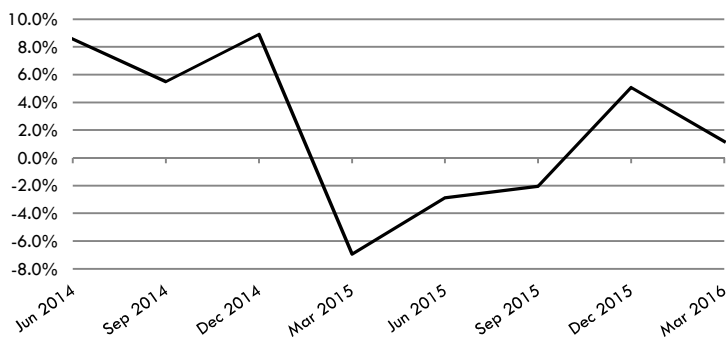
Median 52-Week Return	-15.7%	Median EV/Revenue Multiple	1.0x	Median Price/Earnings Multiple	20.5x
Median 3-Year CAGR Return	0.8%	Median EV/EBITDA Multiple	6.7x	Median EV/Gross CF Multiple	17.9x

## Comparable Public Company Market Price Returns As of March 31, 2016

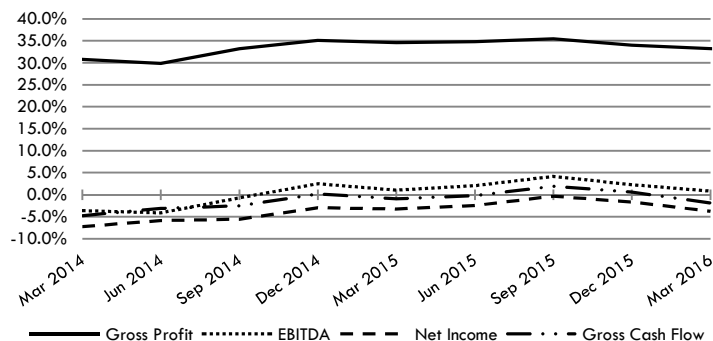
	YTD	3 Month	1 Year	2 Year	3 Year	5 Year	2015	2014	2013	2012	2011
Astro-Med, Inc.	-4.1%	-4.1%	-0.9%	8.0%	13.1%	12.2%	-12.4%	22.3%	33.7%	32.6%	-2.9%
Canon Inc.	-2.3%	-2.3%	-15.7%	-1.9%	-6.1%	-7.3%	-4.6%	1.2%	-18.0%	-12.9%	-14.6%
Eastman Kodak Co.	-13.5%	-13.5%	-42.9%	-43.0%	N/A	N/A	-42.2%	-37.5%	N/A	N/A	N/A
Electronics for Imaging, Inc.	-9.3%	-9.3%	1.5%	-1.1%	18.7%	23.6%	9.1%	10.6%	103.9%	33.3%	-0.4%
Lexmark International Inc.	3.0%	3.0%	-21.0%	-15.0%	8.2%	-2.0%	-21.4%	16.2%	53.2%	-29.9%	-5.0%
Pitney Bowes Inc.	4.3%	4.3%	-7.6%	-9.0%	13.2%	-3.5%	-15.3%	4.6%	119.0%	-42.6%	-23.3%
Quad/Graphics, Inc.	39.1%	39.1%	-43.7%	-25.7%	-18.5%	-21.2%	-59.5%	-15.7%	33.5%	42.2%	-65.2%
Stratasys Ltd.	10.4%	10.4%	-50.9%	-50.6%	-29.6%	-11.2%	-71.7%	-38.3%	68.1%	163.6%	-6.8%
The ExOne Company	30.9%	30.9%	-3.7%	-39.4%	-26.8%	N/A	-40.2%	-72.2%	N/A	N/A	N/A
TransAct Technologies Incorporated	-5.2%	-5.2%	37.7%	-15.8%	0.8%	-7.3%	57.0%	-56.3%	73.5%	-0.6%	-22.9%
Voxeljet AG	35.9%	35.9%	-22.9%	-50.8%	N/A	N/A	-44.7%	-79.4%	N/A	N/A	N/A
<b>Median of Industry Public Companies</b>	<b>3.0%</b>	<b>3.0%</b>	<b>-15.7%</b>	<b>-15.8%</b>	<b>0.8%</b>	<b>-5.4%</b>	<b>-21.4%</b>	<b>-15.7%</b>	<b>60.6%</b>	<b>16.0%</b>	<b>-10.7%</b>

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

## Median Quarterly Revenue Growth of All Industrial Printers Companies



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



## Median Public Company Multiples of the Industrial Printers Industry

Date:	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015	9/30/2015	12/31/2015	3/31/2016
EV/Revenues Multiple	1.2x	1.2x	0.9x	1.2x	1.0x	0.9x	1.1x	1.1x	1.0x
EV/EBITDA Multiple	8.2x	7.8x	7.1x	6.8x	8.0x	7.4x	8.4x	8.8x	6.7x
Price/Earnings Multiple	19.4x	20.7x	18.4x	20.8x	27.5x	22.0x	19.7x	21.6x	20.5x
EV/Gross Cash Flows Multiple	14.3x	12.1x	10.2x	9.7x	13.7x	12.5x	14.0x	1.9x	17.9x

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

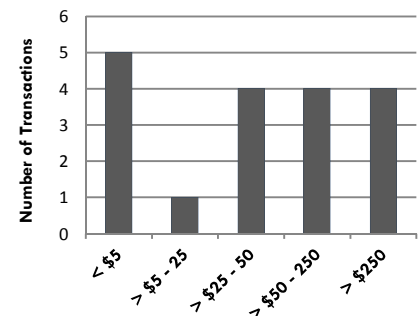
Offer Date	Company Name	Offer Price	Shares Offered	Amount Raised	Total Assets	Debt	LTM Revenues	LTM EBITDA	LTM Net Income	LTM Cash Flows
10/17/2013	Voxeljet AG	\$13.00	6.5	\$84.5	\$17.1	\$9.1	\$11.1	\$1.0	(\$0.6)	\$2.8
2/6/2013	The ExOne Company	\$18.00	5.1	\$95.4	\$27.4	\$17.2	\$18.6	(\$9.9)	(\$13.8)	(\$8.3)
7/28/1999	Creo Inc.	\$15.00	5.0	\$75.0	\$136.9	\$6.8	\$147.7	\$29.6	\$13.6	\$29.6
11/13/1997	Mettler-Toledo International Inc.	\$14.00	6.7	\$93.3	\$768.2	\$485.6	\$858.1	\$60.9	(\$194.3)	\$87.5
10/9/1996	Splash Technology Holdings, Inc.	\$11.00	2.6	\$28.6	\$9.7	\$0.0	N/A	N/A	N/A	N/A
9/18/1996	Thermo BioAnalysis Corporation	\$14.00	1.5	\$21.0	\$85.1	\$30.0	\$27.2	\$3.7	(\$1.2)	\$4.3
10/20/1994	Stratasys Ltd.	\$5.00	1.2	\$6.0	N/A	N/A	N/A	N/A	N/A	N/A
<b>Median of All IPOs</b>		<b>nm</b>	<b>nm</b>	<b>\$75.0</b>	<b>\$56.3</b>	<b>\$13.1</b>	<b>\$27.2</b>	<b>\$3.7</b>	<b>(\$1.2)</b>	<b>\$4.3</b>

nm: not meaningful

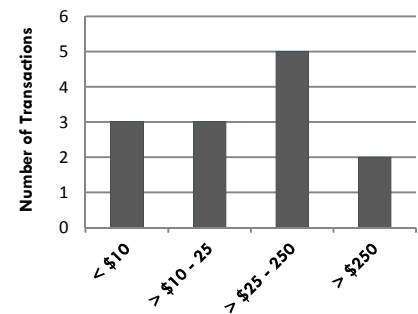
## Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/Revenues
3/1/2016	Zephyr Co. Pte. Ltd.	CCL Design GmbH	\$27.8	100%	\$25.7	1.1x
6/11/2015	Domino Printing	Brother Industries, Ltd.	\$1,541.6	100%	\$523.6	2.8x
3/30/2015	First EIE SA	inspec Inc.	\$4.0	51%	\$4.0	1.9x
9/3/2013	Imagelinx plc	Sonoco Trident Ltd.	\$3.3	100%	N/A	N/A
8/15/2013	MakerBot Industries	Stratasys Ltd.	\$614.9	100%	\$15.7	39.2x
6/1/2013	Cadorit AB	PaperlinX A/S	\$1.1	100%	\$3.1	0.3x
2/25/2013	IMPIKA SA	Xerox Corporation	\$53.0	100%	\$21.1	2.5x
12/1/2012	Objet Ltd.	Stratasys Inc.	\$664.9	100%	\$132.9	4.5x
10/31/2012	Presstek Inc.	MAI Holdings, Inc.	\$29.6	100%	\$113.4	0.2x
7/2/2012	Goss International	Shanghai Mechanical	\$90.7	100%	N/A	N/A
6/25/2012	PostJet Systems Ltd.	Domino Printing Sciences	\$25.7	100%	N/A	N/A
6/5/2012	Taiyo Bijyutsu Shikou	N/A	\$1.3	100%	\$17.3	0.1x
3/20/2012	Baldwin Technology	Forsyth Capital Investors	\$39.5	100%	\$156.8	0.2x
1/10/2012	Cretaprint S.L.	Electronics for Imaging	\$52.0	100%	N/A	N/A
9/20/2011	Formero Pty. Ltd.	3D Systems Corporation	\$8.0	100%	N/A	N/A
8/22/2011	Gerber Scientific, Inc.	Vector Capital	\$297.8	100%	\$462.5	0.6x
8/19/2011	Printrex, Inc.	TransAct Technologies	\$4.0	100%	\$5.4	0.7x
6/10/2011	GBC/Fordigraph Pty Ltd.	Neopost S.A.	\$56.6	100%	\$46.0	1.2x
<b>Median of the 18 M&amp;A Transaction Targets</b>			<b>\$29.6</b>	<b>100%</b>	<b>\$23.4</b>	<b>0.9x</b>

Size of M&A Transactions



LTM Revenues Reported



### Definitions of Financial Terms Used in this Quarterly Industry Update:

Enterprise Value (EV): Market Value of Equity + Market Value of Debt - Cash

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): Profitability metric sometimes also referred to as operating profit or operating earnings.

Gross Cash Flows: Net Income + Depreciation and Amortization Expense

Latest Twelve Months (LTM): Financial information is as of the latest twelve months through the date of this Quarterly Industry Update.

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