

# EMS Index Underperforms S&P in Q3 2011

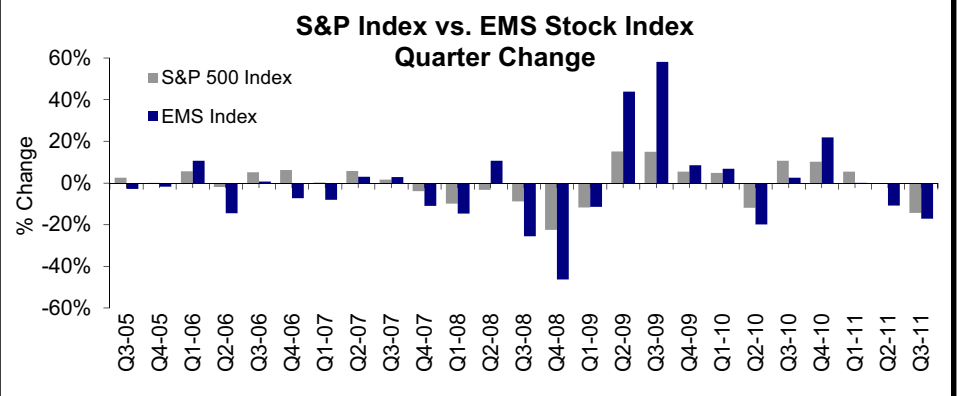
## Winner's Circle Tier

Celestica Inc.	(10%)	I
Nam Tai Electronics, Inc.	(11%)	II
Nortech Systems Inc.	(14%)	III

## Worst Performers Tier

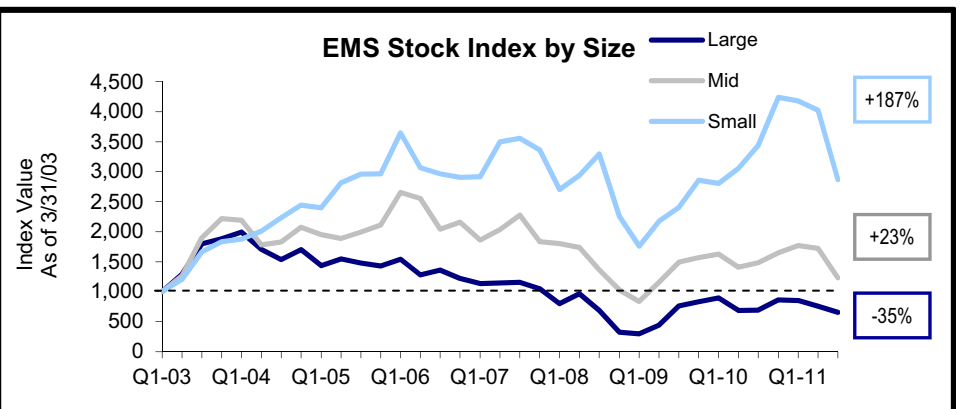
Sanmina-SCI Corp.	(35%)	I
Plexus Corp.	(35%)	II
Sparton Corp.	(39%)	III

Note: Based on quarter-over-quarter share price performance



## EMS Stock Highlights

- Large Index has decreased 13.8% from last quarter
- Mid Index has decreased 28.6% from last quarter
- Small Index has decreased 28.8% from last quarter



## EBITDA Margins

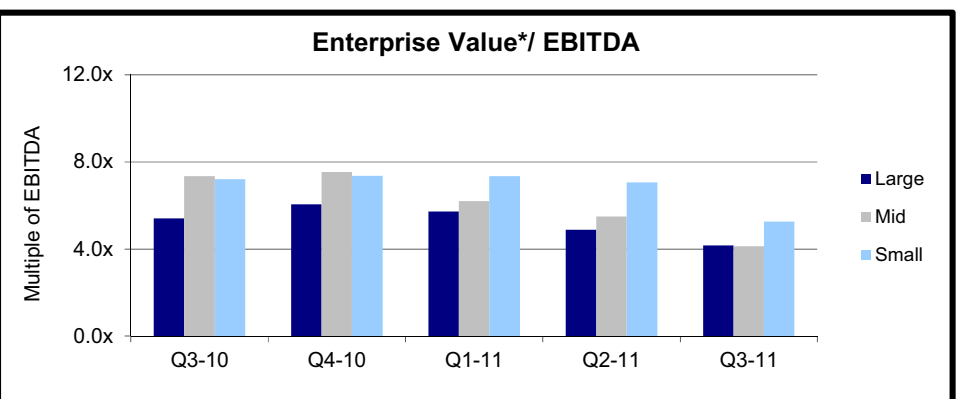
Large Tier	4.6%
Mid Tier	6.1%
Small Tier	5.3%

## YOY LTM Revenue Growth

Large Tier	16.0%
Mid Tier	18.1%
Small Tier	18.6%

Source: Capital IQ as of Sept 30, 2011

Note: Average for each sector, YOY stands for year-over-year



\*Enterprise Value is calculated as Market Cap on September 30, 2011 plus debt, preferred equity and minority interest less cash

Note: See the following page for specific company classifications

## EMS Size Guide

(Sales Dollars)

**Large (Tier I)**  
Greater than \$3 billion

**Mid (Tier II)**  
\$300 million to \$3 billion

**Small (Tier III)**  
Below \$300 million

## About the EMS Stock Index

Similar to the S&P 500 Index, the EMS Stock Index is a market cap weighted composite index. The index is prepared by first selecting a base period, in this case, Q1 2003, and totaling the market caps of the companies for each tier in this period. This period and total market cap is set to a base index, in this case, 1,000. Next, for each tier, the current period's total market cap is calculated, divided by the base period's total market cap and then multiplied by the base index (1,000). The result is the index value used for plotting in the graph above.

## EMS Stock Index Data

	Stock Price	LTM Sales (\$M)	Diluted EPS	Avg. Cash Conversion Cycle (days)	Current Ratio	EV/ EBITDA	EV/ Sales	Market Cap (\$M)	Net Debt (\$M)
<b>Large</b>									
Celestica Inc.	\$ 7.26	\$ 7,052	\$ 0.51	37.2	1.72	4.6x	0.2x	\$ 1,565	\$ (508)
Flextronics International Ltd	5.63	29,662	0.78	14.5	1.26	4.0x	0.2x	4,118	656
Jabil Circuit Inc.	17.79	16,519	1.73	12.7	1.32	4.5x	0.3x	3,889	298
Sanmina-SCI Corp.	6.68	6,593	0.99	49.4	2.06	3.6x	0.2x	539	668
<b>Mid</b>									
Benchmark Electronics Inc.	13.01	2,365	1.17	87.7	3.87	4.1x	0.2x	775	(295)
CTS Corporation	8.13	583	0.59	60.9	2.33	6.4x	0.5x	280	(0)
Nam Tai Electronics, Inc.	4.91	651	0.39	10.4	3.04	0.2x	0.0x	220	(212)
Plexus Corp.	22.62	2,249	2.43	76.0	2.34	5.8x	0.4x	801	89
<b>Small</b>									
IEC Electronics Corp.	5.08	126	0.58	79.6	2.28	7.5x	0.8x	50	45
Key Tronic Corp.	3.46	254	0.55	74.4	2.72	4.5x	0.2x	36	5
Nortech Systems Inc.	3.37	110	0.37	85.9	1.38	8.1x	0.2x	9	14
SigmaTron International Inc.	3.40	153	0.35	130.3	3.16	4.7x	0.3x	13	27
SMTC Corp.	1.49	235	0.43	54.5	1.68	3.8x	0.2x	24	16
Sparton Corp.	6.28	203	0.73	77.9	2.22	3.5x	0.2x	65	(23)
Sypris Solutions Inc.	2.90	302	(0.16)	41.4	1.41	4.8x	0.2x	58	8

Source: Capital IQ as of September 30, 2011; stock price adjusted for dividends and splits

### About Lincoln International

Lincoln International specializes in merger and acquisition advisory services, debt advisory services, private capital raising and restructuring advice on mid-market transactions. Lincoln International also provides fairness opinions, valuations and pension advisory services on a wide range of transaction sizes. With twelve offices (three in the Americas, two in Asia, and seven in Europe) and strategic partnerships with leading institutions in China and Korea, Lincoln International has strong local knowledge and contacts in the key global economies. The firm provides clients with senior-level attention, in-depth industry expertise and integrated resources. By being focused and independent, Lincoln International serves its clients without conflicts of interest. More information about Lincoln International can be obtained at [www.lincolninternational.com](http://www.lincolninternational.com).

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