



# PLANAR®

When image experience matters.



CORPORATE PRESENTATION



SEPTEMBER 2014

# 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.

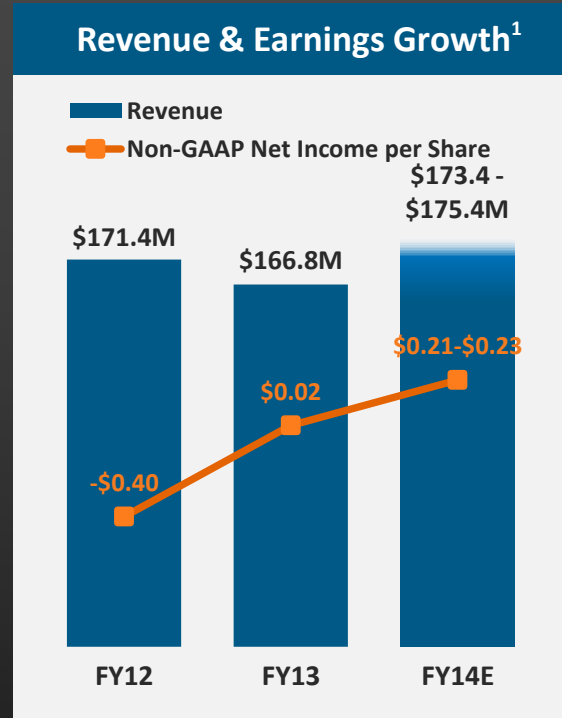
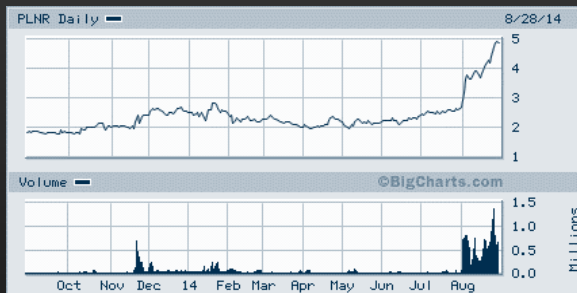
These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed in such forward-looking statements.

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.

# Key Stats (NASDAQ: PLNR)

<b>Stock Price (8/28/14)</b>	<b>\$4.88</b>
52 Week Low-High	\$1.77-\$5.12
Avg. Daily Vol. (3 mo.)	214,776
Shares Outstanding	21.9M
Float (est.)	20.4M
<b>Insider Holdings</b>	<b>7%</b>
Institutional Holdings	40%
<b>Market Cap</b>	<b>\$108.3M</b>
Enterprise Value	\$96.8M
Date Founded	1983
Employee Count	320

<b>Total Revenue (ttm)</b>	<b>\$171.1M</b>
Non-GAAP EBITDA (ttm)	\$6.0M
Non-GAAP Net Inc. (ttm)	\$3.8M
<b>EV/Revenue (ttm)</b>	<b>0.57x</b>
Cash (mrq)	\$11.5M
<b>Total Assets (mrq)</b>	<b>\$80.4M</b>
Price/Book Value	2.4x



Data sources: Yahoo! Finance, S&P Capital IQ, company estimates

(ttm) = trailing twelve months as of Jun. 27, 2014; (mrq) = most recent quarter as of Jun. 27, 2014

1) Guidance issued and effective only on July 31, 2014

# Planar At a Glance



A LEADING  
DISPLAY PROVIDER

FOUNDED **1983** NASDAQ: PLNR

2013 REVENUE  
**\$167M**

 **32**  
PATENTS

**320**  
EMPLOYEES



LOCATIONS Headquarters-Beaverton, OR USA



Albi, France  
Formello, Italy  
Taipei, Taiwan  
Shanghai, China

● Office locations

CUSTOMERS and END USERS



Google

Microsoft

ESPN



WAL\*MART

GUCCI

HOLLISTER  
CALIFORNIA

UNITED



Marriott

CLEARCHANNEL



LOCKHEED MARTIN



Honeywell

SUBWAY

MICHAEL KORS

WGN<sup>9</sup>  
NEWS

USACE

TOSHIBA



**PLANAR**

# Planar's "Value Add" in Display Market

## CUSTOMERS

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

## PLANAR COMPETANCIES

- Video processing H/W and S/W
- Optical performance
- Electronics for video and information displays
- Custom display know-how
- Software and video processing display management
- Mechanical design for industrial uses (thermal, ruggedized, sunlight readable, etc.)
- Display technology assessment
- Application engineering

## DISPLAY TECHNOLOGIES

- LCD
- LED illumination
- Front projection
- Rear projection
- Image and video processing
- Transparent LCD
- Plasma
- Optical bonding

# Planar Vertical Markets

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



RETAIL



TRANSPORTATION



GOVERNMENT



UTILITIES



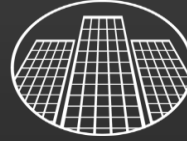
EDUCATION



AVIATION



BROADCAST



CORPORATE



FINANCIAL



TELECOM



ENTERTAINMENT



MUSEUM



HOSPITALITY



PUBLIC VENUE



GAMING



# Planar Product Offerings

## Growth Driver

### Digital Signage Products



**FY13 Revenue: \$62.1M**

- 37% of total FY13 revenue
- 42% growth in FY13

# Planar Product Offerings – (Continued)

## Commercial & Industrial

### Touch



FY13 Revenue: \$19.8M

### Desktop Monitors



FY13 Revenue: \$38.1M

### Custom



FY13 Revenue: \$13.1M

### High-End Home



FY13 Revenue: \$9.7M

### Rear Projection Cubes

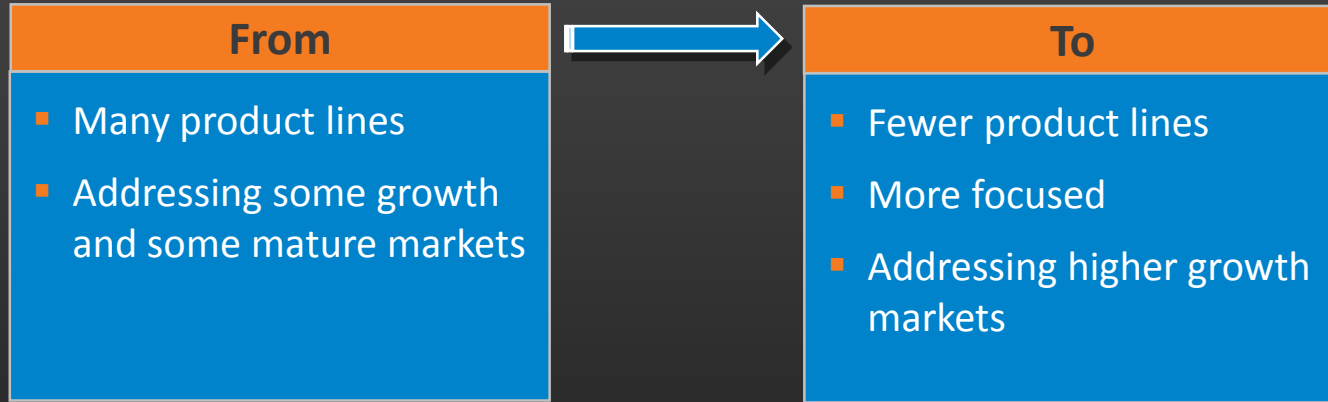


FY13 Revenue: \$20.8M



# Strategically Transforming Planar

- We are in the midst of significantly transforming PLANAR



- To create a more profitable, higher growth company over time

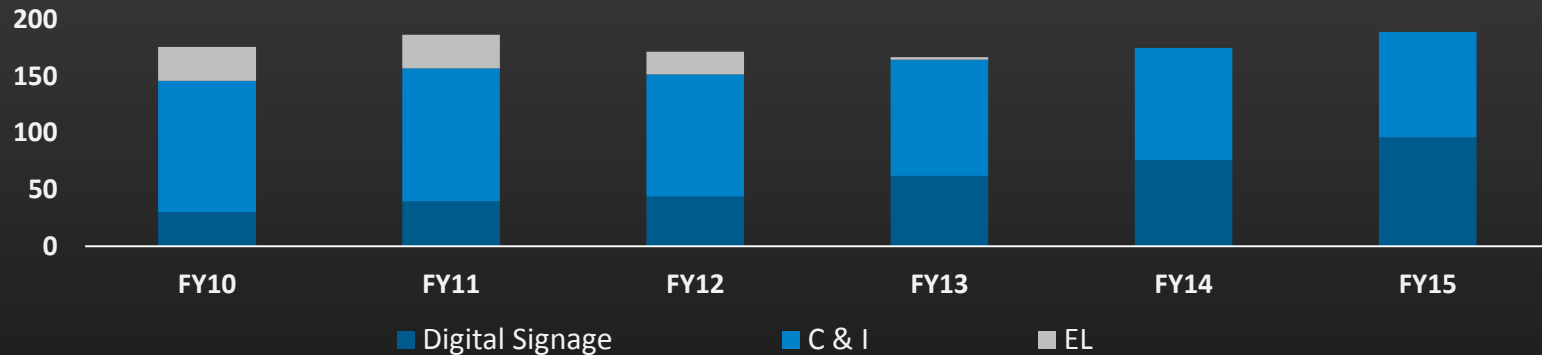
# Transforming Planar

## Commercial & Industrial Product Lines

- Desktop Monitors
- Touch Monitors
- Custom
- High-End Home
- Rear Projection Cubes

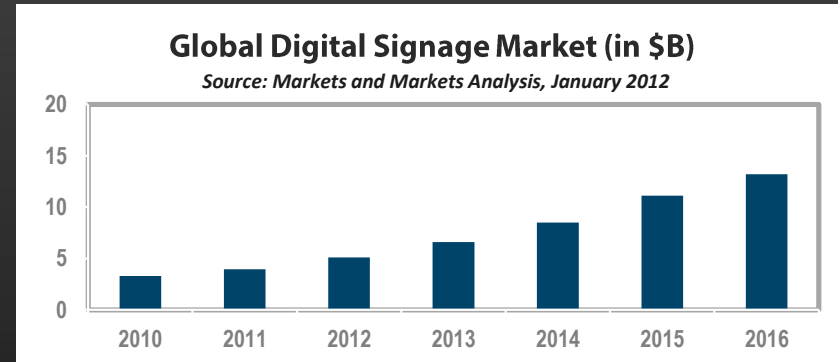
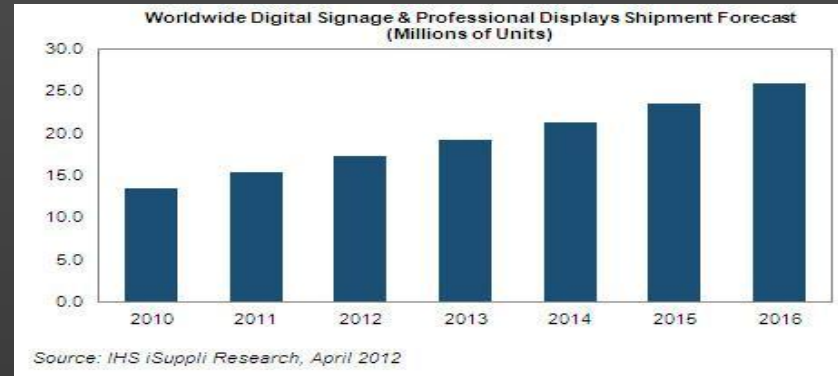
## Digital Signage Product Lines

- Tiled Video Wall Products
- Signage Monitors Products



# Digital Signage Growth

- Market is clearly growing
- Key drivers of market growth include
  - Technological advances
    - Bezel size
    - Panel size
    - Resolution
    - Reliability improvements
  - Panel cost declines
  - Marketing approaches
    - Retailers looking to enhance the in-store experience
    - Targeted communication vs. static signage



# Planar Digital Signage Products

- Large format stand alone displays
  - 32" - 98"
- Systems to create walls of video



# Tiled LCD Video Walls – Matrix



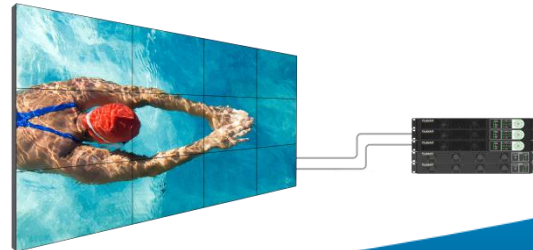
## Planar's LCD Video Wall Advantages:

- Minimal installation space (~4" depth or less)
- Super Narrow-bezel (SNB) LCD panels (~3.7mm)
- Unique EasyAxis™ mounting
- Unique, centralized, outboard video processing and electronics
- Simplified configuration and management software
- Optional bonding for ruggedness and improved optical performance
- 3D version which utilizes passive glass technology



### Tiled LCD: 80% CAGR over 4 years:

- FY10 Revenue: \$7.8M
- FY11 Revenue: \$21.8M
- FY12 Revenue: \$33.7M
- FY13 Revenue: \$45.3M



# DS Product Installation Example - Retail





# DS Product Installation Example - Retail



# DS Product Installation Example - Broadcast





# DS Product Installation Example - Education



# DS Product Installation Example - Airports



# DS Product Installation Example - Architectural





# DS Product Installation Example - Sports Arenas





# DS Product Installation Example - Museums



# DS Product Installation Example - Hospitality



# Future Digital Signage Growth Drivers

- Bigger, larger less expensive panels
- Higher resolution
- Continued technological improvement
  - Bezel size
- Large format interactive systems
- Transparent LCD's
- Other new display technologies
  - OLED
  - Direct view LED

# Transparent LCD's

- Just in its infant state. . .Technology development will expand the applications





# Large Format Interactive Systems



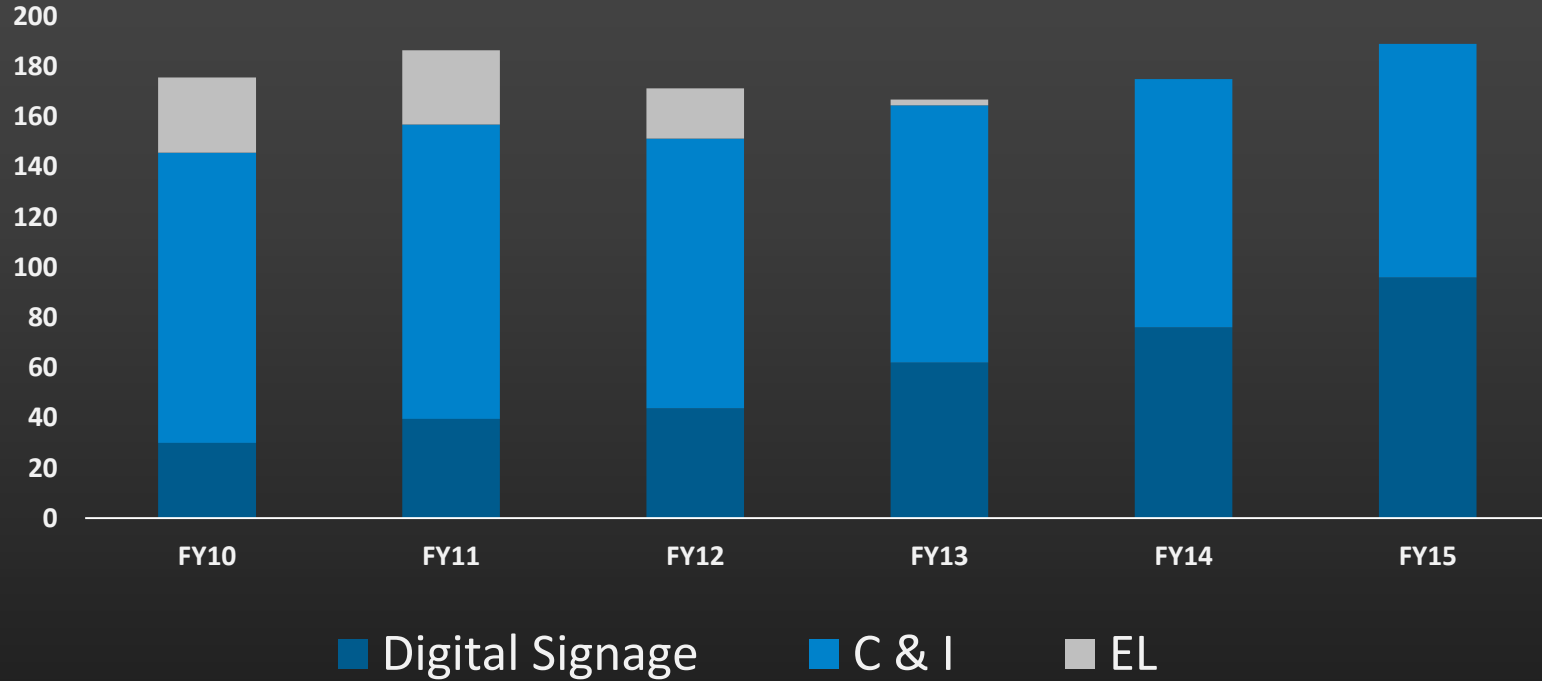
# Commercial & Industrial Products

- Continue to play a key role in providing the company needed scale and access to channels and suppliers as Digital Signage Product revenues grow
- Expect modest declines in revenue going forward

	C&I Revenue Trends		
	FY12	FY13	Δ
Revenue (\$M)			
Desktop Monitors	35.1	38.1	3.0
Touch Monitors	16.1	19.8	3.7
Rear Projection Cubes	26.2	20.8	-5.4
Custom	11.9	13.1	1.2
High End Home	15.6	9.7	-5.9
Total C&I	104.9	101.5	-3.4



# Revenue Over Time



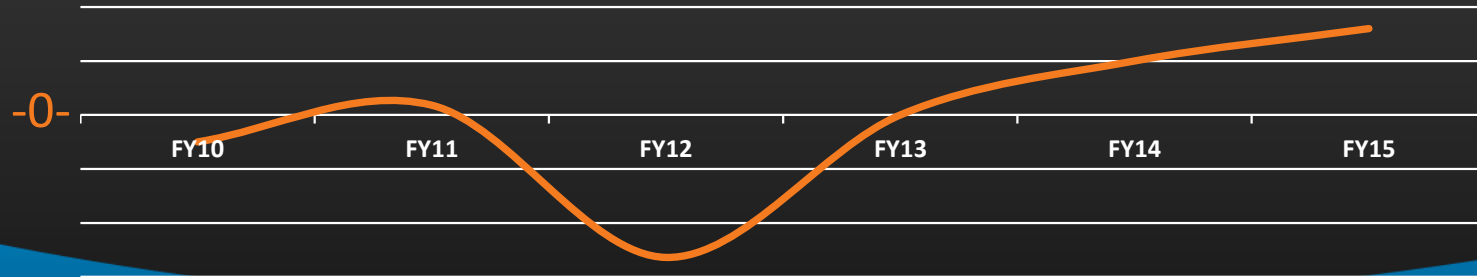
# Transforming our Business Model

- As our product portfolio and market address evolve towards higher growth, we expect to see our business model improve
- Our Digital Signage product lines are generating higher gross profits than our average so gross profits will rise as Digital Signage product revenues become an increasing percentage of the mix
  - YTD, 1.5% gross profit improvement vs. last year YTD as DS revenue has moved from 37% of total to 47% of total revenue
- Fewer product lines will enable a more productive expense structure
- Higher revenues over time will enable better absorption of fixed costs

# Transforming the P&L (Non-GAAP)

- We expect to see significant improvement in our P&L
  - Higher gross profits
  - Better productivity
  - Better absorption as revenues grow
  - FY13 results were 2¢ of EPS, FY14 guidance 21¢ - 23¢ (FY14YTD: 13¢)
  - Continued EPS expansion expected as revenue grows

## Planar Profitability Evolution



# Other Key Financial Metrics

*As of 6/27/14*

- Strong Balance Sheet:
  - Cash: \$11.5M, no debt
  - Working Capital: \$35.8M
  - Tangible Net Worth: \$44.3M
  - Current Ratio: 2.13

# Summary

- Repositioning the company to focus on growth markets for Digital Signage products
- Digital Signage products offer solid growth potential
- We have demonstrated strong growth in Digital Signage products
- As our revenue mix shifts to more Digital Signage products and overall revenue growth is achieved, improved profitability is expected

# PLANAR



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