

# TECHAMERICA 2011 CLASSIC

Scott Hildebrandt: Chief Financial Officer

Ryan Gray: VP, Finance and Investor Relations Officer

November 8, 2011



When image experience matters.

# Safe Harbor Provisions

This presentation contains forward-looking statements within the meaning of the Securities Litigation Reform Act of 1995 that are based on current expectations, estimates and projections about the Company's business, management's beliefs, and assumptions made by management.

These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed in such forward-looking statements.

These statements speak only as of today and the company undertakes no obligation to update any such statements to reflect events or circumstances occurring after today.

# Planar At a Glance



THE WORLD'S PREMIER  
DISPLAY PROVIDER



FOUNDED **1983** NASDAQ: PLNR

\$ **2011 REVENUE**  
**187 M**

**100+**  
PATENTS

**500**  
EMPLOYEES

LOCATIONS Headquarters Beaverton, OR USA



CUSTOMERS AND END USERS



Solid Balance Sheet: \$22.2M of cash and no debt (at 9/30/11)

# Planar Core Technologies and Capabilities

**CUSTOMERS**

- Wide variety of applications
- Markets ranging from digital signage to commercial control rooms, from industrial devices to business productivity

**PLANAR CAPABILITIES**

- EL display expertise
- Optical performance
- Electronics for video and information displays
- Software and video processing display management
- Mechanical design for industrial uses (thermal, ruggedized, sunlight readable, etc.)

**CORE DISPLAY TECHNOLOGIES**

- LCD
- LED illumination
- Front Projection
- Rear Projection
- Plasma
- EL (Electroluminescence)
- Image and Video Processing

# Planar Vertical Markets

Products used worldwide to operate and communicate more effectively—  
every moment of the day



RETAIL



TRANSPORTATION



GOVERNMENT



UTILITIES



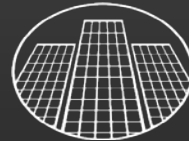
EDUCATION



AVIATION



BROADCAST



CORPORATE



FINANCIAL



TELECOM



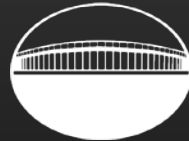
ENTERTAINMENT



MUSEUM



HOSPITALITY



PUBLIC VENUE



GAMING

# Planar Product Offerings

Total Revenue in Fiscal 2011 = \$186.5M

## Digital Signage



- Matrix LCD Video Walls
- Stand-alone LCD Panels
- Custom Signage

**Fast Growth**

**FY11 Revenue: \$39.5M**

## Non-Signage



- Video Wall Cubes
- Touch Monitors
- Custom Non-Signage

**Modest Growth**

**FY11 Revenue: \$57.5M**



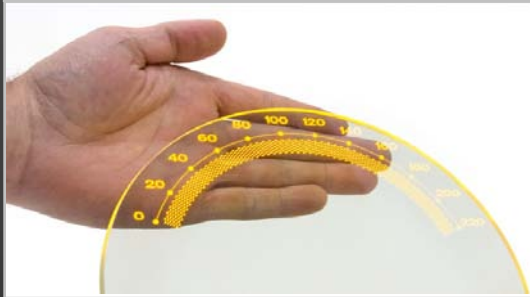
- EL
- Desktop Monitors
- High-end Home

**Mature**

**FY11 Revenue: \$89.5M**

# Non-Signage – Mature Product Areas

## EL



- High profit contribution legacy business
- Opportunities for new transparent and low power EL design wins

**FY11 Revenue: \$32.7M**

## Desktop Monitors



- Strong supply chain and logistics/distribution partners
- Focus on differentiated SKU's

**FY11 Revenue: \$35.7M**

## High-end Home



- Runco - #1 Brand in luxury home video products
- Dealer Channel adding Commercial Accounts

**FY11 Revenue: \$21.1M**

# Non-Signage – Modest Growth

## Video Wall Cubes



- Strong Global Market Share Position
- Infrastructure growth in emerging geographies
- Transition to LED Engines

**FY11 Revenue: \$32.7M**

## Touch Monitors



- #2 Market Share position in the US
- Increasing number of offerings & channel partners

**FY11 Revenue: \$13.7M**

## Custom Non-Signage



- Focus on Rugged, Industrial Applications
- Key segments: Transportation, Military, and Medical

**FY11 Revenue: \$11.1M**

# Digital Signage – Fast Growth

## Matrix



- Large Format Super-Narrow Bezel (SNB) LCD video wall applications
- Fast growing markets in Retail and Public Venues

**FY11 Revenue: \$21.8M**

## Commerical LCD



- Variety of flat panels to match customer needs
  - ✓ 24/7 operation
  - ✓ Performance

**FY11 Revenue: \$6.7M**

## Custom Signage



- Custom designed for indoor and outdoor signage applications
- Large Quick Serve Drive-thru opportunities

**FY11 Revenue: \$11.0M**

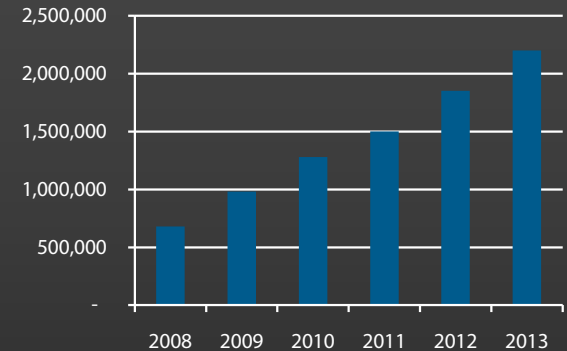
# Retail Digital Signage Market Overview

Multi billion dollar, fast growing market (25 – 40% CAGR)

Market drivers for growth:

- **Retailers desire to:**
  - Increase revenue per transaction & productivity
  - Improve store experience
- Higher costs and slower payback of television and print media alternatives
- Increasing need for targeted marketing and direct advertising at point of sale
- Ability to change content real-time, to multiple placements, to match the dynamic needs of the retailer

Global Retail Signage Unit Shipments, 2008–2013



*Source for Global Retail Signage Shipments; iSuppli 6/2/09 press release Changing Retailer Needs Spur Tripling of Retail Digital Signage Market*

# Digital Signage

## Where does Planar play?

- Indoor and ruggedized/sunlight readable outdoor solutions
- Interactive touch screen displays and integration
- Customization required
- Sizes for almost every application from 15" to very large walls of video



# Larger Format Digital Signage – Matrix



## Planar's SNB LCD Video Wall Advantages:

- Minimal installation space (~4" depth or less)
- Super Narrow-bezel (SNB) LCD panels
- Unique EasyAxis™ mounting
- Unique, centralized, outboard video processing and electronics
- Simplified configuration and management software

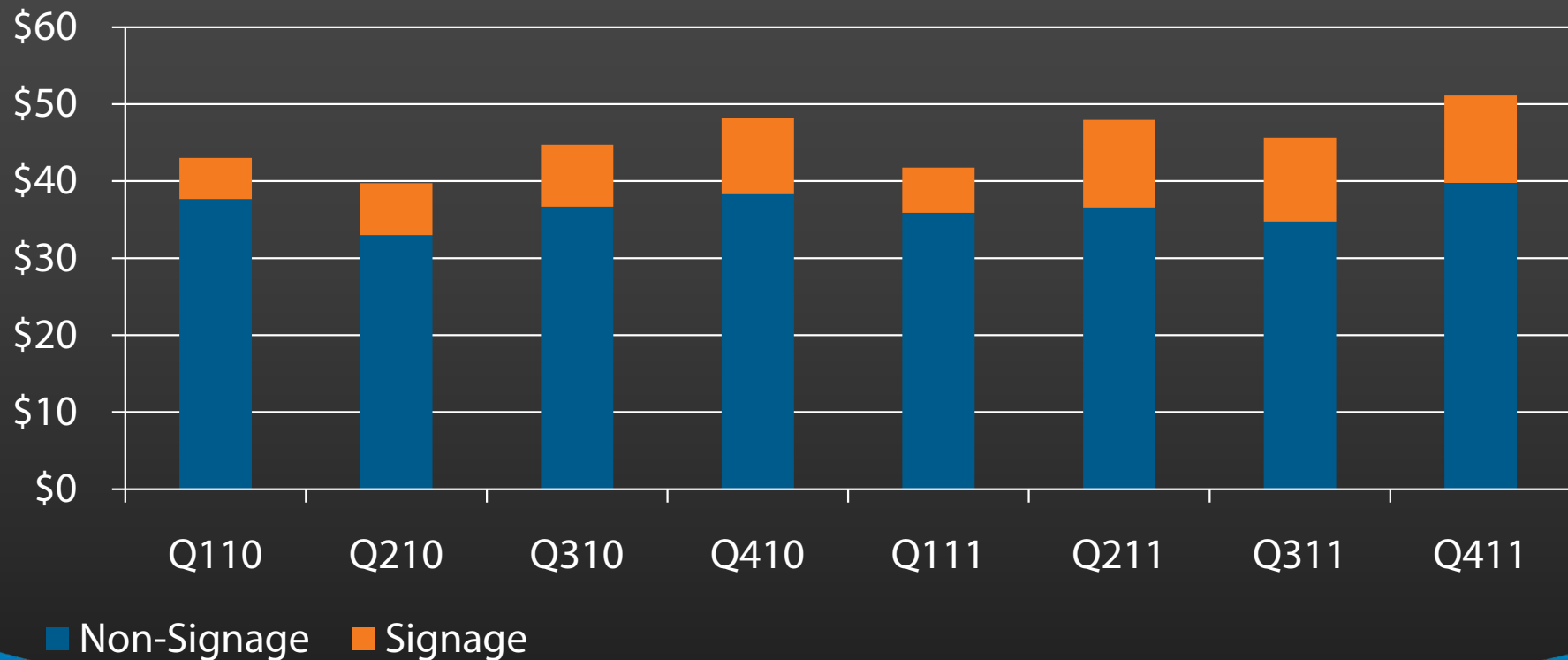


The fastest growing product category in FY11 (180% growth):

- FY10 Revenue: \$7.8M
- FY11 Revenue: \$21.8M



# Historical Financial Results – Revenue (\$M)



# Key Financial Metrics

As of 9/30/11

- Cash: **\$22.2M, no debt**
- Working Capital: **\$59.3M**
- Tangible Net Worth: **\$61.4M**
- Tangible Book Value per share: **\$3.07**
- Current Ratio: **2.6**
- DSO: **46 Days**

## Annual Historical Non-GAAP EBITDA\*:

- FY09: \$1.2M
- FY10: \$0.7M
- FY11: \$3.2M

*\* EBITDA can fluctuate quarter to quarter*

# Forward Looking Business Model

- Short-term: Focus on Creating a stronger foundation for Growth
  - Adding Sales and Marketing resources to drive digital signage sales growth
  - Creating more efficiency and capacity in operations
  - Expanding the product portfolio to increase our offerings
- Long-term: Sustained double digit growth should provide:
  - Gross Margin expansion and better leverage of operating expenses
  - Long-term business model target operating margin of 4-6%

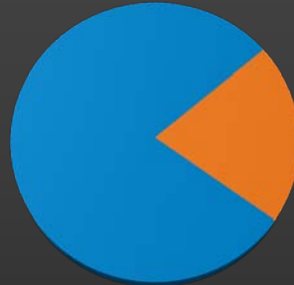
# Planar Revenues and Growth Projections Over Time

Fiscal 2010



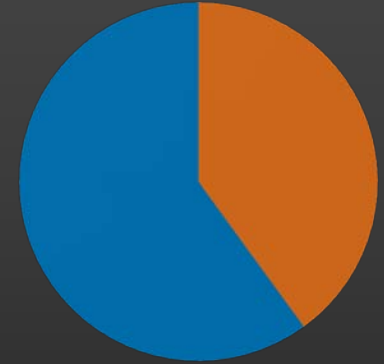
DS  
17%

Fiscal 2011



DS  
21%

Fiscal 2015 (Est.)



DS  
40%



FY11  
Growth %  
6.2%

31.5%



Digital Signage CAGR = ~30% thru FY15  
Total Revenue CAGR = 10+% thru FY15

# Summary

- Solid balance sheet
  - \$22.2M in cash and no debt as of September 30, 2011
- Focused on double digit revenue growth through:
  - Increasing sales of digital signage products:
    - Addressing larger, fast growing markets
    - Increasing our go-to-market capabilities and capacity
    - Broadening the product portfolio
- Improve our profitability and cash flow:
  - Leveraging our top line growth and increasing our efficiency

**Q&A**



When image experience matters.