

Stock Index

EMS

Q4 2016



EMS Stock Highlights

- Large Index has increased 8.5% from last quarter
- Mid Index has increased 17.4% from last quarter
- Small Index has decreased 11.8% from last quarter
- Overall EMS Index has increased 10.0% from last quarter

EMS Stock Index Outperforms S&P

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 on the next page.

Winner's Circle		Tier
Sanmina	28.7%	I
Kimball Electronics	31.3%	II
SMTC	10.9%	III

Worst Performers		Tier
Flex	5.5%	I
Sparton	(9.2%)	II
IEC Electronics	(25.2%)	III

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

EBITDA Margins	
Large Tier	5.2%
Mid Tier	5.7%
Small Tier	4.4%

YOY LTM Revenue Growth	
Large Tier	1.0%
Mid Tier	(1.9%)
Small Tier	(2.7%)

*Source: Capital IQ as of 12/31/16
Note: Average for each sector, YOY stands for year-over-year*

EMS Size Guide

(Revenue Dollars)

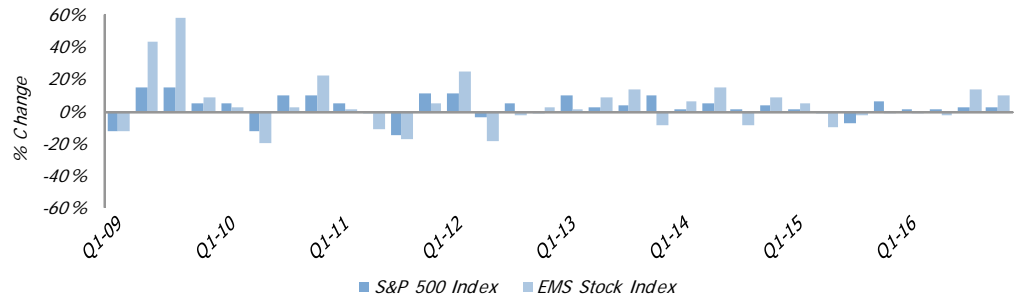
Large (Tier I)
Greater than \$3 billion

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

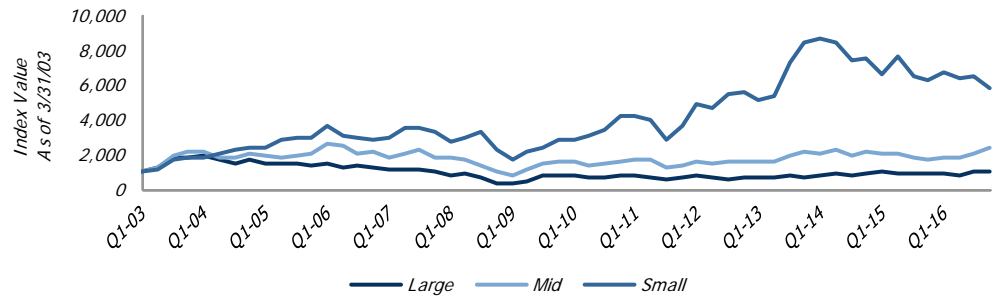
Small (Tier III)
Below \$300 million

Note: Companies are included in a given tier by falling within the threshold for two consecutive quarters

S&P Index vs. EMS Stock Index Quarter Change

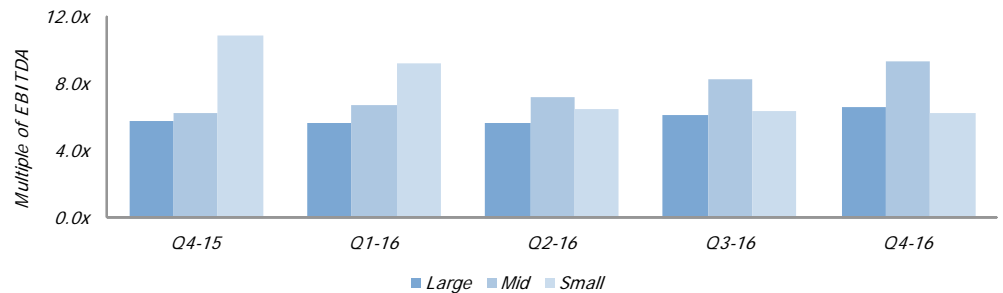


EMS Stock Index by Size



Note: See below for specific company classifications

Enterprise Value⁽¹⁾ / EBITDA



(1) Enterprise Value is calculated as market cap on December 31, 2016 plus debt, preferred equity and minority interest less cash

Note: See below for specific company classifications

EMS Stock Index Data

	Stock Price	LTM Sales (\$ in mm)	Diluted EPS	Avg. Cash Conversion Cycle (days)	Current Ratio	EV/EBITDA	EV/Sales	Market Cap (\$ in mm)	Net Debt (\$ in mm)
Large									
Celestica	\$11.85	\$5,908	\$0.88	47.0	1.88	6.0x	0.2x	\$1,664	(\$268)
Flex	14.37	24,421	0.57	27.0	1.23	7.7x	0.4x	7,760	1,298
Jabil	23.67	18,250	1.10	4.0	1.04	4.6x	0.3x	4,367	1,363
Sanmina	36.65	6,481	2.38	45.1	1.70	8.3x	0.4x	2,691	64
Mid									
Benchmark	\$30.50	\$2,329	\$1.69	89.3	3.69	7.5x	0.5x	\$1,491	(\$409)
KeyTronicEMS	7.82	476	0.67	85.0	2.29	7.5x	0.3x	84	48
Kimball Electronics	18.20	868	0.97	59.2	1.97	8.8x	0.5x	500	(41)
Plexus	54.04	2,556	2.24	83.2	2.20	10.2x	0.6x	1,815	(170)
Sparton	23.85	413	(4.14)	97.9	2.34	12.9x	0.8x	234	96
Small									
IEC Electronics	\$3.57	\$127	\$0.47	75.7	2.02	5.5x	0.4x	\$37	\$19
Nortech Systems	3.89	119	0.02	79.8	1.99	8.8x	0.2x	11	15
SigmaTron International	4.73	245	0.10	82.3	2.10	6.7x	0.2x	20	29
SMTC	1.53	189	0.07	46.1	1.38	3.9x	0.2x	25	6

Source: Capital IQ as of December 31, 2016; stock price adjusted for dividends and splits

Global Industry Groups

Aerospace & Defense
Automotive & Truck
Building & Infrastructure
Business Services
Chemicals
Consumer
Distribution
Electronics
Energy & Power
Financial Institutions
Food & Beverage
Healthcare
Industrials
Packaging
Technology & Media

Global Locations

Amsterdam
Beijing
Chicago
Dallas
Frankfurt
London
Los Angeles
Madrid
Milan
Moscow
Mumbai
New York
Paris
São Paulo
Tokyo
Vienna
Zurich

Advisory Services

Mergers & Acquisitions
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