

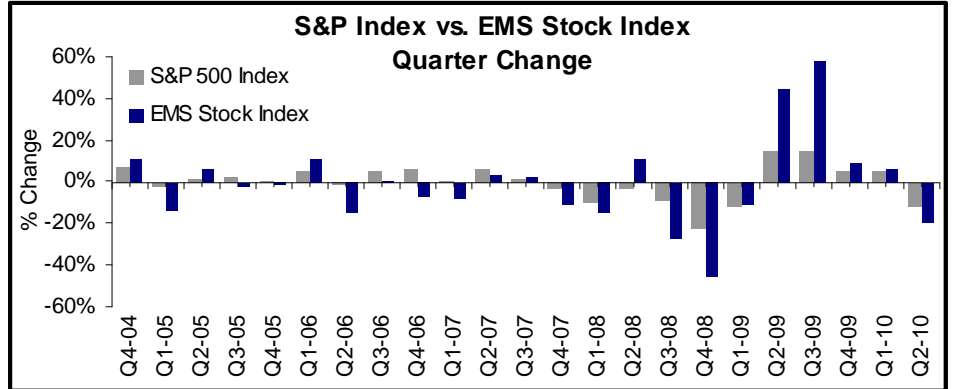
# EMS Index Underperforms S&P in Q2 2010

| Winner's Circle*      |        |      |
|-----------------------|--------|------|
| Company               | Change | Tier |
| Elcoteq SE            | (15%)  | I    |
| Sypris Solutions Inc. | 20%    | II   |
| Raven Industries Inc. | 14%    | III  |
| Nortech Systems Inc.  | 8%     | IV   |

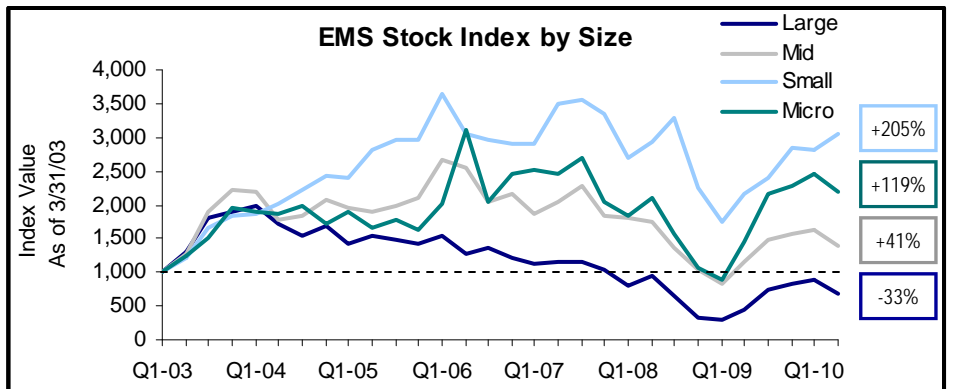
  

| Worst Performers*        |        |      |
|--------------------------|--------|------|
| Company                  | Change | Tier |
| Flextronics Int'l Inc.   | (29%)  | I    |
| Plexus Corp.             | (26%)  | II   |
| Sparton Corp.            | (15%)  | III  |
| Winland Electronics Inc. | (25%)  | IV   |

\* Based on quarter-over-quarter share price performance



- ### EMS Stock Highlights
- Large Index has decreased 23.4% from last quarter
  - Mid Index has decreased 13.6% from last quarter
  - Small Index has increased 8.9% from last quarter
  - Micro Index has decreased 11.3% from last quarter



### Valuations

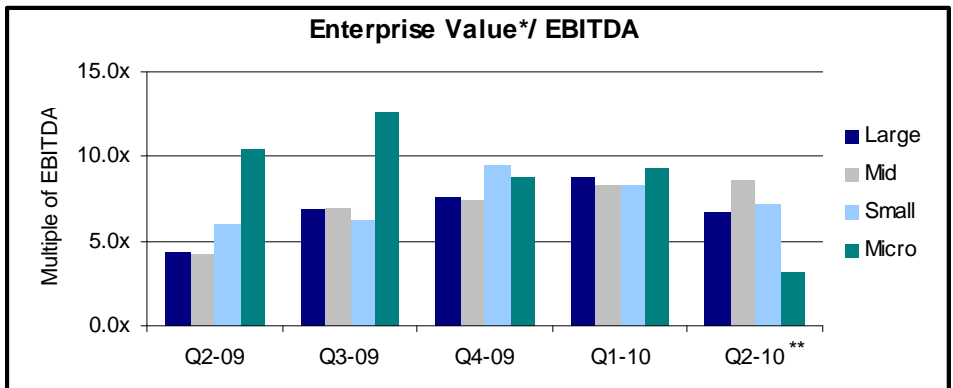
From last quarter:

Multiples for Large tier EMS companies decreased due to a decrease in equity values.

\*\*Mid tier EMS company multiples decreased due to lower equity values.

Small tier EMS company multiples decreased due to higher EBITDA.

Multiples for Micro tier EMS companies decreased due to lower equity value and higher EBITDA.



### EMS Size Guide

(Sales Dollars)

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

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

**Small (Tier III)**  
\$150 million to \$300 million

**Micro (Tier IV)**  
Below \$150 million

\* Enterprise Value is calculated as Market Cap on June 30, 2010 plus debt, preferred equity and minority interest less cash

\*\* Increase in average for mid tier due to inclusion of Sypris multiple which was excluded last quarter

Note: Starting in Q4 2009, Simclar was removed from the Index and SigmaTron was moved to the Micro tier

### 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.                 | \$ 8.17     | \$ 6,141        | \$ 0.27     | 34.9                              | 1.84          | 4.9x       | 0.2x      | \$ 1,879         | \$(712)        |
| Elcoteq SE                     | 2.07        | 1,588           | (0.19)      | 21.6                              | 1.01          | 8.5x       | 0.1x      | 68               | 131            |
| Flextronics International Ltd. | 5.60        | 24,111          | 0.02        | 14.6                              | 1.26          | 6.2x       | 0.2x      | 4,563            | 1,176          |
| Jabil Circuit Inc.             | 13.30       | 12,348          | 0.54        | 21.5                              | 1.36          | 6.0x       | 0.3x      | 2,895            | 526            |
| Sanmina-SCI Corp.              | 13.61       | 5,569           | (0.04)      | 50.6                              | 2.23          | 8.0x       | 0.3x      | 1,082            | 619            |
| <b>Mid</b>                     |             |                 |             |                                   |               |            |           |                  |                |
| Benchmark Electronics Inc.     | 15.85       | 2,164           | 0.97        | 77.3                              | 3.41          | 5.4x       | 0.3x      | 999              | (389)          |
| CTS Corporation                | 9.24        | 510             | 0.18        | 61.4                              | 2.19          | 7.3x       | 0.6x      | 314              | (3)            |
| Nam Tai Electronics, Inc.      | 4.12        | 385             | 0.10        | 13.0                              | 4.11          | nmf        | nmf       | 185              | (197)          |
| Plexus Corp.                   | 26.74       | 1,693           | 1.56        | 77.3                              | 2.07          | 9.6x       | 0.6x      | 1,079            | (87)           |
| Sypris Solutions Inc.          | 4.01        | 261             | 0.62        | 53.3                              | 1.41          | 12.1x      | 0.3x      | 79               | 9              |
| <b>Small</b>                   |             |                 |             |                                   |               |            |           |                  |                |
| Key Tronic Corp.               | 5.15        | 183             | 0.66        | 85.2                              | 2.26          | 6.5x       | 0.3x      | 53               | (5)            |
| LaBarge Inc.                   | 11.41       | 272             | 0.79        | 112.4                             | 1.98          | 7.3x       | 0.8x      | 180              | 35             |
| Raven Industries Inc.          | 33.71       | 258             | 1.79        | 104.6                             | 3.91          | 10.0x      | 2.2x      | 608              | (49)           |
| SMTC Corp.                     | 3.02        | 196             | 0.07        | 60.5                              | 1.50          | 6.8x       | 0.3x      | 44               | 22             |
| Sparton Corp.                  | 5.03        | 193             | (0.35)      | 93.1                              | 1.90          | 5.5x       | 0.2x      | 50               | (13)           |
| <b>Micro</b>                   |             |                 |             |                                   |               |            |           |                  |                |
| IEC Electronics Corp.          | 4.57        | 79              | 0.37        | 72.9                              | 2.13          | 9.2x       | 0.8x      | 41               | 20             |
| Nortech Systems Inc.           | 3.75        | 80              | (0.89)      | 101.5                             | 1.68          | nmf        | 0.2x      | 10               | 9              |
| SigmaTron International Inc.   | 5.30        | 115             | 0.17        | 139.2                             | 2.99          | 5.6x       | 0.3x      | 20               | 14             |
| Winland Electronics Inc.       | 0.71        | 20              | (0.53)      | 99.5                              | 2.26          | nmf        | 0.2x      | 3                | 2              |

Note: Data in table above is sourced from Capital IQ as of June 30, 2010 or latest available.

Stock price adjusted for dividends and splits.

## About Lincoln International

Lincoln International specializes in merger and acquisition 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 ten offices in Asia, Europe and North America, and strategic partnerships with leading institutions in China and India, Lincoln International has strong local knowledge and contacts in the key global economies. The organization 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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