

Quarterly Industry Update

As of September 30, 2015

Industry: Consumer Electronics



Industry Summary

Cogent Valuation identified Consumer Electronics publicly traded companies, IPOs, and recent M&A transactions within the Consumer Electronics 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, 2014, the median 52-week share price return of the Consumer Electronics industry was -26.0%. Between September 30, 2013 and September 30, 2015, the median EV/EBITDA multiple increased from 21.6 to 23.8. Furthermore, the median price-to-earnings multiple increased from 27.9 to 44.8 over the same period.

Comparable Public Company Key Statistics

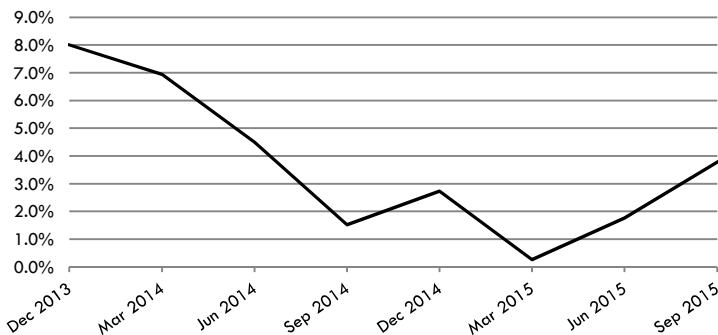
| | | | | | |
|---------------------------|--------|----------------------------|-------|--------------------------------|-------|
| Median 52-Week Return | -26.0% | Median EV/Revenue Multiple | 1.4x | Median Price/Earnings Multiple | 44.8x |
| Median 3-Year CAGR Return | 1.4% | Median EV/EBITDA Multiple | 23.8x | Median EV/Gross CF Multiple | 39.5x |

Comparable Public Company Market Price Returns As of September 30, 2015

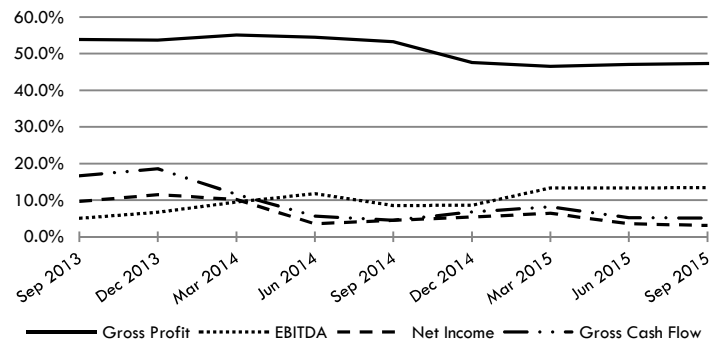
| | YTD | 3 Month | 1 Year | 2 Year | 3 Year | 5 Year | 2014 | 2013 | 2012 | 2011 | 2010 |
|--|---------------|---------------|---------------|--------------|-------------|--------------|---------------|--------------|-------------|---------------|--------------|
| Fleetmatics Group PLC | -17.9% | 4.8% | 61.0% | 14.3% | N/A | N/A | -17.9% | 71.9% | N/A | N/A | N/A |
| InvenSense, Inc. | -21.8% | -38.5% | -52.9% | -27.4% | -8.1% | N/A | -21.8% | 87.0% | 11.5% | N/A | N/A |
| LoJack Corporation | -29.6% | -15.9% | -26.0% | -4.8% | 8.8% | -5.4% | -29.6% | 29.4% | -9.1% | -52.5% | 59.9% |
| Logitech International SA | -1.6% | -11.1% | 1.1% | 21.6% | 12.4% | -5.7% | -1.6% | 81.7% | -3.5% | -58.8% | 10.0% |
| TiVo Inc. | -9.8% | -14.6% | -32.3% | -16.6% | -6.0% | -0.9% | -9.8% | 6.6% | 37.2% | 3.9% | -15.2% |
| Median of Industry Public Companies | -17.9% | -12.8% | -26.0% | -4.8% | 1.4% | -5.4% | -17.9% | 71.9% | 4.0% | -52.5% | 10.0% |

(Multiple year periods are calculated as the average annual return.)

Median Quarterly Revenue Growth of All Consumer Electronics Companies



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



Median Public Company Multiples of the Consumer Electronics Industry

| Date: | 9/30/2013 | 12/31/2013 | 3/31/2014 | 6/30/2014 | 9/30/2014 | 12/31/2014 | 3/31/2015 | 6/30/2015 | 9/30/2015 |
|------------------------------|-----------|------------|-----------|-----------|-----------|------------|-----------|-----------|-----------|
| EV/Revenues Multiple | 3.9x | 1.9x | 1.9x | 2.1x | 2.0x | 1.7x | 1.4x | 2.5x | 1.4x |
| EV/EBITDA Multiple | 21.6x | 27.9x | 21.2x | 19.7x | 12.7x | 10.1x | 8.7x | 18.1x | 23.8x |
| Price/Earnings Multiple | 27.9x | 33.3x | 40.7x | 28.5x | 39.9x | 42.7x | 33.1x | 40.8x | 44.8x |
| EV/Gross Cash Flows Multiple | 23.9x | 20.0x | 26.2x | 13.0x | 23.3x | 24.0x | 17.3x | 32.7x | 39.5x |

This industry research is provided at no charge to Cogent Valuation's clients. Research or detailed information not covered in this report can be obtained for a fee. Contact [Steven Kam](mailto:Steven.Kam@CogentValuation.com) at 415-797-9045 for additional information or questions in connection with this research report. Copyright © 2015 Cogent Valuation. All Rights Reserved.

Quarterly Industry Update

As of September 30, 2015

Industry: Consumer Electronics



Industry Initial Public Offerings (dollars in millions, except share prices)

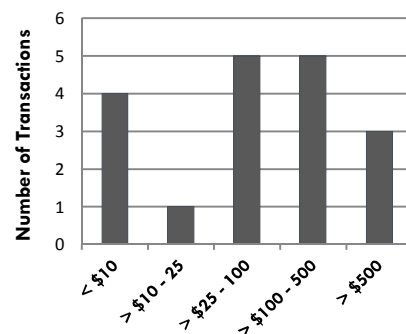
| Offer Date | Company Name | Offer Price | Shares Offered | Amount Raised | Total Assets | Debt | LTM Revenues | LTM EBITDA | LTM Net Income | LTM Cash Flows |
|---------------------------|---------------------------|-------------|----------------|---------------|----------------|--------------|----------------|---------------|----------------|----------------|
| 6/17/2015 | Fitbit Inc. | \$20.00 | 36.6 | \$731.5 | \$669.3 | \$159.6 | \$973.4 | \$241.6 | \$170.9 | \$250.2 |
| 8/1/2013 | Control4 Corporation | \$16.00 | 4.0 | \$64.0 | \$49.5 | \$3.4 | \$113.5 | \$2.6 | (\$2.5) | \$4.5 |
| 10/4/2012 | Fleetmatics Group PLC | \$17.00 | 7.8 | \$132.8 | \$111.8 | \$24.8 | \$108.1 | \$18.2 | \$0.9 | \$26.1 |
| 11/15/2011 | InvenSense, Inc. | \$7.50 | 10.0 | \$75.0 | \$102.3 | \$0.0 | \$129.7 | \$39.7 | \$27.7 | \$41.6 |
| 6/30/2010 | AutoNavi Holdings Limited | \$12.50 | 8.6 | \$107.8 | \$112.5 | \$0.0 | N/A | N/A | N/A | N/A |
| 9/29/1999 | TiVo Inc. | \$16.00 | 5.5 | \$88.0 | \$3.5 | \$0.4 | \$0.0 | (\$9.6) | (\$9.7) | (\$9.4) |
| Median of All IPOs | | nm | nm | \$97.9 | \$107.1 | \$1.9 | \$113.5 | \$18.2 | \$0.9 | \$26.1 |

nm: not meaningful

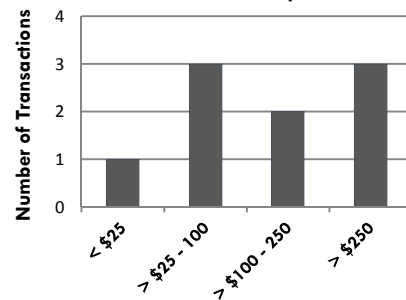
Recent Merger and Acquisition Transactions for a Majority Stake (dollars in millions)

| Transaction Date | Target | Acquirer | Transaction Size | % Bought | LTM Revenues | EV/Revenues |
|---|------------------------|-----------------------|------------------|-------------|----------------|-------------|
| 1/30/2015 | Bluegiga Technologies | Silicon Laboratories | \$60.8 | 100% | N/A | N/A |
| 12/6/2013 | MapMyFitness, Inc. | Under Armour, Inc. | \$150.0 | 100% | N/A | N/A |
| 9/17/2013 | MEMSIC | IDG Capital Partners | \$108.8 | 81% | \$55.2 | 1.3x |
| 5/31/2013 | Hamlin Electronics | Littelfuse | \$145.0 | 100% | \$76.0 | 1.9x |
| 5/23/2013 | Ubiquisys | Cisco Systems | \$310.0 | 100% | N/A | N/A |
| 4/30/2013 | MakeMusic | LaunchEquity Partners | \$17.3 | 72% | \$17.7 | 1.0x |
| 12/20/2012 | LOREX Technology | FLIR Systems | \$48.7 | 100% | \$77.3 | 0.6x |
| 8/29/2012 | 2-Track Global | World Capital Market | \$1.4 | 59% | N/A | N/A |
| 8/2/2012 | Standard Microsystems | Microchip Technology | \$909.6 | 100% | \$412.1 | 1.9x |
| 7/2/2012 | Avaak | Netgear | \$26.4 | 100% | N/A | N/A |
| 5/15/2012 | Comverge | Bayside Capital | \$74.5 | 100% | \$136.4 | 0.4x |
| 1/3/2012 | Navman Wireless OEM | Telit Communications | \$3.8 | 100% | N/A | N/A |
| 10/1/2011 | Ralink Technology | MediaTek | \$486.9 | 100% | \$286.5 | 1.0x |
| 5/24/2011 | Atheros Communications | QUALCOMM | \$3,581.4 | 100% | \$926.8 | 3.3x |
| 2/15/2011 | Movea | SMK-Link Electronics | \$5.0 | 100% | N/A | N/A |
| 11/22/2010 | Beco | Kier | \$4.7 | 100% | N/A | N/A |
| 11/1/2010 | Actel Corporation | Microsemi | \$585.0 | 100% | \$207.0 | 2.1x |
| 10/1/2010 | Mobile Communication | Brightstar Europe | \$54.0 | 100% | N/A | N/A |
| Median of the 18 M&A Transaction Targets | | | \$67.7 | 100% | \$136.4 | 1.3x |

Size of M&A Transactions



LTM Revenues Reported



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): Profitability metric sometimes also 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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