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*The Fourteenth Annual*

# Needham Growth Conference

*January 10-12th, 2012, New York City*

## DDi Corporation

*The Leading Growth Company Focused Investment Bank for 27 Years*

**Needham**

# Safe Harbor & Non-GAAP Financial Measures

**This presentation may contain information about future expectations, plans and prospects that may constitute forward-looking statements for purposes of the Safe Harbor provisions under the Private Securities Litigation Reform Act of 1995. Actual results or developments may differ materially from those projected or implied in the forward-looking statements. More information about the risks and challenges faced by DDi Corp. is contained in the Securities and Exchange Commission filings made by DDi Corp. DDi Corp. specifically disclaims any obligation to update or revise any forward-looking statements whether as a result of new information, future developments or otherwise.**

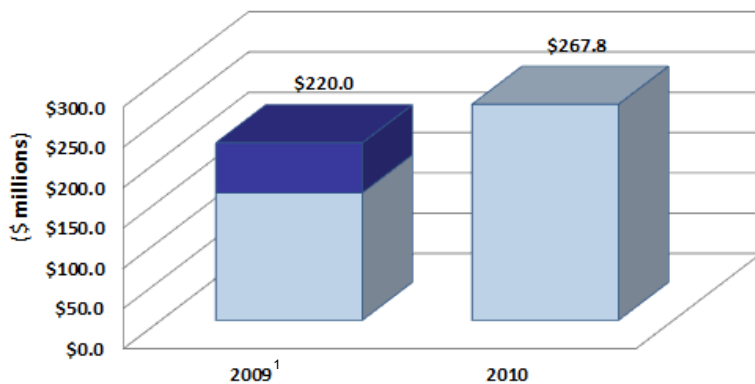
**This presentation includes non-GAAP financial measures\* as defined in Regulation G of the Securities Exchange Act of 1934. Management believes that these non-GAAP financial measures are important to understanding the Company's business because they reflect financial performance that is unencumbered by debt service, non-cash charges and non-recurring or unusual items. These adjusted financial measures are commonly used in the Company's industry. However, these non-GAAP measures should not be considered as alternatives to cash flow from operating activities, as a measure of liquidity or as alternatives to net income as a measure of operating results in accordance with generally accepted accounting principles. The Company has provided a reconciliation of non-GAAP measures to GAAP financial information in the Schedule of Non-GAAP reconciliations available by visiting DDi's web site at [ww.ddiglobal.com/investor](http://ww.ddiglobal.com/investor).**

**\*Includes 'adjusted EBITDA,' 'adjusted Gross Profit,' 'adjusted Operating Income,' and 'adjusted SG&A'**

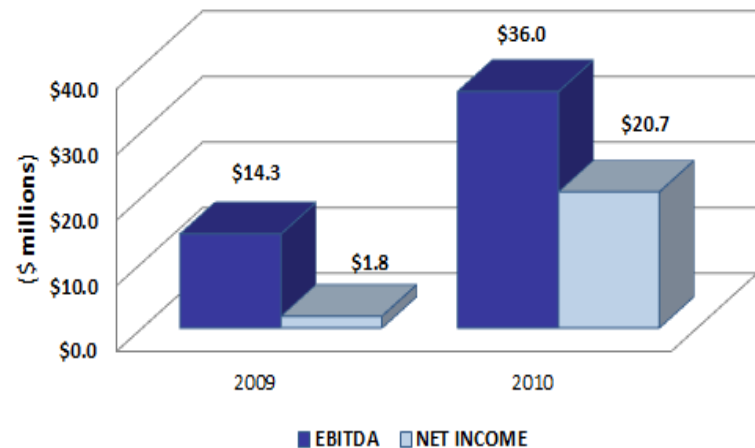
# DDi Overview (NASDAQ: DDIC)

- North American leader for quick-turn and complex Printed Circuit Board (“PCB”) engineering and manufacturing services
- Large and diverse customer base of over 1,000 OEM’s and contract manufacturers
  - Largest customer represents less than 6% of annual sales
  - Top 30 customers use on average 3 different DDi manufacturing sites
- 7 PCB high mix/low volume (HMLV) facilities with ~75% of orders 10 panels or less
- 2010 Financial Results: \$268M Revenue, \$21M Net Income, \$36M Adjusted EBIDTA , EPS \$1.01

Annual Growth in Net Sales



Annual Growth in Profitability

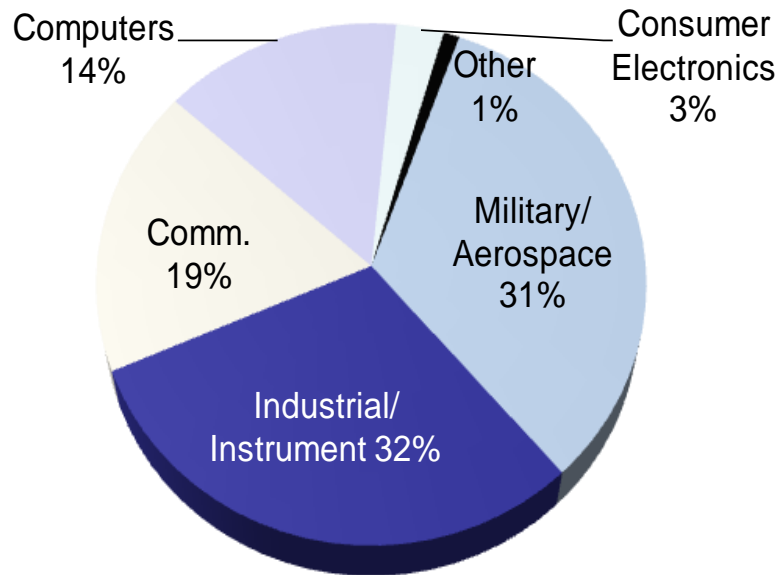


<sup>1</sup> 2009 Pro forma DDi and Coretec combined operations

# Q3 2011 YTD Sales Overview

## Net Sales By Market Segment

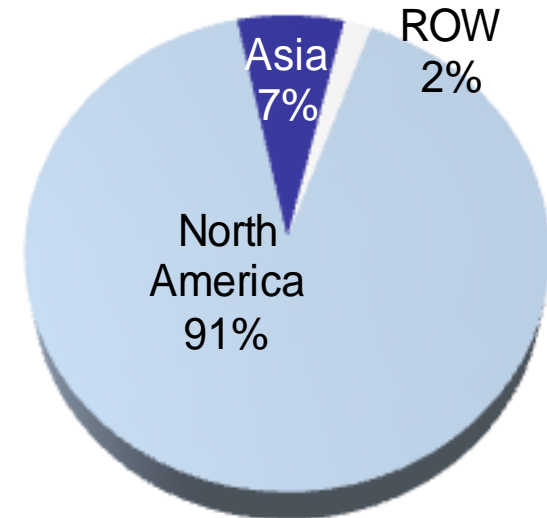
\$198.9 mm Revenue



*Diversified net sales base with growing presence in Military/Aerospace sector*

## Net Sales By Region

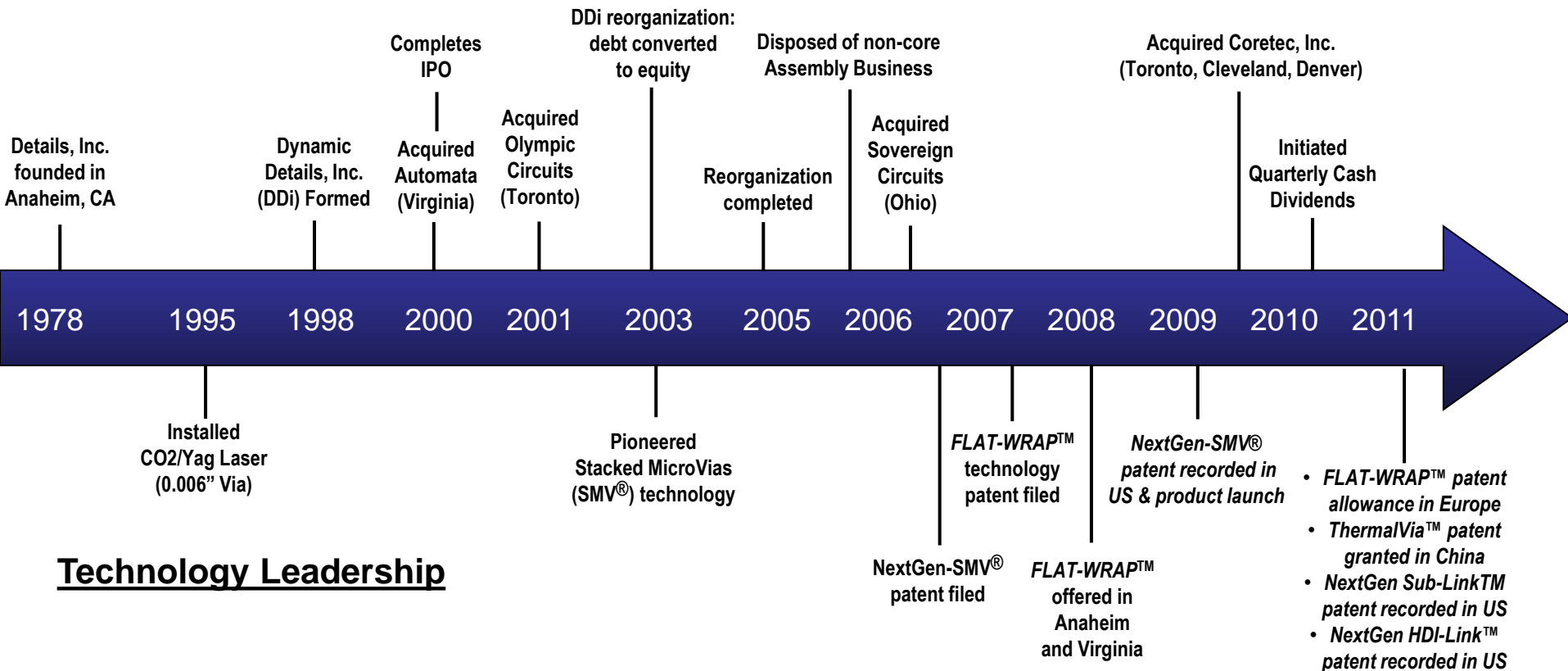
\$198.9 mm Revenue



*North America centric business model with opportunity to expand in Asia and ROW*

# DDi Corporate History

## Corporate Developments & Acquisitions



## Technology Leadership

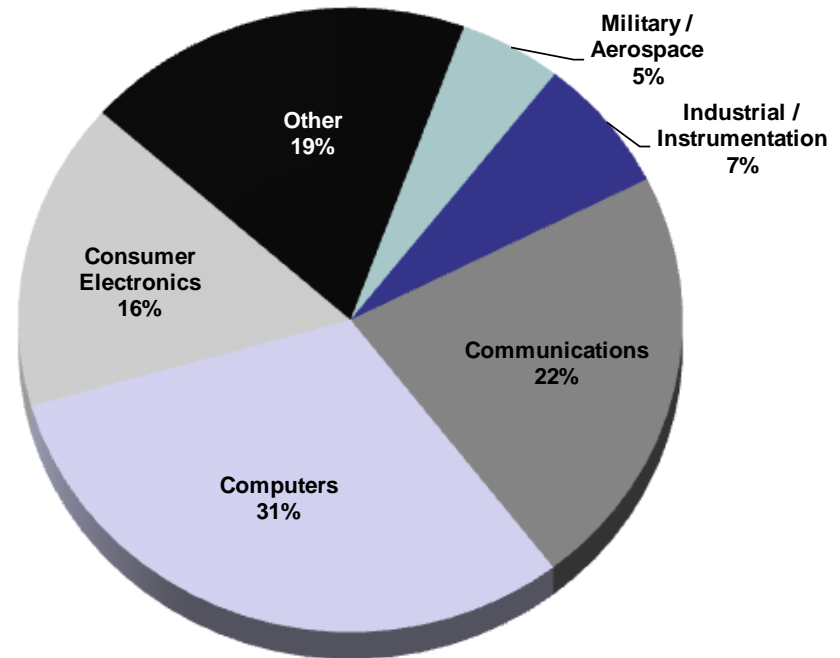
# Global PCB Market Overview

*The global PCB market is estimated to be in excess of \$62 billion in 2012*



Source: N.T. Information (NTI), Dec 2011

## Global PCB Market Segments

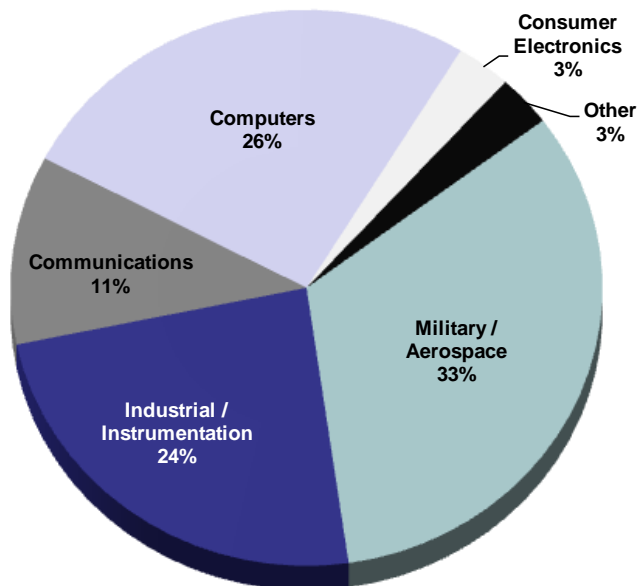


# North American PCB Market Drivers

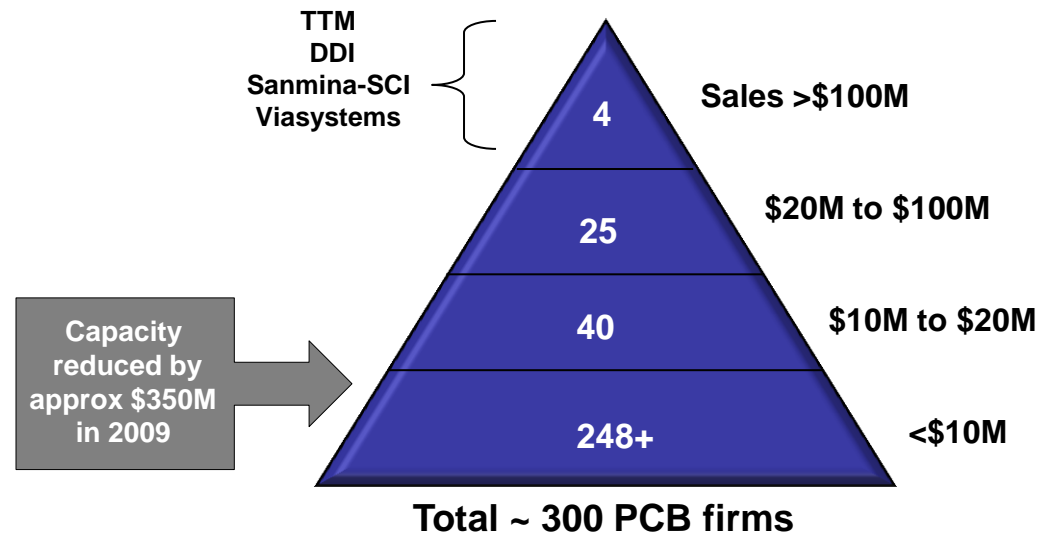
**DDi is a leader in the highly fragmented \$3.5 billion 2012 Americas PCB market**

- Americas PCB market is driven by continued high-mix/low-volume demand from the Computer/Semi, Military/Aero, Industrial and Communications industry segment
- DDi is positioned to capture this demand
- Only 4 firms produce >\$100 million in sales with North American facilities
- Rationalization among smaller PCB manufacturers has eliminated \$350 million in excess capacity
- Continued industry rationalization likely

Americas PCB Market



Fragmented Americas Market



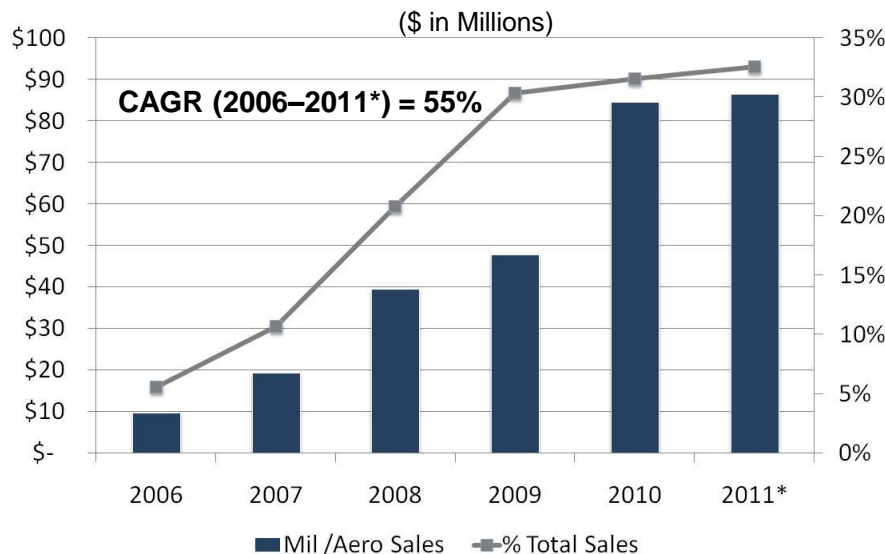
Source: NTI Dec 2011

Source: NTI, IPC and Company data

# Military/Aerospace Opportunity

- Military/Aerospace PCB market offers DDi opportunity for market share growth
  - DDi maintains a strong & growing market position in the military/aerospace segment
  - Military/aerospace segment is strategically targeted due to inability to move work offshore, demanding reliability and certification requirements and technological complexities of the products
  - Increased focus on incorporating technology in products for reconnaissance and intelligence combined with continued spending on military communications, aerospace and weapons systems applications
  - Export controls and trusted suppliers represent a barrier to entry for international competition

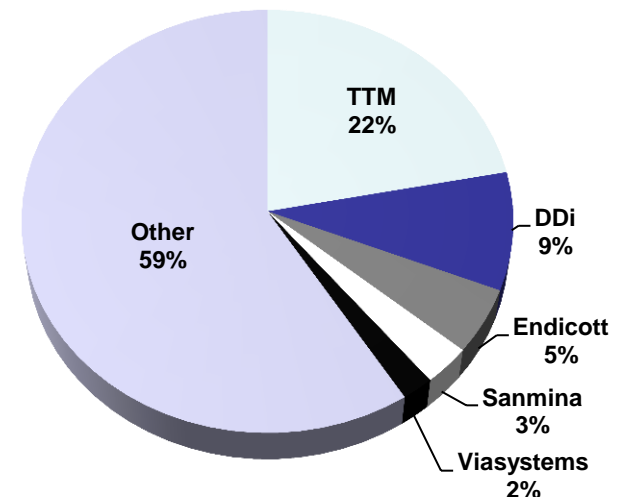
## DDi Military/Aerospace Sales Contribution



\* Annualized YTD September 2011

## N.A. Military/Aerospace

\$1.0B Market



Source: NTI, IPC and Company data

# PCB Supply Chain

## DDi provides interconnect solutions throughout PCB supply chain

### Semiconductor Manufacturers

- Semiconductors drive PCB requirements
- Changing technology demands greater processing capabilities
- Trend towards smaller form factor, higher capabilities and speeds enable OEM product capabilities and PCB demands



### Original Equipment Manufacturers

- Industry reacting to rapid technological changes
- Trends towards smaller, more capable devices
- Shortened product life cycles



### Contract Manufacturers

- Key relationships with several leading manufacturers
- Core focus on PCB compliments EMS customers
- Increasing technology capabilities requirements

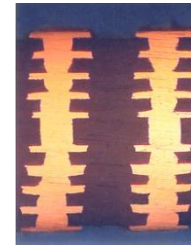


# Management Team

Name	Title	Years Experience	Year Joined DDi	Prior Companies
Mikel Williams	CEO	30	2004	CMG, LambdaNet, GTS, Price Waterhouse
Wayne Slomsky	Interim CFO	20	2011	Dot Hill Systems Corp., Powerwave Technologies, Lantronix, Inc.
Michael Mathews	COO	27	2006	Sanmina-SCI/Hadco, Raytheon
Jerry Barnes	SVP Sales	30	2007	TTM, Cosmotronics, Winonic, Toppan Elec.
Rajesh Kumar	VP, CTO	27	2001	Allied Signal/Honeywell/Litronic Industries, KCA Diceon

# DDi Enabling Technology

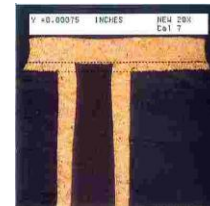
- Laser Drilling Microvia Technology
- Laser Direct Imaging for HDI
- Stacked MicroVias (SMV®) – Solid Copper Plate
- Reverse Pulse Plating – High Aspect Ratio
- *FLAT-WRAP™* Technology (wrap plating solution)
- Flying Probe TDR for Impedance Testing
- Embedded Passives (Capacitance & Resistance)
- Green Materials (Halogen & Lead Free)
- RF & Microwave Capability (PTFE hybrid construction using low loss bond ply's; FEP, Rogers 3001, 2929, and Arlon 6700)
- High Reliability Rigid –Flex & Flex PCBs
- Thermal Management – Copper Core/STABLCOR®
- NextGen Technology (NextGen-SMV®, HDI-Link™, Sub-Link™)
- Solid Copper Plated Through Via (ThermalVia™)
- Deep BlindVia (DpBV™)
- Deep MicroVia (DpMV™)
- Deep Stacked MicroVia (DpSMV™)
- Embedded Heater Circuits (EHC™)
- Controlled Copper Etching Technology (C<sup>2</sup>eT™)



SMV®



UV/CO2 laser



FLAT-WRAP™



Robotic TDR

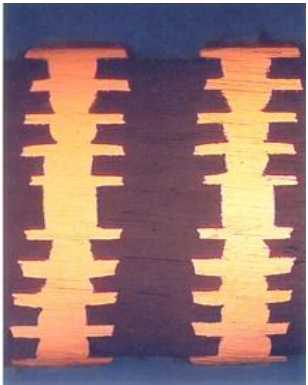


ThermalVia™

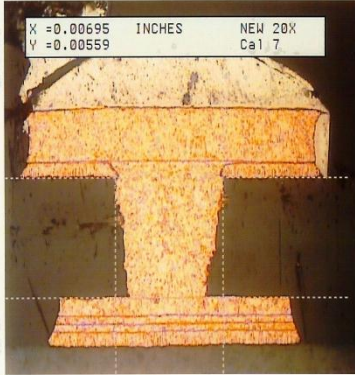


Orbotech LDI  
Paragon 8800

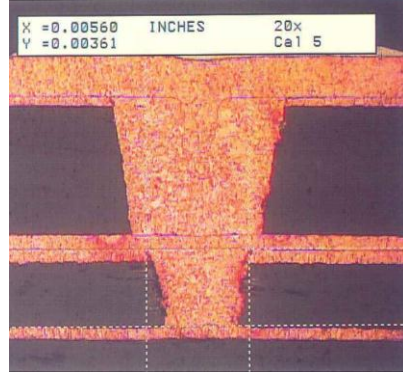
# DDi Technical Capabilities



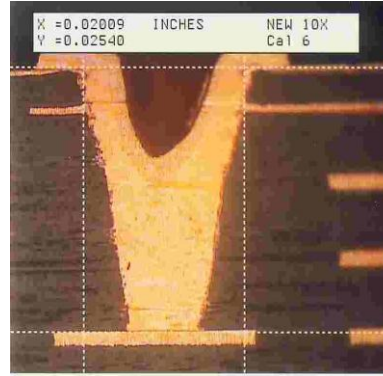
SMV<sup>®</sup>



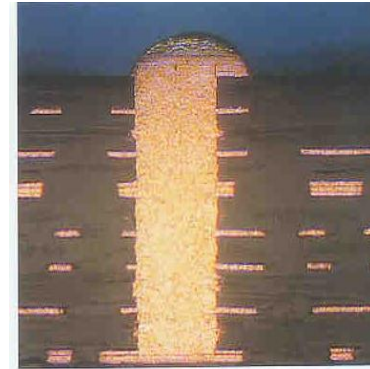
DpMV<sup>™</sup>



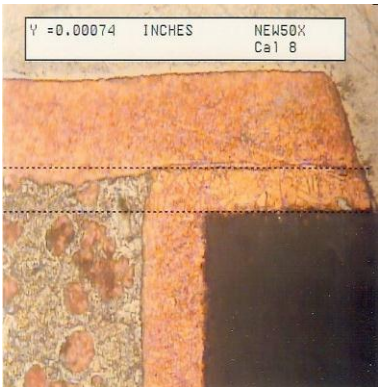
DpSMV<sup>™</sup>



DpBV<sup>™</sup>



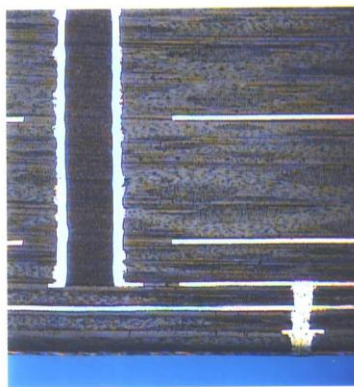
\*ThermalVia<sup>™</sup>



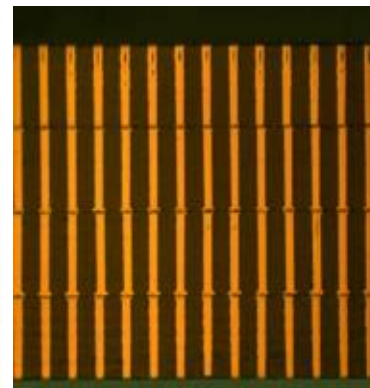
\*FLAT-WRAP<sup>™</sup>



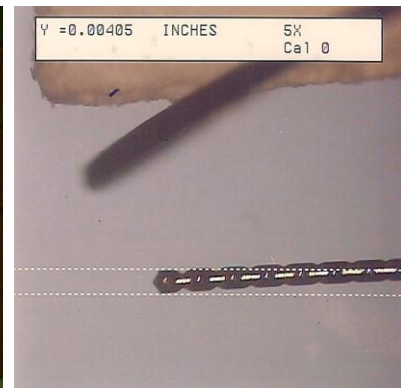
\*NextGen-SMV<sup>®</sup>



\*HDI-Link<sup>™</sup>



\*Sub-Link<sup>™</sup>



4 Mil Bit vs. Human Hair

\* Patent allowed/granted/issued

# Operating Locations

- Seven Operating Facilities, net of Toronto integration
  - All ISO 9001:2008 and AS9100 Registered
  - 1 Central Service Center
  - Distributed Sales Resources
- \$300 million of demonstrated annual revenue capacity
- \$350 million in revenue capacity achievable with moderate investment

## Milpitas, CA

High Tech Proto & Pre-Production

- ISO 9001:2008
- 62,000 sq ft
- AS 9100B
- MIL-PRF-55110
- MIL-PRF-31032 (in process)

## Anaheim, CA (1)

High Tech Proto

- 92,000 mfg sq ft & Corp offices
- ISO 9001:2008
- AS 9100B
- MIL-PRF-55110
- MIL-PRF-31032

## Denver, CO

Mil/Aero/HDC

- 24,000 sq ft
- MIL-PRF-55110
- MIL-PRF-31032
- AS 9100B
- Nadcap

## Richardson, TX

- Central Pre-Cam, DFM
- Data Center

## Cleveland, OH

Mil/Aero/Rigid Flex, Flex and Rigid

- 40,000 sq ft
- MIL-PRF-55110
- MIL-PRF-31032
- MIL-P-50884
- AS 9100B
- Nadcap

## North Jackson, OH

Mil/Aero/HDC

- 77,000 sq ft
- MIL-PRF-55110
- MIL-PRF-31032
- MIL-P-50884
- AS 9100B
- Nadcap

## Toronto, Canada

High Tech Proto, QTA & Mid-Volume Production

- 110,000 sq ft
- MIL-PRF-55110
- MIL-PRF-31032
- AS9100B
- ISO13485

## Sterling, VA

High Tech Proto & Pre-Production

- 101,000 sq ft
- ISO 9001-2008
- MIL-PRF-55110
- MIL-PRF-31032
- AS 9100B
- Nadcap

(1) Announced new Anaheim facility purchase

# New Anaheim Facility Announced

- \$7.5 million property purchase description:
  - Single facility with approximately 96,000 sq ft of manufacturing and office space
  - Significantly improved facility for high-technology manufacturing
  - Targeting improved yields, as well as labor and other cost efficiencies
  - Improved workplace environment for employees
  - Proximity to current operations facilitates relocation and employee retention
  - Improved facility security, for both military and commercial customers
  - Strong relationship with city of Anaheim for permit transfers
  - Current improvements conducive to our needs (clean rooms and other items)
- Current leases expire end of Q3 2012, allowing for reasonable relocation timeline
- Anaheim's annual operating expenses have been in the range of \$815,000 for rent and taxes, vs. cost of ownership targeted to be an improvement in total costs and cash flows
- Will accelerate key capital items targeted in 2012 – 2014 capital plan to facilitate relocation
- Considering financing for part of the acquisition cost, targeting close in Q1 2012

# View of Anaheim Facility Locations

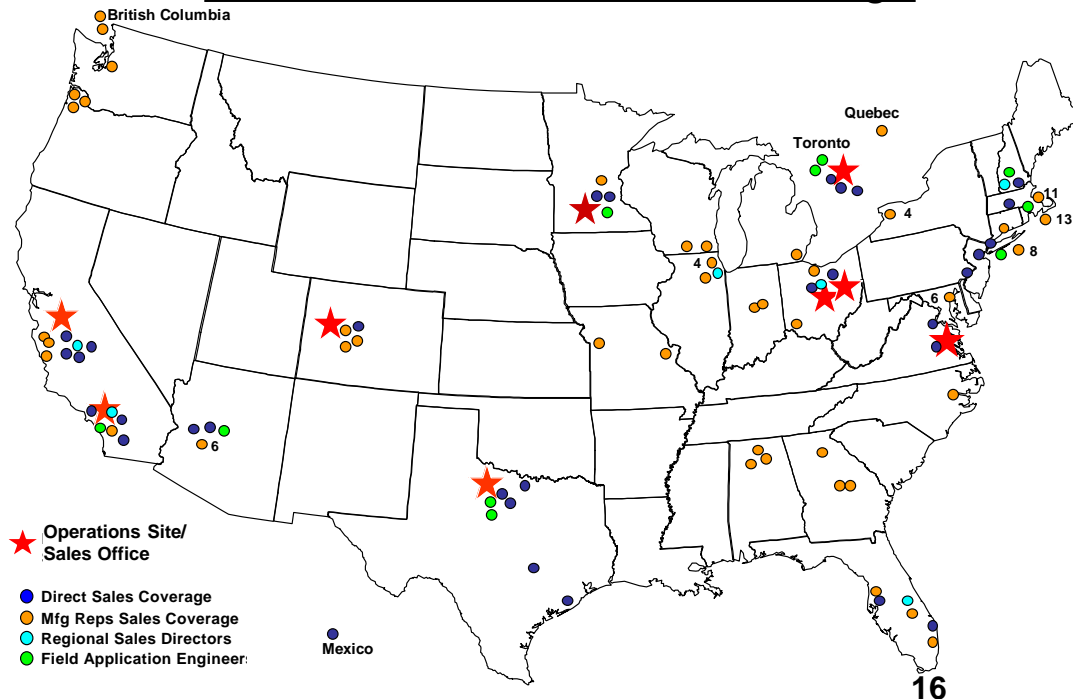


New facility is located 1/3 mile east of DDi on Coronado

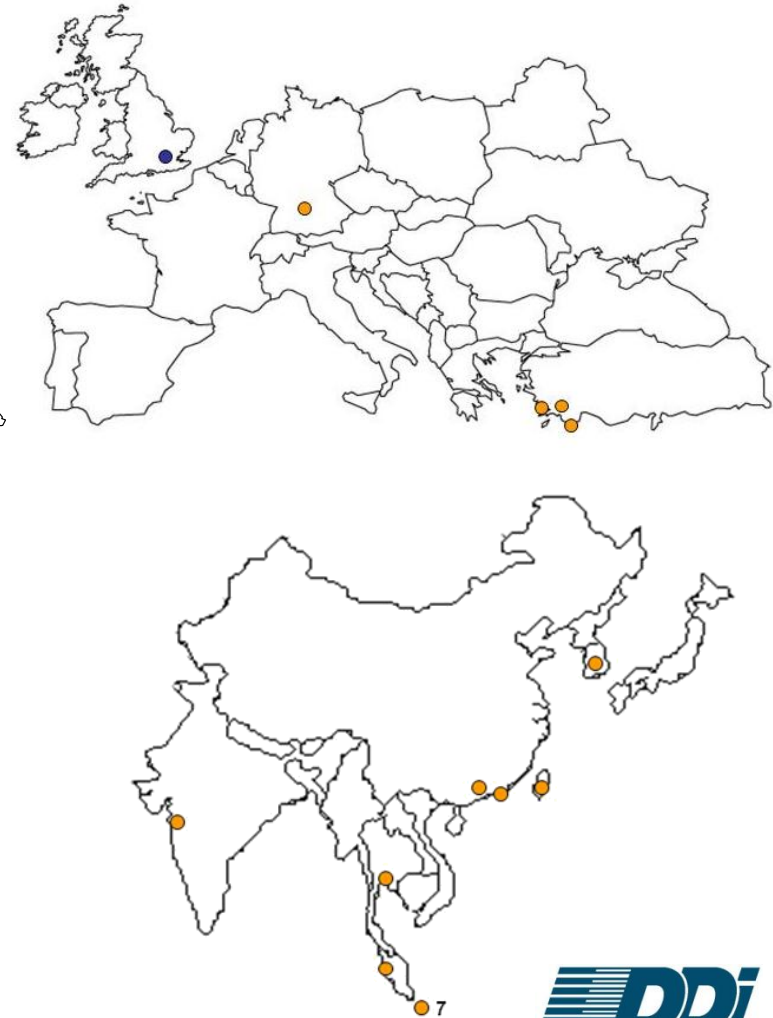
# Sales Market Coverage

- Global salesforce represents distinct competitive advantage with unmatched depth & breadth
  - 43 direct sales reps worldwide
  - 109 manufacturing reps worldwide
- Salesforce organization aligned around focus on high-mix, low-volume accounts

## North American Market Coverage



## Europe & Asia Market Coverage



# Financial Highlights

- Fifteen consecutive quarters of profit\* through difficult economic environment
- Strong balance sheet with more than \$28.4 million in cash and \$59.8 million of working capital as of September 30, 2011
- Demonstrated solid cash flow generation capabilities highlighted by 33 consecutive quarters of positive Adjusted EBITDA
- Attractive longer-term revenue and profitability drivers
- Borrowing capacity of \$25 million under line of credit facility with JPMorgan Chase
- Eight consecutive quarters of declared cash dividends
  - Q4-11 Declared Dividend: \$0.10 per share (\$2.0 million) paid on December 30, 2011
  - Increased to \$0.12 per share beginning Q1 2012
- Repurchased 2.9 million shares in 2007 and 2008 for \$16.3 million

\* Excluding Q4 2008 Goodwill write-down

# Income Statement

(\$ in millions)	2009 <sup>2</sup>	2010				2011			
	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3
Bookings	<b>\$159.3</b>	\$71.8	\$69.7	\$71.5	\$61.1	<b>\$274.0</b>	\$72.2	\$66.2	\$65.2
Book-to-Bill Ratio	<b>1.01</b>	1.11	1.02	1.04	0.93	<b>1.02</b>	1.09	1.00	0.98
Revenue	<b>\$158.0</b>	\$64.7	\$68.4	\$69.0	\$65.7	<b>\$267.8</b>	\$66.5	\$66.2	\$66.2
Gross Profit	<b>\$29.2</b>	\$14.0	\$15.3	\$15.5	\$14.6	<b>\$59.4</b>	\$14.2	\$14.4	\$13.9
<i>Gross Margin %</i>	<b>18.5%</b>	21.6%	22.4%	22.5%	22.1%	<b>22.2%</b>	21.3%	21.8%	21.0%
Operating Income	<b>\$3.4</b>	\$4.9	\$6.8	\$6.7	\$5.1	<b>\$23.4</b>	\$5.4	\$5.5	\$5.2
<i>Operating Margin %</i>	<b>2.2%</b>	7.5%	9.9%	9.7%	7.8%	<b>8.8%</b>	8.1%	8.3%	7.9%
Net Income	<b>\$1.8</b>	\$3.8	\$6.0	\$6.5	\$4.4	<b>\$20.7</b>	\$5.0	\$5.0	\$5.2
Diluted Shares		20.0	20.5	20.7	21.1	<b>20.6</b>	21.2	21.0	20.8
Earnings Per Share (EPS)	<b>\$0.09</b>	\$0.19	\$0.29	\$0.31	\$0.21	<b>\$1.01</b>	\$0.24	\$0.24	\$0.25
Adjusted EBITDA <sup>1</sup>	<b>\$14.3</b>	\$8.4	\$9.8	\$9.4	\$8.4	<b>\$36.0</b>	\$8.0	\$9.0	\$8.7
<i>Adjusted EBITDA Margin %</i>	<b>9.1%</b>	13.0%	14.3%	13.7%	12.8%	<b>13.5%</b>	12.0%	13.5%	13.1%

(1) Adjusted to exclude non-cash compensation, restructuring, and other non-operating gains/losses

(2) 2009 results exclude Coretec

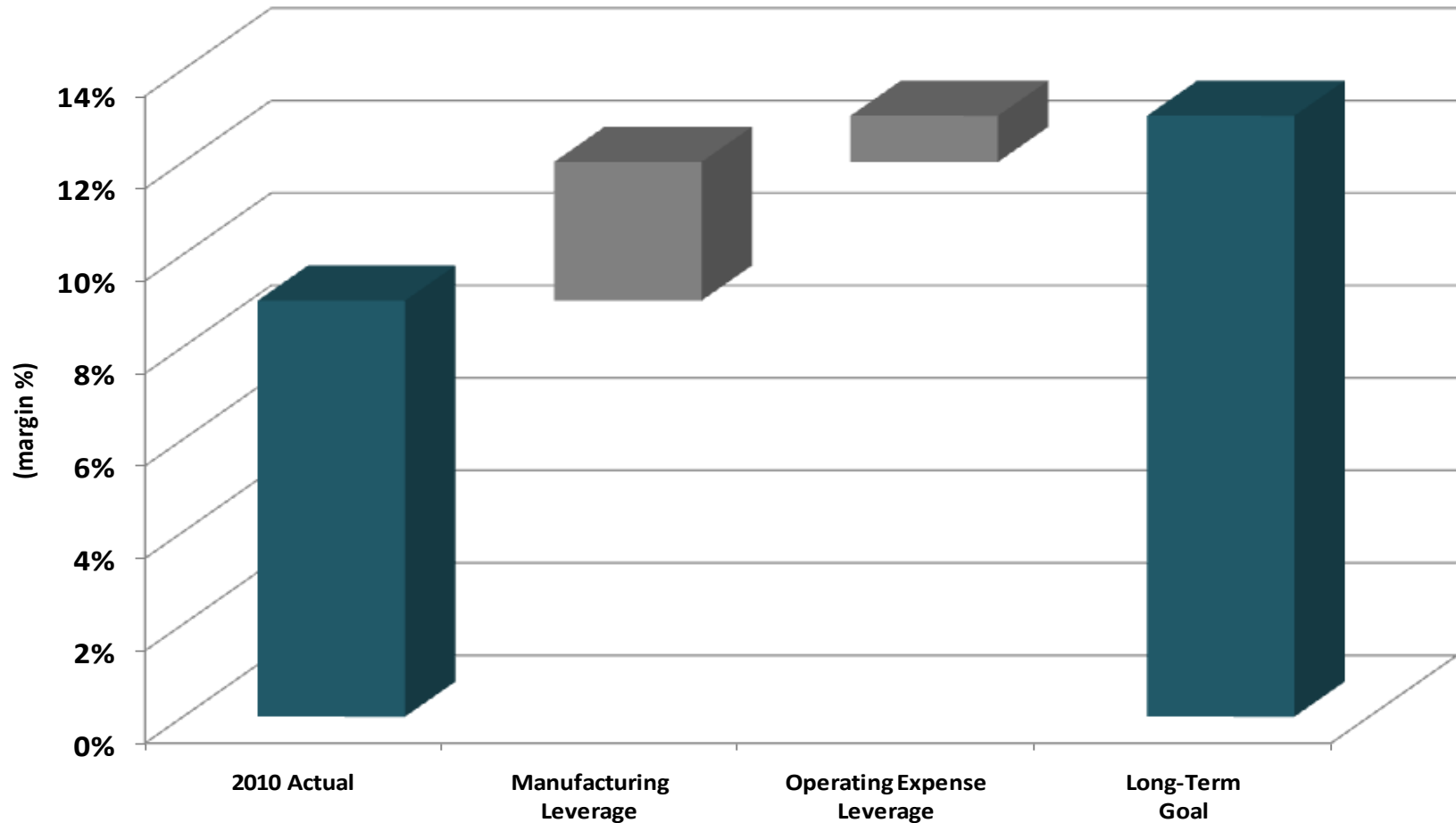
# Strong Financial Position

(\$ in millions)	2009 <sup>2</sup>	2010				2011			
	12/31	3/31	6/30	9/30	12/31	3/31	6/30	9/30	
Cash	\$19.4	\$12.2	\$15.5	\$15.5	\$28.3	\$22.0	\$25.6	\$28.4	
Accounts Receivable	\$35.3	\$45.5	\$45.2	\$47.5	\$40.8	\$44.0	\$42.2	\$40.8	
Inventory	\$19.3	\$21.1	\$20.6	\$21.0	\$21.0	\$23.8	\$24.2	\$23.9	
PP&E	\$40.2	\$39.6	\$39.3	\$39.5	\$42.6	\$43.3	\$43.2	\$43.1	
Debt	\$17.2	\$12.6	\$12.1	\$11.7	\$11.5	\$11.2	\$10.7	\$10.0	
Free Cash Flow <i>(EBITDA - CapEx)</i>	\$11.2	\$7.1	\$7.4	\$7.3	\$3.2	\$5.6	\$6.5	\$5.3	
Working Capital Ratio <i>(Current Assets / Current Liabilities)</i>	1.9	2.0	2.2	2.4	2.2	2.4	2.6	2.7	
Days Sales Outstanding <i>(Accounts Receivable / Quarterly Sales) * Days in Quarter</i>	56	63	60	63	57	60	58	57	
Net Debt / Equity <i>(Total Debt - Cash) / Stockholders' Equity</i>	-0.03	0.01	-0.04	-0.04	-0.19	-0.12	-0.16	-0.19	
Return on Assets <sup>1</sup> <i>(Net Income / Total Assets)</i>	NA	12%	19%	20%	13%	14%	14%	14%	
Return on Equity <sup>1</sup> <i>(Net Income / Stockholders' Equity)</i>	NA	21%	30%	31%	20%	22%	21%	21%	
Return on Invested Capital <sup>1</sup> <i>(Net Income - Dividends) / (Total Stockholders' Equity + Total Debt)</i>	NA	18%	26%	17%	10%	11%	11%	12%	

(1) Quarterly calculations are annualized to reflect comparative full year run rate

(2) 2009 results exclude Coretec

# Operating Margin Expansion Roadmap



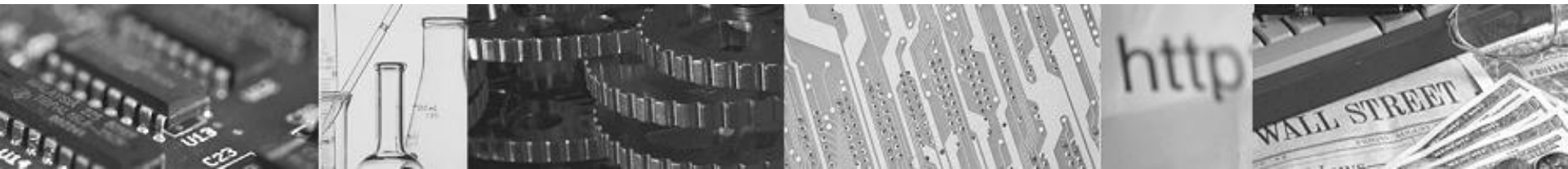
# Investment Highlights

- History of delivering market-leading, quick-turn PCB engineering and manufacturing solutions
- Solid track record of operating performance and cash flow generation
- Highly leverageable business model with demonstrated capacity for revenue and profitable growth
- Well-positioned in consolidating and rationalizing world-wide PCB market
- Strong and experienced management team
- Quarterly Dividend of \$0.10 per share adds to shareholder return; dividend will be increasing by 20% to \$0.12 per share in the first quarter of 2012

# Appendix

# Reconciliation of Non-GAAP Financial Measures

(\$ in millions)	2010					2011		
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3
<b>Net Income</b>	\$ 3.8	\$ 6.0	\$ 6.5	\$ 4.4	\$ 20.7	\$ 5.0	\$ 5.0	\$ 5.2
Interest, Net - Other	0.7	0.4	0.2	0.7	1.9	0.3	0.4	0.1
Tax	0.4	0.3	0.1	0.0	0.8	0.1	0.1	(0.0)
Depreciation	2.2	2.2	2.1	2.0	8.5	2.1	2.3	2.5
Amortization	0.2	0.2	0.2	0.2	0.8	0.2	0.2	0.2
<b>EBITDA</b>	\$ 7.3	\$ 9.1	\$ 9.0	\$ 7.3	\$ 32.7	\$ 7.7	\$ 8.0	\$ 7.9
Non-cash compensation	0.3	0.3	0.4	0.3	1.3	0.3	0.3	0.4
Restructuring	0.8	0.3	0.0	0.8	2.0	0.0	0.6	0.4
<b>Adjusted EBITDA</b>	\$ 8.4	\$ 9.8	\$ 9.4	\$ 8.4	\$ 36.0	\$ 8.0	\$ 9.0	\$ 8.7



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