

Q3: Quarterly Industry Update

AS OF September 30, 2019



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 September 30, 2018, the median 52-week share price return of the Industrial Printers industry was -12.2%. Between September 30, 2017 and September 30, 2019, the median EV/EBITDA multiple increased from 7.6 to 12.6. However, the median price-to-earnings multiple decreased from 20.8 to 14.6 over the same period. The median revenue growth and EBITDA margins for the industry for the quarter were 0.7% and 9.7%, respectively.

Public Company Key Statistics

Median 52-Week
Return

-12.2%

Median 3-Year CAGR
Return

1.4%

Median EV/Revenue
Multiple

1.3x

Median EV/EBITDA
Multiple

12.6x

Median Price/Earnings
Multiple

14.6x

Median EV/Gross CF
Multiple

9.0x

Comparable Public Company Market Price Returns as of September 30, 2019

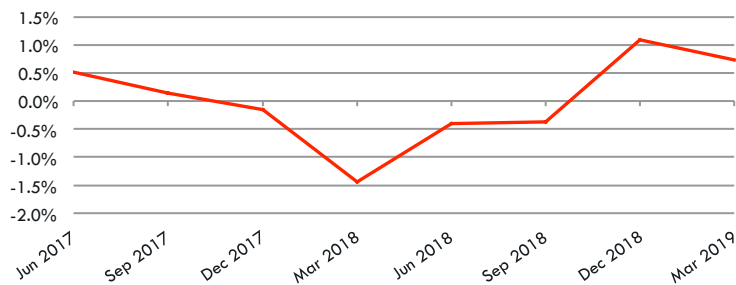
	2019	3 Month	1 Year	2 Year	3 Year	2018	2017	2016
AstroNova, Inc.	11.9%	11.9%	1.6%	-3.2%	-0.5%	-2.8%	-1.4%	-12.4%
Canon Inc.	-2.7%	-2.7%	16.5%	8.8%	1.6%	32.1%	-7.7%	-4.6%
Eastman Kodak Company	72.6%	72.6%	-53.5%	-31.4%	-30.6%	-80.0%	23.6%	-42.2%
Electronics for Imaging, Inc.	-7.5%	-7.5%	-44.0%	-0.7%	-1.1%	-32.7%	-6.2%	9.1%
Pitney Bowes Inc.	-2.6%	-2.6%	-16.9%	-16.0%	-17.5%	-26.4%	-26.4%	-15.3%
Quad/Graphics, Inc.	12.2%	12.2%	0.4%	36.7%	5.5%	-15.9%	189.0%	-59.5%
Stratasys Ltd.	1.1%	1.1%	-1.5%	-6.6%	-42.4%	20.7%	-29.6%	-71.7%
The ExOne Company	-13.3%	-13.3%	-28.6%	30.1%	-18.4%	-10.1%	-7.0%	-40.2%
TransAct Technologies Incorporated	-1.5%	-1.5%	61.1%	3.7%	13.1%	100.8%	-23.2%	57.0%
voxeljet AG	-24.9%	-24.9%	27.5%	9.5%	-26.9%	59.2%	-36.1%	-44.7%
Median of Industry Public Companies	-2.1%	-2.1%	-0.5%	1.5%	-9.3%	-6.4%	-7.3%	-27.8%

Multiple year periods are calculated as the average annual return.

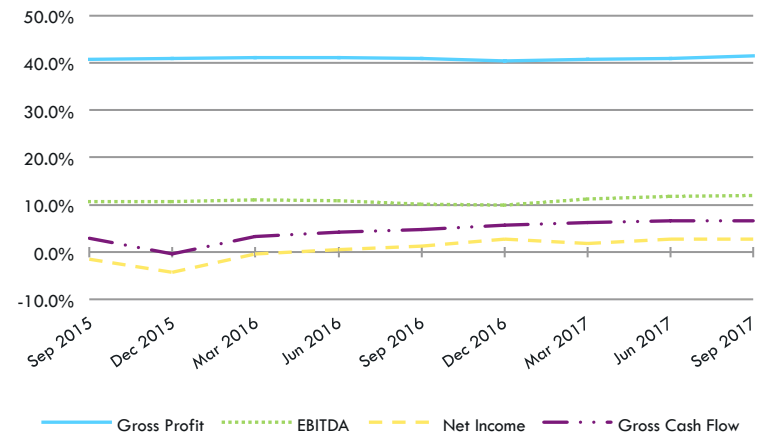
■ Highest Return
 ■ Lowest Return
 ■ Median Return

Industry Revenue Growth and Profit Margins for the Past Two Years

Median Quarterly Revenue Growth of All Industrial Printers Companies



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



Public Company Median Multiples by Quarter

	9/30/19	6/30/19	12/31/18	9/30/18	6/30/18	3/31/18	12/31/17	9/30/17
EV/Revenues Multiple	1.2x	1.2x	1.3x	1.3x	1.3x	1.1x	1.0x	1.2x
EV/EBITDA Multiple	11.8x	12.0x	11.9x	8.1x	8.0x	8.2x	7.3x	7.6x
Price/Earnings Multiple	14.4x	17.2x	14.9x	22.8x	21.3x	21.3x	30.4x	20.8x
EV/Gross Cash Flows Multiple	9.7x	10.8x	11.0x	11.7x	11.5x	11.7x	10.2x	14.0x

■ Highest Multiple
 ■ Lowest Multiple
 ■ Median Multiple

Industry Initial Public Offerings - Industrial Printers (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
8/12/19	Aurora Labs Limited	\$0.15	14.0	\$2.2	\$0.1	\$0.0	\$0.0	\$0.0	(\$0.2)	\$0.0
5/5/19	Midwich Group Plc	\$3.01	36.2	\$109.0	\$184.5	\$71.5	\$464.9	\$23.4	\$7.4	\$24.6
10/17/18	voxeljet AG	\$13.00	6.5	\$84.5	\$17.1	\$9.1	\$13.6	\$1.0	(\$0.6)	\$2.8
2/6/13	The ExOne Company	\$18.00	5.1	\$95.4	\$27.4	\$17.2	\$28.7	(\$9.9)	(\$13.8)	(\$8.3)
7/28/99	Creo Inc.	\$15.00	5.0	\$75.0	\$136.9	\$6.8	\$158.1	\$29.6	\$13.6	\$29.6
11/13/97	Mettler-Toledo International Inc.	\$14.00	6.7	\$93.3	\$768.2	\$485.6	\$858.1	\$60.9	(\$194.3)	\$87.5
10/9/96	Splash Technology Holdings, Inc.	\$11.00	2.6	\$28.6	\$9.7	\$0.0	N/A	N/A	N/A	N/A
	Median IPO	nm	nm	\$84.5	\$27.4	\$9.1	\$83.1	\$12.2	(\$0.4)	\$10.6

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

Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/ Revenues
9/1/19	S-Printing Solution Corp.	HP Inc.	\$1,050.0	75%	N/A	N/A
12/12/18	Concept Laser GmbH	General Electric Company	\$599.0	100%	\$3,505	1.0x
11/29/18	Lexmark International	Legend Capital	\$3,740.5	100%	\$25.7	1.1x
2/29/16	Zephyr Co. Pte. Ltd.	CCL Design GmbH	\$27.8	100%	\$523.6	2.9x
6/11/15	Domino Printing	Brother Industries, Ltd.	\$1,561.9	51%	\$4.0	1.9x
3/30/15	First EIE SA	inspec Inc.	\$4.0	100%	N/A	N/A
9/3/13	Imagelinx plc	Sonoco Trident Ltd.	\$3.3	100%	\$15.7	39.2x
6/1/13	Cadorit AB	PaperlinX A/S	\$614.9	100%	\$3.1	0.3x
2/25/13	IMPIKA SA	Xerox Corporation	\$53.0	100%	\$21.1	2.5x
12/1/12	Objet Ltd.	Stratasys Inc.	\$664.9	100%	\$132.9	4.5x

■ USA
 ■ International

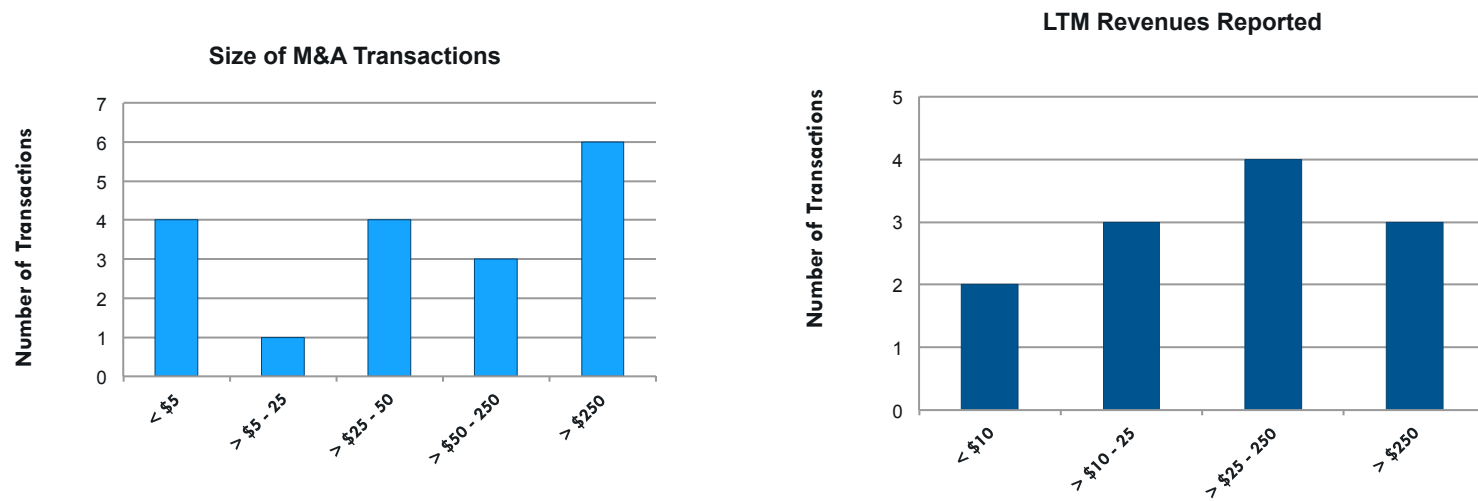
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Size of Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

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Transaction Date	Target	Acquirer	Transaction Size	% Bought	LTM Revenues	EV/ Revenues
10/31/12	Presstek Inc.	MAI Holdings, Inc.	\$29.6	100%	\$113.4	0.2x
7/2/12	Goss International	Shanghai Mechanical	\$90.7	100%	N/A	N/A
6/25/12	PostJet Systems Ltd.	Domino Printing Sciences	\$25.7	100%	N/A	N/A
6/5/12	Taiyo Bijyutsu Shikou	N/A	\$1.3	100%	\$17.3	0.1x
3/20/12	Baldwin Technology	Forsyth Capital Investors	\$39.5	100%	\$156.8	0.2x
1/10/12	Cretaprint S.L.	Electronics for Imaging	\$52.0	100%	N/A	N/A
9/20/11	Formero Pty. Ltd.	3D Systems Corporation	\$8.0	100%	N/A	N/A
8/22/11	Gerber Scientific, Inc.	Vector Capital	\$297.8	100%	\$462.5	0.6x
	Median of the 18 M&A Transaction Targets		\$52	100%	\$25.7	1.1x

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



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): 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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