

Super Wide Format Inkjet, VUTEk

Chet Pribonic
SVP & General Manager





Safe Harbor For Forward Looking Statements

Certain statements in and made during this presentation are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. These statements include information relating to market factors, market growth, applications and products, revenue opportunities, technology adoption, trends, margins, return on investment, competition, productivity, volume, target markets, market position, growth strategy, and forecasts about our business.








Past performance is not necessarily indicative of future results. Forward-looking statements are subject to certain risks and uncertainties that could cause our actual future results to differ materially, or cause a material adverse impact on our results, which include, but are not necessarily limited to, the following: (1) management's ability to forecast revenues, expenses and earnings, especially on a quarterly basis; (2) unexpected declines in revenues or increases in expenses; (3) any additional costs and expenses related to the investigation into the Company's past stock option grants and stock option grant practices; (4) the restatement of or significant adjustments to the Company's reported historical results for prior periods; (5) the potential adverse impact of litigation relating to the Company's past stock grants and stock option practices; (6) the possibility of additional litigation and governmental actions relating to our past stock grants and stock option practices; (7) current world-wide financial, economic and political difficulties and downturns, including adverse variations in foreign exchange rates, that could affect demand for our products; (8) a significant decline or delay in demand for our products by any of our important OEM partners; (9) the unpredictability of development schedules and commercialization of the products manufactured and sold by our OEM partners; (10) variations in growth rates or declines in the printing and imaging markets across various geographic regions; (11) changes in historic customer order patterns, including changes in customer and channel inventory levels; (12) changes in the mix of products sold leading to variations in operating results; (13) the uncertainty of market acceptance of new product introductions; (14) delays in product deliveries that cause quarterly revenues and income to fall significantly short of anticipated levels; (15) competition and/or market factors, which may adversely affect margins; (16) competition in each of our businesses, including competition from products internally developed by EFI's customers; (17) excess or obsolete inventory and variations in inventory valuation; (18) intense competition in the industrial and commercial digital inkjet market; (19) the uncertainty of continued success in technological advances, including development and implementation of new processes and strategic products; (20) the challenges of obtaining timely, efficient and quality product manufacturing; (21) litigation involving intellectual property rights or other related matters; (22) our ability to adequately and timely service our debt; (23) our ability to successfully integrate acquired businesses, without operational disruption to our existing businesses; (24) the potential that investments in new business strategies and initiatives could disrupt the Company's ongoing businesses and may present risks not originally contemplated; (25) the potential loss of sales, unexpected costs or adverse impact on relations with customers or suppliers as a result of acquisitions; (26) differences between the financial results as filed with the SEC and the preliminary results included in our earnings press releases due to the complexity in accounting rules; and (27) any other risk factors that may be included from time to time in the Company's SEC reports.

EFI undertakes no obligation to update information contained in this press release. For further information regarding risks and uncertainties associated with EFI's businesses, please refer to the section entitled "Factors That Could Adversely Affect Performance" in the Company's SEC filings, including, but not limited to, its annual report on Form 10-K and its quarterly reports on Form 10-Q, copies of which may be obtained by contacting EFI's Investor Relations Department by phone at 650-357-3828 or by email at investor.relations@efi.com or EFI's Investor Relations website at <http://www.efi.com>.

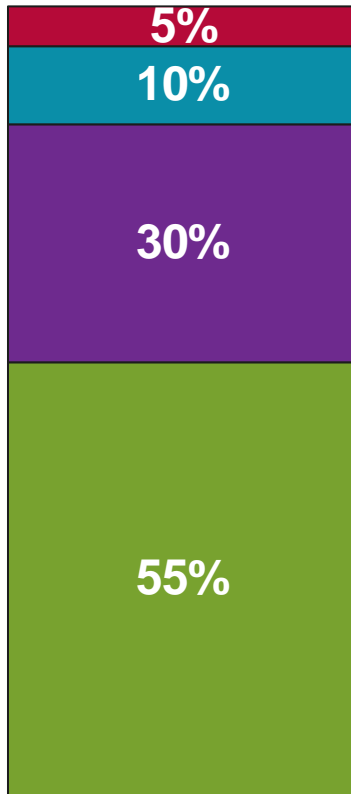
Agenda

9:00 AM	Arrival/Greeting
9:15 AM	Industry Overview
9:45 AM	Sales/Marketing
10:15 AM	Break
10:25 AM	Ink Dynamics
10:55 AM	Plant Tour
11:25 AM	Q&A
12:00 PM	Conclude

Print Markets Are In Varying Stages Of Digital Adoption

	Office  \$110 Billion	Commercial  \$300 Billion	Graphics  \$125 Billion	Industrial  \$900 Billion
Value of Output				
% Digital	98+%	5%-10%	20%-25%	0%-1%
Digital Color Growth Rate	12%	20%-50%	15%-25%	30+%
Primary Incumbent Technology	NA	Offset	Screen	Flexo
Key Market Sub-Segments	<ul style="list-style-type: none"> ▪ Desktop ▪ Workgroup ▪ Corporate Reprographics 	<ul style="list-style-type: none"> ▪ Quick Print / POD ▪ Commercial Print ▪ Transactional Print 	<ul style="list-style-type: none"> ▪ Indoor Advertising ▪ Indoor Signage ▪ Outdoor Signage ▪ Decor 	<ul style="list-style-type: none"> ▪ Packaging ▪ Labels ▪ Textiles
EFI Products	<ul style="list-style-type: none"> ▪ 40% Fiery revenue 	<ul style="list-style-type: none"> ▪ 60% Fiery revenue ▪ Majority of PPA ▪ Starting VUTEK 	<ul style="list-style-type: none"> ▪ Majority of VUTEK ▪ Beginning PPA 	<ul style="list-style-type: none"> ▪ Majority Jetrion

Displacing Screen Opportunity



■ Indoor non-POP

■ Indoor-non advertising

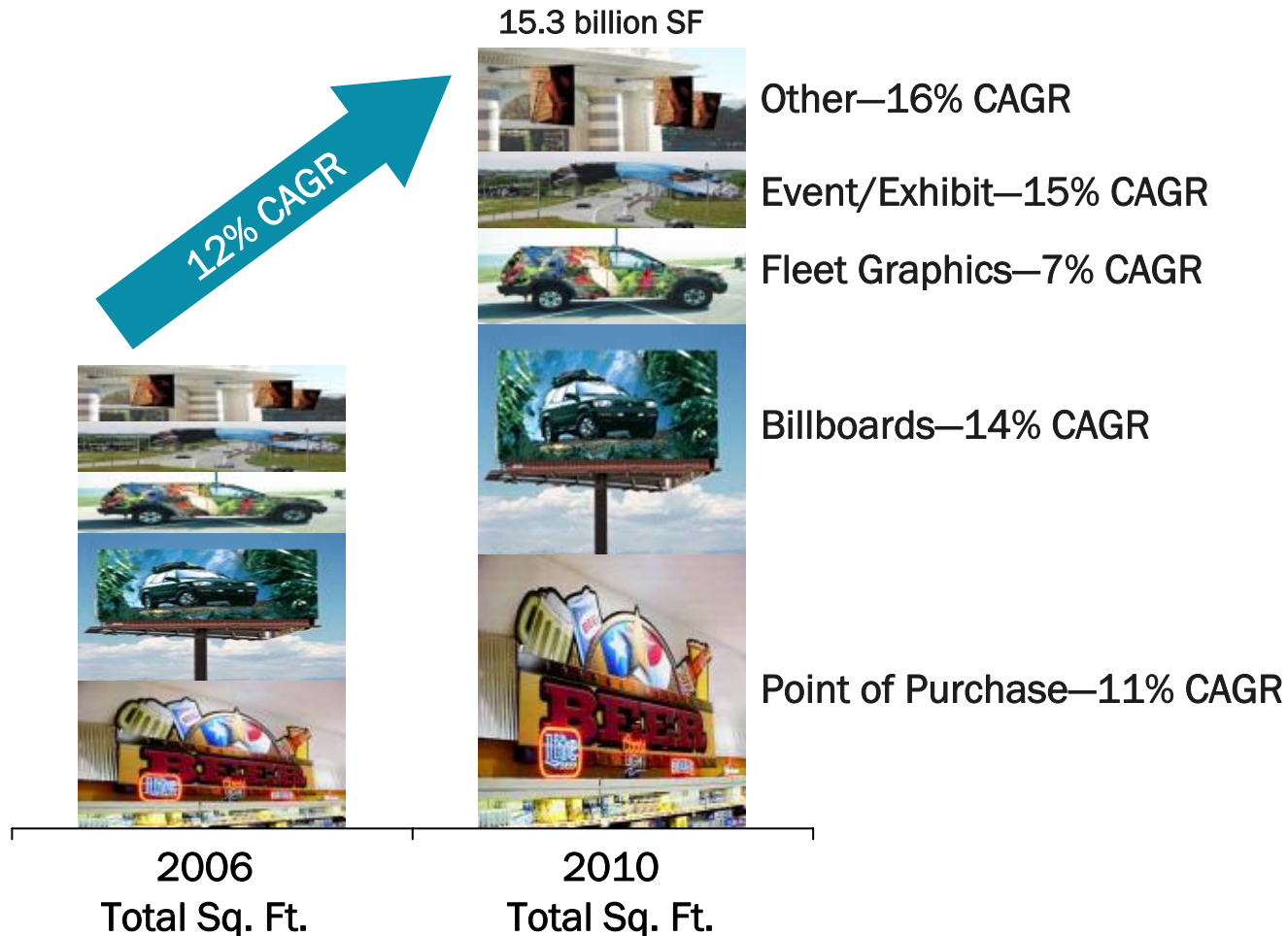
■ POP/Retail Signage

■ Outdoor Signage

- Screen printers tend to define themselves as graphics, textiles, or industrial
- 43.05 B ft² annual output

New Applications = New Revenue Opportunity

Digitally Printed Output by Application



So what is Superwide?



Narrow Format 24"

Wide Format 60"

Grand Format or SWF 192"

Technology & Adoption Crossroads: Aqueous

- Past peak of development—Laggard stage of adoption
- Limited applications—High substrate cost and low outdoor durability
- Highly saturated



Technology & Adoption Crossroads: Solvent

- Stable technology—Mature stage of development
- Well understood market and applications
- Low running cost



Technology & Adoption Crossroads: Solvent

- Exhibition and Display Graphics
- Point-of-Purchase
- Posters
- Billboards



Technology & Adoption Crossroads: UV-curing

- Stable/improving stage of development
- End of early adopter stage
- Volume about to spike



Technology & Adoption Crossroads: UV-curing

- Expanded Applications
- Direct to Rigid Substrate
- No additional curing or finishing required



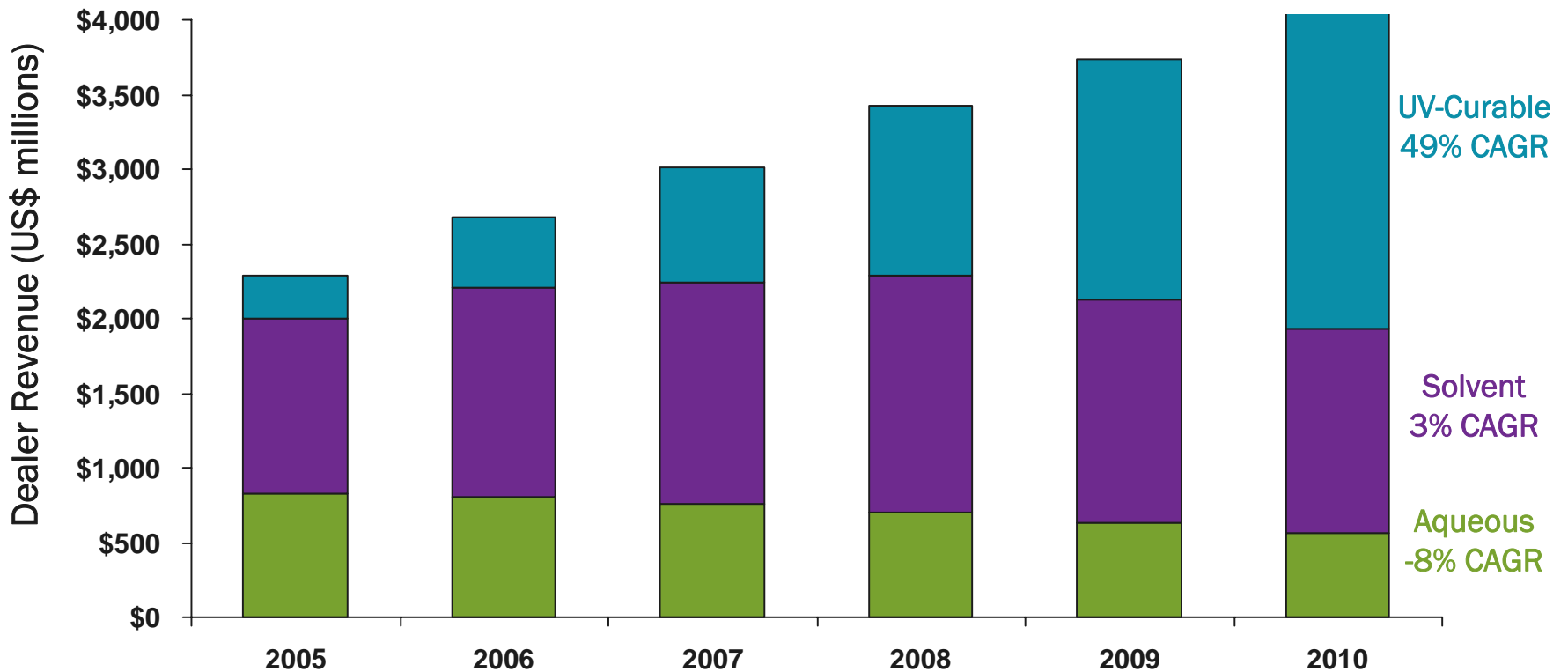
Technology & Adoption Crossroads: UV-curing

- EH&S Friendly Ink Technology
- Driving Analog to Digital Migration



Technology & Adoption Growth Trends

Wide & Grand Format Inkjet, North America Graphics Revenue



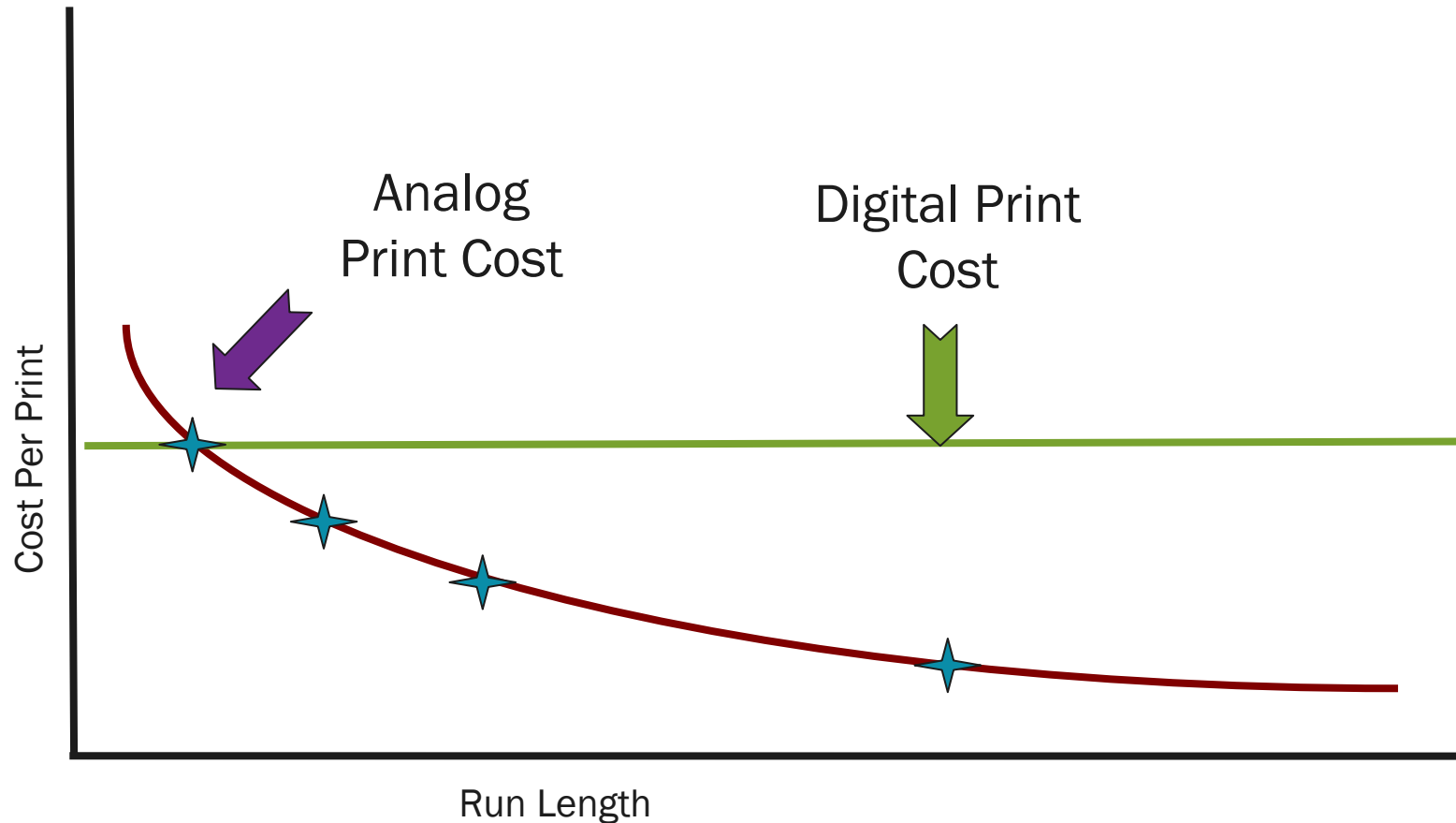
For Pay Graphics only; no In-house, no CAD

Source: Web Consulting, 2006

What's Driving the Growth in Superwide?

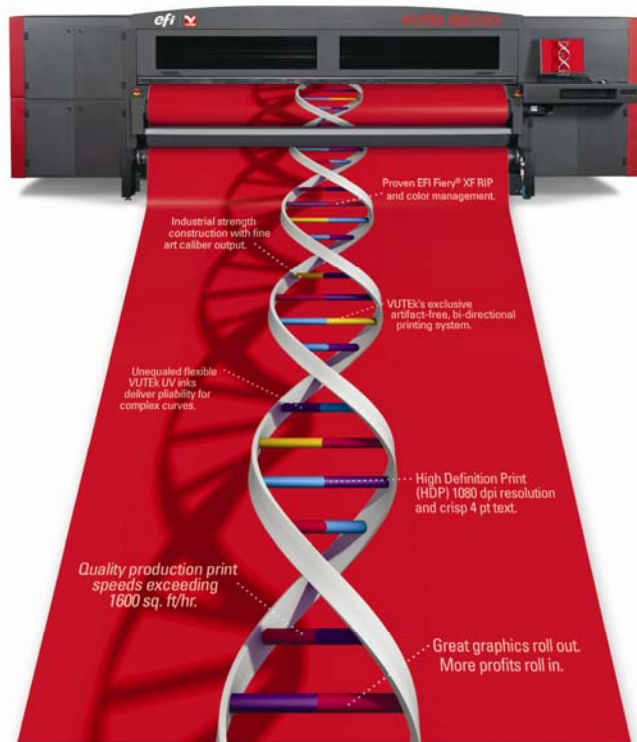


Inkjet Advantages Accelerating



★ = New print application tipping point for digital penetration

Driving Growth Factors: Product Needs



- Quality/Speed
- Substrate Variety
- Ink Variations
- New UV Product Innovation



Superwide vs. Other Digital Greater Gross Margins

Application:
Outdoor Vinyl Banner



Mimaki, Roland
Solvent

HP, Epson
Aqueous

Equipment Cost

\$199k

\$50 to 110k

\$10 to 20k

Ink Cost

per square foot

\$0.10

\$0.30

\$0.50

Media* Cost

per square foot

\$0.30

\$0.30

\$0.80

Gross Margin

per square foot
@ \$2.75 sale price

\$2.35

\$2.15

\$1.45

Average

square foot per hour (net)

200 to 500

75 to 125

25 to 50

Print Hours

per day

8

5

3

Total Gross Margin

Potential

per day

\$3,760 to 9,400

\$806 to 1,344

\$108 to 217



Superwide vs. Other Digital Greater Gross Margins

Application:
Outdoor Vinyl Banner



Mimaki, Roland
Solvent

HP, Epson
Aqueous

Equipment Cost

\$375k

\$50 to 110k

\$10 to 20k

Ink Cost

per square foot

\$0.18

\$0.30

\$0.50

Media* Cost

per square foot

\$0.30

\$0.30

\$0.80

Gross Margin

per square foot
@ \$2.75 sale price

\$2.27

\$2.15

\$1.45

Average

square foot per hour (net)

200 to 500

75 to 125

25 to 50

Print Hours

per day

8

5

3

Total Gross Margin

Potential

per day

\$3632 to \$9080

\$806 to 1,344

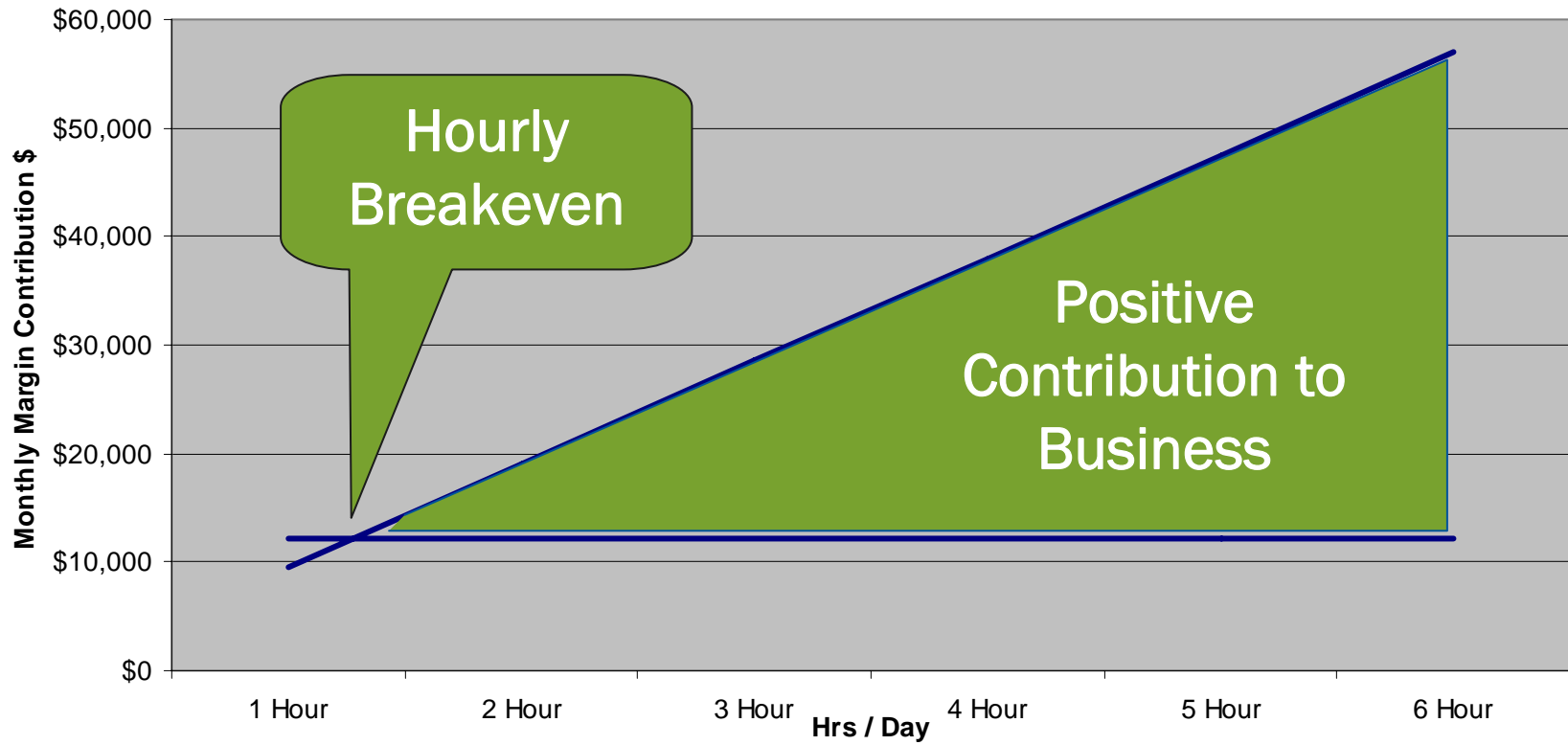
\$108 to 217

* QS2000

So is it Worth the Price? Yes!

Superwide ROI Analysis

QS2000 - Hourly Breakeven Analysis



Note: Assumes:

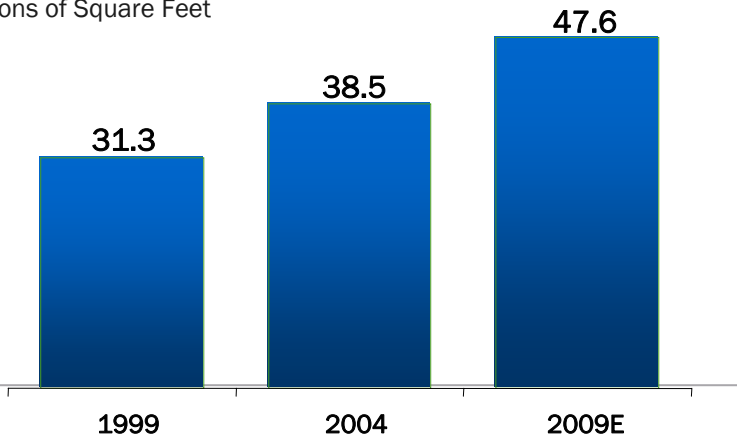
- 256 sqft /hr net output, operating 18 days/month
- \$1.25 material/ink Cost/sq ft and \$4.00/sqft sell price
- \$375,000 Price @ \$12,100 monthly payments

Hrs/Day

Another Reason – Growth!

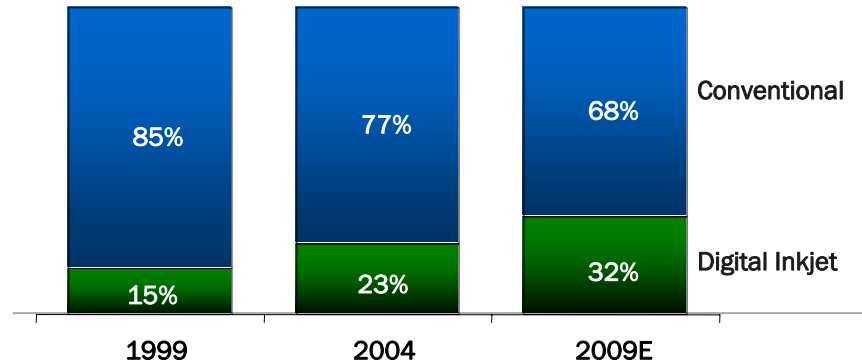
Out of Home Advertising and Display Graphics Printing Worldwide

Billions of Square Feet



4% CAGR
in Square Footage

Digital Inkjet Penetration



7% CAGR
in Square Footage from Digital Penetration

Printer Street \$ (1,000)

High End UV



QS3200



QS2000



QS3200r



VUTEk PV200

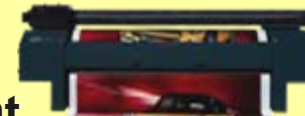


VUTEk PV320



VUTEk 5330

Super Wide Format



VUTEk 3360

Wide Format \$50k-\$150k – Not our Market Today



Solvent & Aqueous \$20k-50k – Not Attractive



Wide Format - Aqueous Based - Not Attractive

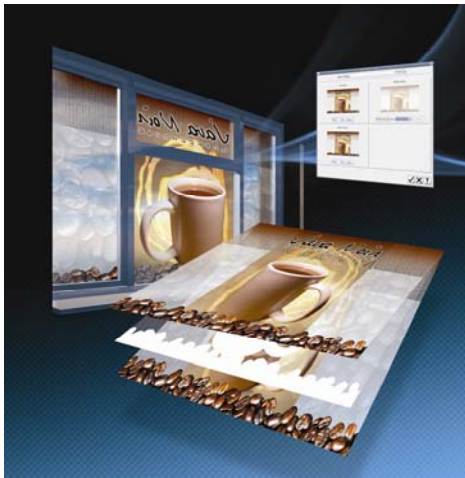
Productivity (sqft / hr)

Target Markets: Current



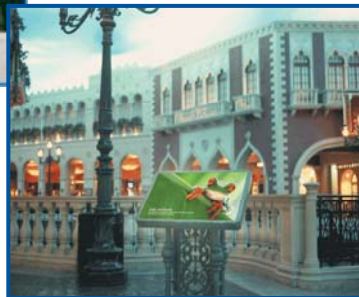
- Screen printers
- Photo Labs
- Sign Shops
- Digital Imagers
- Billboard Printers

Target Markets: Future



- Commercial Printers
- Industrial Screen
- Dynamic Signage
- Industrial

Target Applications: Current



- POP
- Billboards
- Posters
- Banners and signage
- Exhibition graphics
- Backlit displays
- Industrial
- Outdoor graphics
- Building wraps
- Fleet graphics
- Bus shelters

The VUTEk Advantage

Leading the analog to digital conversion
in the superwide format market



VUTEK Printers & Inks

Optimized for Quality, Speed, Reliability & Versatility

UltraVu Solvent Roll-to-Roll Printers & Inks



- Solvent ink on flexible substrates (UltraVu)
- Dye sublimation ink for fabric (FabriVu)
- Priced from \$135,000 to \$399,000
- Printing widths of 1.5 to 5.0m
- 300 to 360 dpi with 4, 6 and 8 color
- Print speeds of 200-2,000+ sq ft / hr
- Prints billboards, banners, signage, fleet & more

VUTEk Printers & Inks

Optimized for Quality, Speed, Reliability & Versatility

QS UV Flatbed / Roll-to-Roll Printers & Inks



- UV ink on rigid & flexible substrate
- Priced from \$199,000 to \$475,000
- Printing widths 2.0 to 3.2m, up to 2.00" thick
- 400 to 1080 dpi with 4, 6, 6 plus white, & 8
- Print speeds of 200 to 1,850 sq ft / hr
- Prints POP, backlit display, Vehicle/Fleet, signage & more

Growth Strategy

Leveraging the investment



Growth Strategy

- It's all about the product
 - Drive innovation and TTV for next generation printers and solutions
 - Continue to solve for the best combination of price, speed, quality, reliability & application coverage
- Enter new markets
 - Expand into new product categories & application markets
 - Continue to expand distribution & sales coverage as we grow
 - Develop new applications that expand the digital inkjet opportunity

Growth Strategy

- Deliver best-in-class service
 - Expand our geographic coverage model
 - Where it makes sense, leverage our partners
 - Introduce new & enhance our existing service offerings

- Optimize the business model
 - Improve the factory cycle time on new orders
 - Drive factory turns up and inventory down
 - Implement vendor managed programs to improve our flexibility
 - Drive quality up and warranty costs down

Operations and Development

- Sales Headcount increase of 58% since '05
- Engineering Headcount increase of 70% since '05
 - New Israel R & D center
 - Opened Q3 2007
 - Experienced inkjet pool
 - First product delivery 2008
- Service & Support Headcount increase of 26% since '05
- Continue Outsourcing Initiative
 - Completed in 2007:
 - Cables,PCBAs, Electro-mechanical Assemblies
 - Focus in 2008 and beyond:
 - Design to facilitate turnkey outsourcing at inception

Expansion of Management Team and Staff

- Investments in the business
 - Increased R&D investment
 - Additional headcount in R&D and Service and Support
 - Re-tooling manufacturing and development process for growth

- Leadership additions to complement strong VUTEk team
 - Industry leading core development & engineering team in tact
 - New senior management team additions including GM, VPs of Engineering, Operations, Marketing, Service & Support
 - Backgrounds in customer focused, high-technology companies
 - Scaling product development, operations, revenue and market share
 - Start-up to Fortune50 companies such as – Compaq, Symbol, Schlumberger, Dupont, Xerox, AT&T, Celestica, Axcelis/Eaton Semiconductor, Ford-Visteon

Why VUTEK?

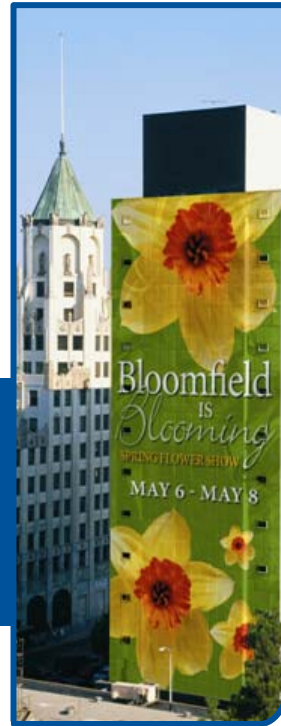
- The broadest product line of robust superwide format printers & inks
- #1 market share in Super Wide Format
- Leading the adoption of superwide digital technology
- Sustainable differentiation of new products like QS, Bio Ink
- Customers in over 100 countries
- As part of EFI, we're investing to continue to grow!





efi™ print to win.

Key Trends in Grand Format



VUTEK

Industry-leading super-wide digital printers and inks

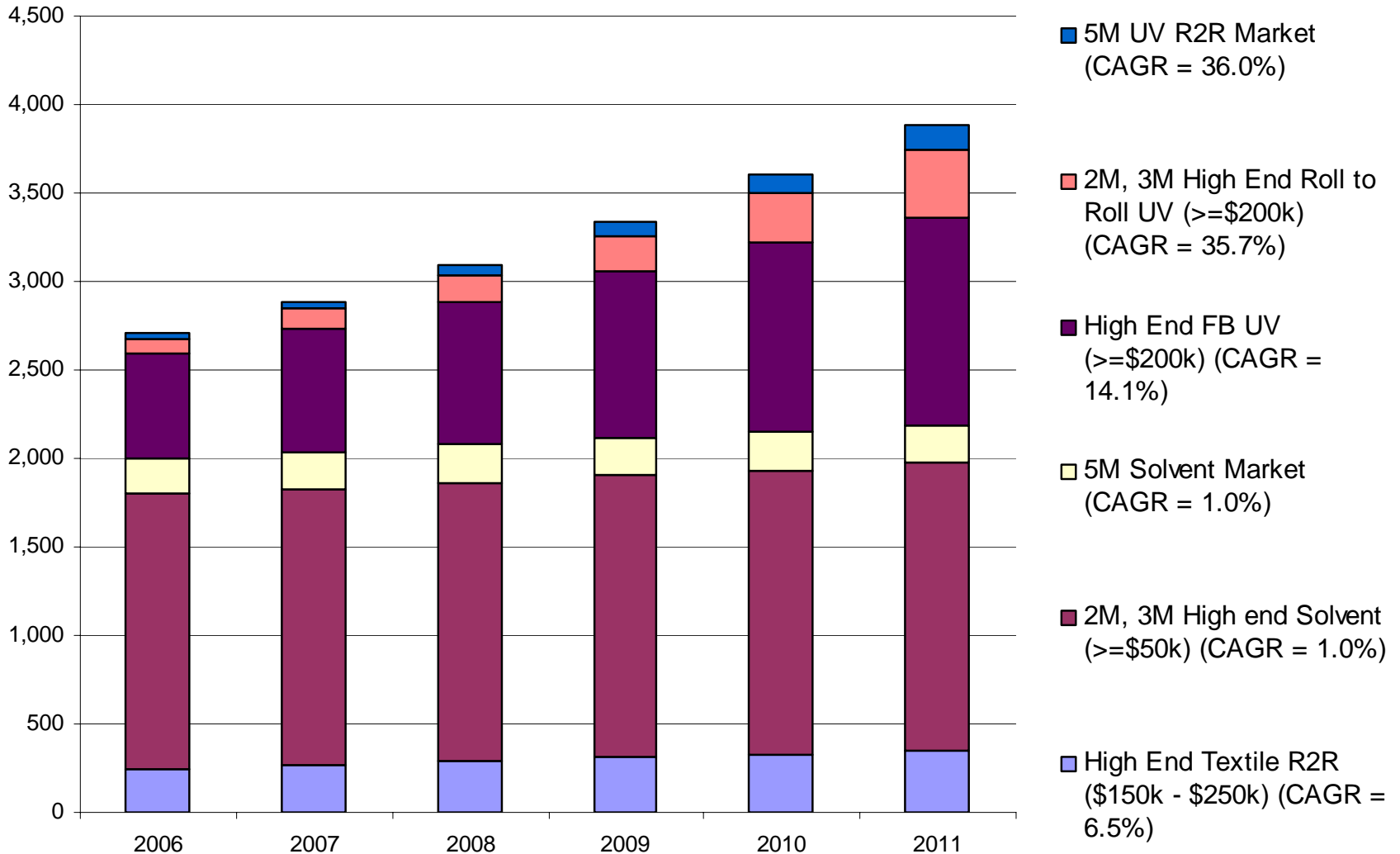
- The broadest product line of industrial strength super-wide format printers & inks
 - ▶ 1.5 to 5 meters wide; flexible; rigid / flexible flatbed; solvent, UV and dye-sub solutions
 - ▶ Used to print super-wide format and specialty graphics

- Customers in over 100 countries
 - ▶ Commercial / billboard printers, commercial photo labs, screen printers, sign shops, digital service bureaus

- History of Innovation in super-wide printing

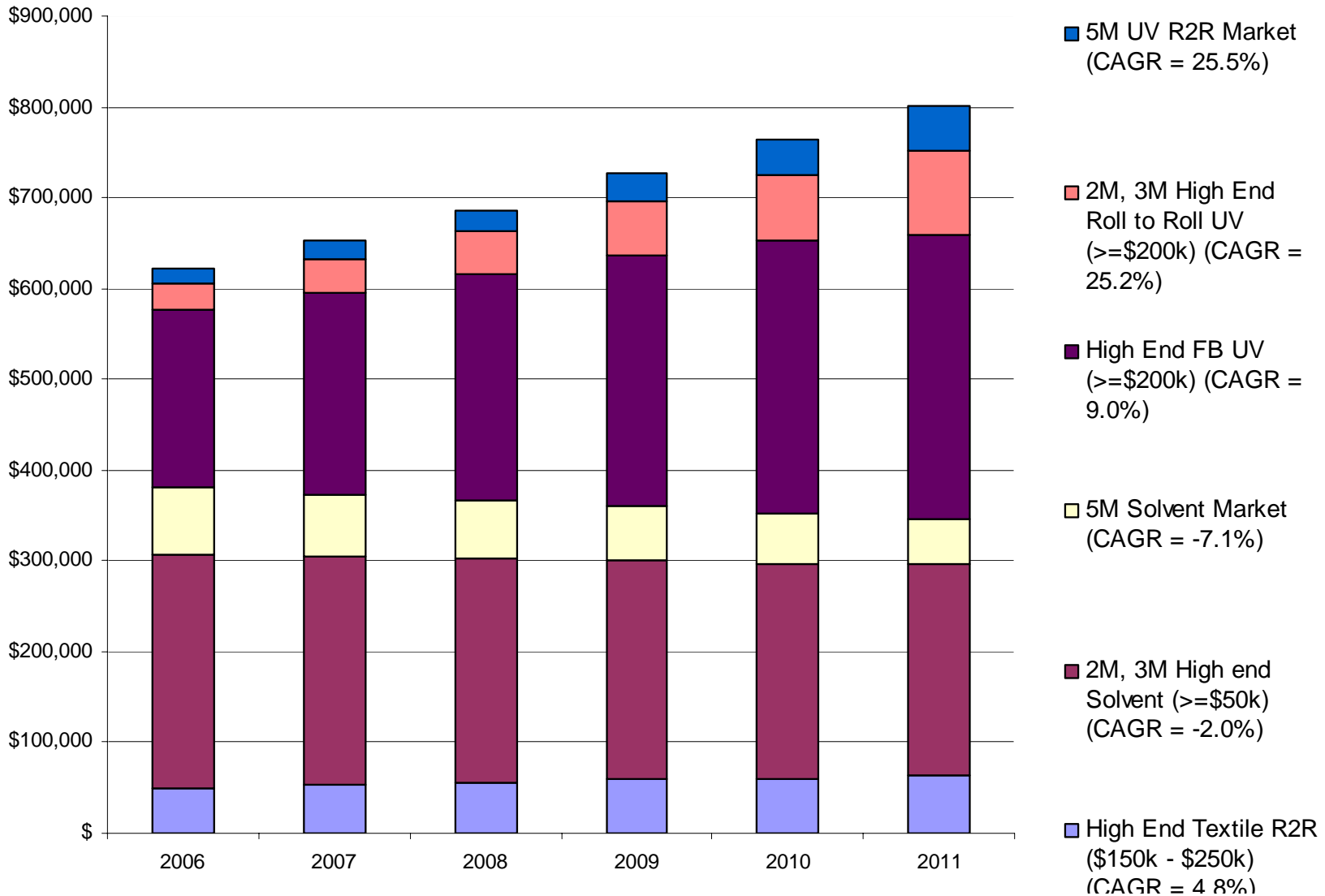


Unit Growth Projections

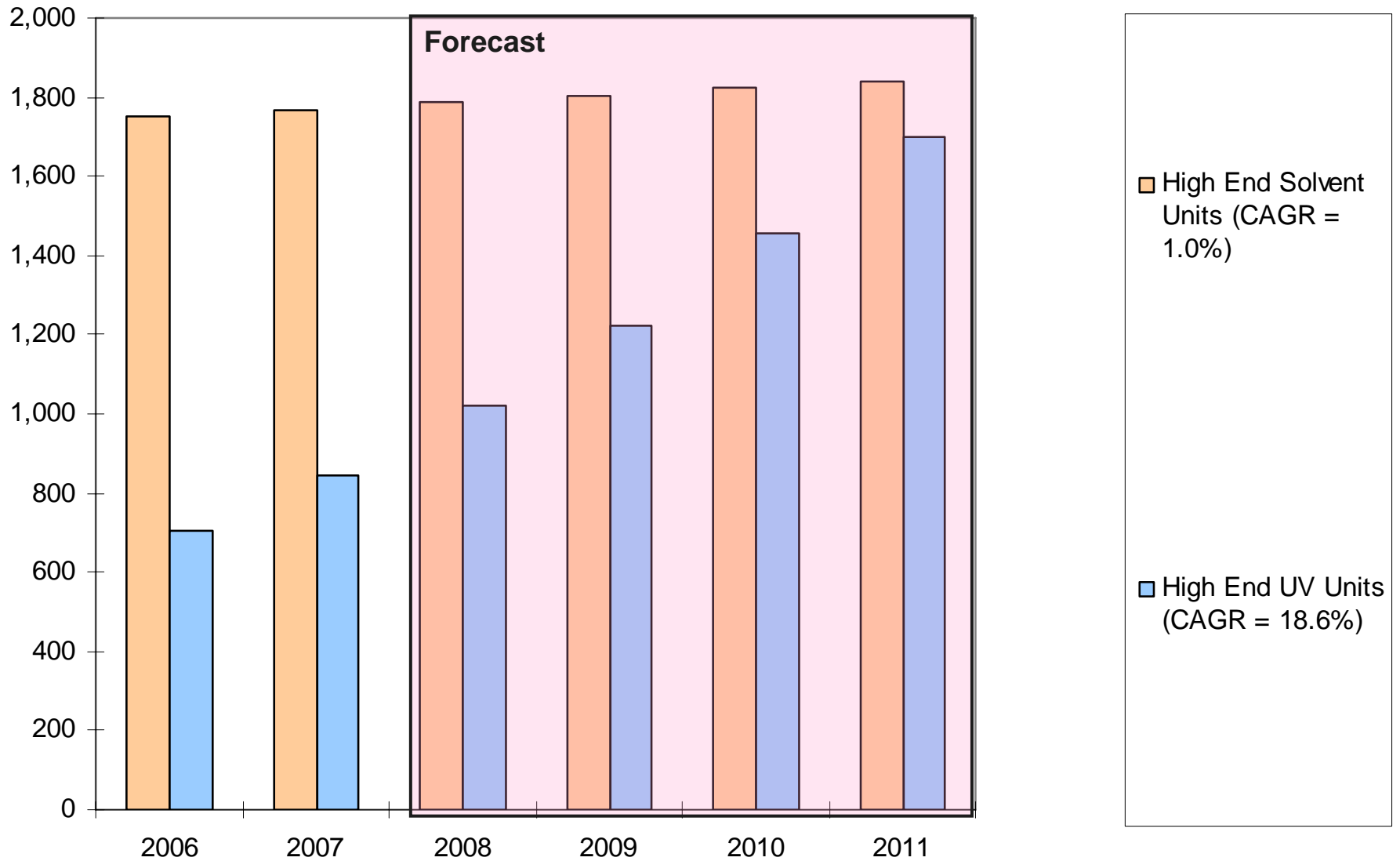


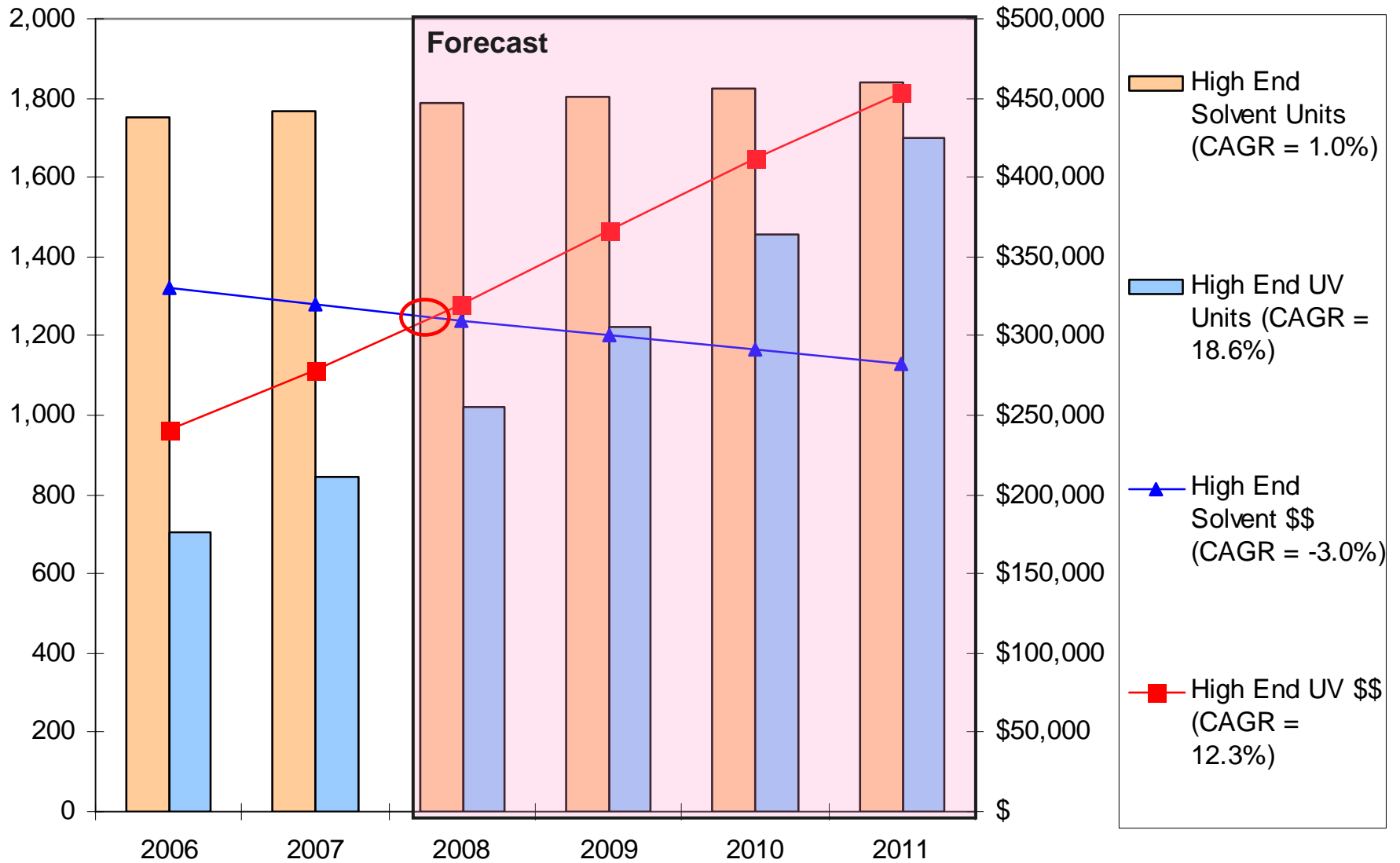


Revenue Growth Projections

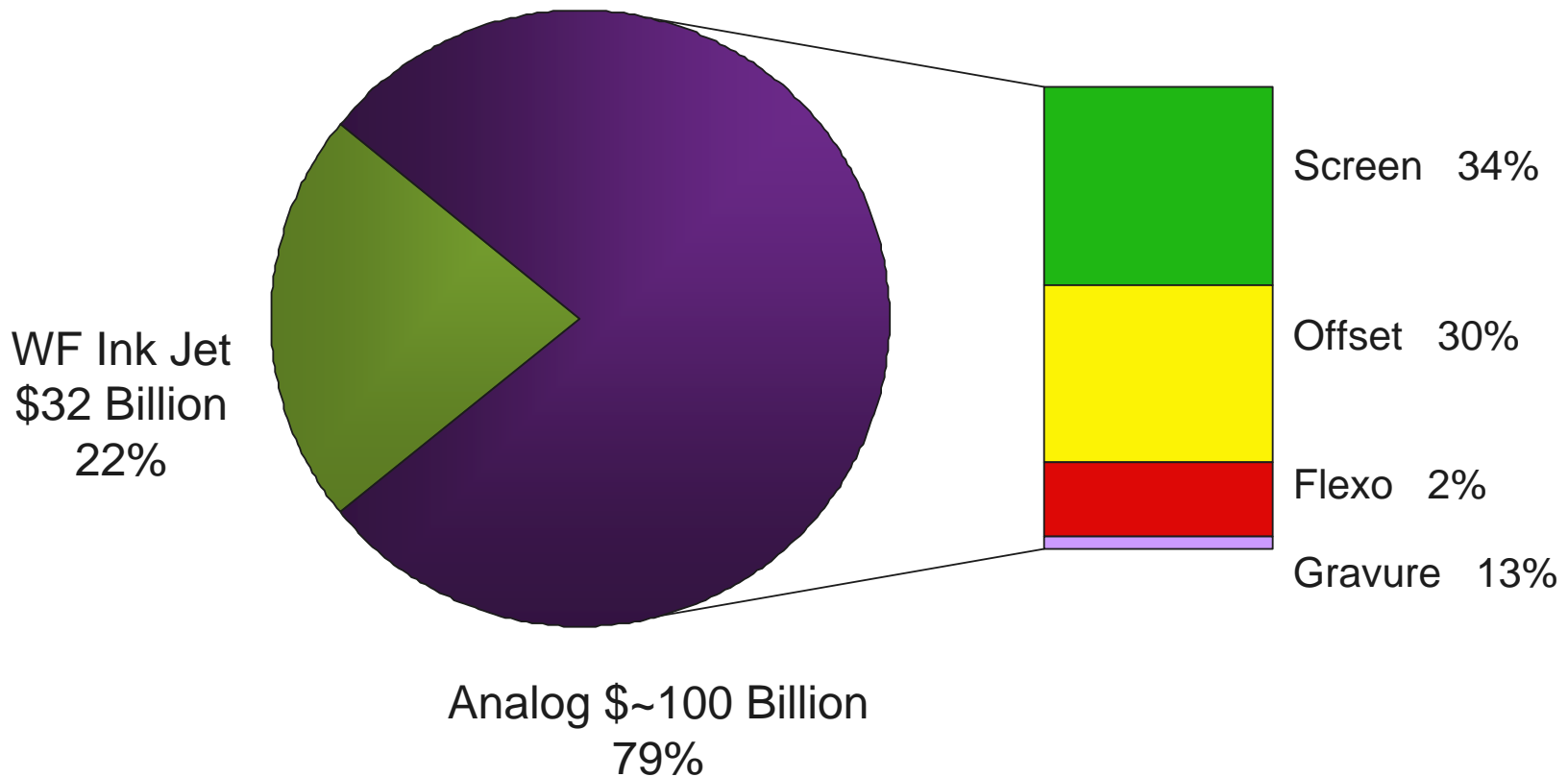


Source: IT Strategies and Vutek Market Intelligence





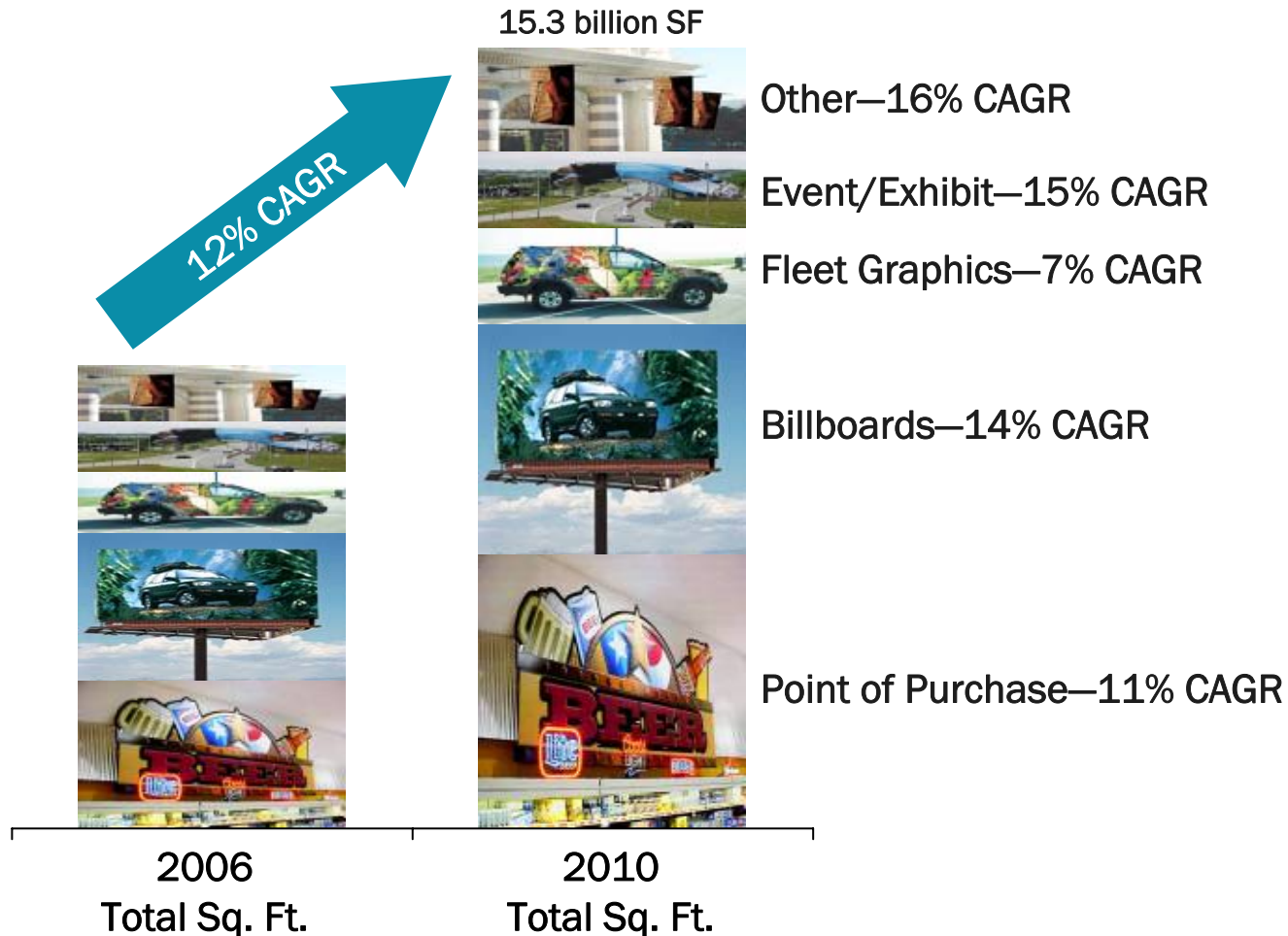
Higher speeds / lower costs needed to convert more Analog



2006 Worldwide Wide format Sq. Ft. by Technology

New Applications = New Revenue Opportunity

Digitally Printed Output by Application



Key Trends

- Continued price pressure on solvent ink and printers
 - Solvent activity focused in emerging markets
- Roll-to-Roll UV Market is accelerating
 - Market / Customer interest increasing – VUTEk QS3200r key driver
 - “UV Economics” are driving the solvent to UV transition
 - Machine speed / productivity
 - Image quality
 - Ink productivity measured in sqft / liter
 - Extended application and media range
 - UV ink developments – e.g. flexible inks targeting vehicle graphics
 - QS3200r – driving new image quality requirements in roll-to-roll space
- Hybrid / Flatbed UV Market in mass adoption stage
 - Speed/Productivity levels driving analog transition tipping point
 - Image Quality continues to improve
 - Application development enabling new and higher margin output
 - QS white ink capability
 - Ink development and manufacturing capability key



EFI | VUTEk Flatbed Printer Advantage

Printer Street \$ (1,000)



QS2000



QS3200



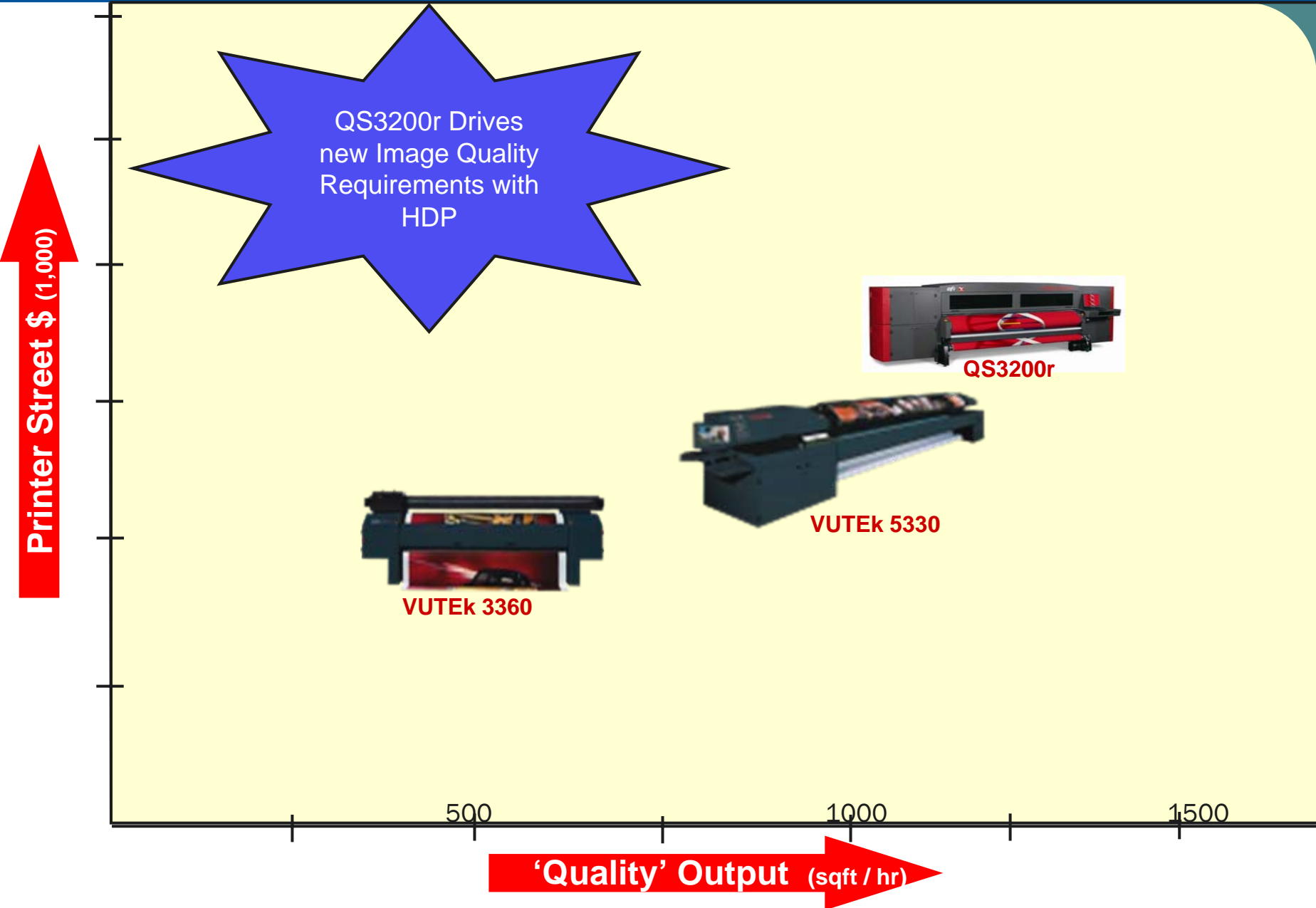
VUTEk PV200

Application
and Image
Quality
Advantaged

'Quality' Output (sqft / hr)



EFI | VUTEk Roll-to-Roll Printer Advantage



Printer Street \$ (1,000)

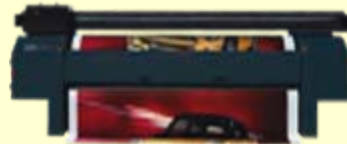
QS3200r Drives new Image Quality Requirements with HDP



QS3200r



VUTEk 5330



VUTEk 3360

500

1000

1500

'Quality' Output (sqft / hr)

QS Success

VUTEk UV Leadership

- 300th Unit Shipment Announced
 - Shipped 300th unit in Dec.
 - Extending product line
 - QS 4/6 color units
 - Announce Feb. 19, 2008
 - Showing at ISA / Drupa



Industry Awards and Recognition

- DPI Product of the Year Grand Format UV: QS3200r
- DPI Product of the Year Grand Format Solvent : 3360 with BioVu
- European Digital Press Association
 - BEST Superwide Format Printer 2006-2007
 - BEST Outdoor Ink 2006-2007
- PrintAction Magazine Environmental Printing Awards: Silver medal



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Ink



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Ink Recurring Revenue Stream: ~30% of Total



- UV, Solvent, Specialty
- High gross margin
- Customer loyalty due to hardware compatibility

Ink Business Dynamics

- Solvent (Roll-to-Roll)
 - Mature market, more cost-sensitive applications
 - Steady volumes from ongoing equipment sales, retention of base
 - Open system makes solvent base most prone to competitive attack
- UV Curable (Rigid & Flexible)
 - New digital growth, coming from printing directly on rigid substrates (taking screen print analog volume)
 - Equipment much more sensitive to precise ink/printer matching, wrong ink can cause significant damage
 - EFI-Vutek Ink quality control system helps retention
- Others
 - Lower-volume, specialty based: Dye Sub for fabrics, white, clear
 - Bio Solvent: Corn-based solvent 80%+ Bio, EPA Recognized
 - Significant activity from Mutoh, a key OEM customer



EFI-Vutek Ink Value Proposition

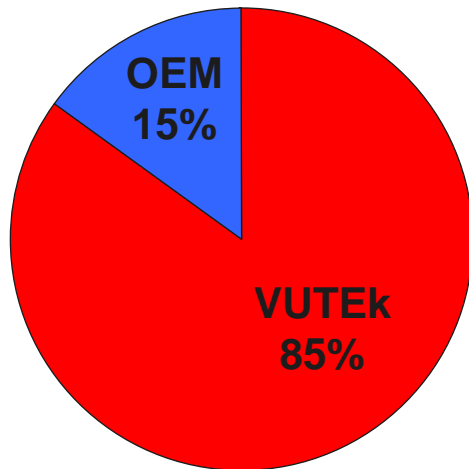
Highest Quality & Most Reliable

- Company's inks are optimized for use in EFI-VUTEK printers
- Highest output quality
 - Brightest colors
 - Widest color spectrum for accurate color matching
 - Most consistency across multiple runs
 - Unsurpassed outdoor durability
- Maximum printer reliability
 - Purity
 - Compatibility
 - Fully protected with ink delivery system warranty
- Ink Contract Program provides further incentive to purchase EFI-VUTEK inks

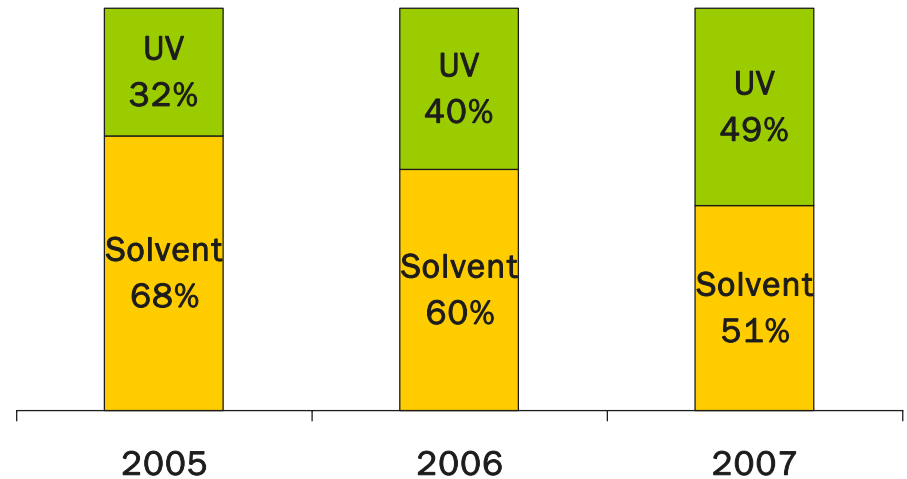


Ink Revenue: Mix & Trends

Sales Mix:
VUTEk brand vs. OEM



Sales Mix:
Solvent vs. UV Ink



OEM/3rd party business provides additional growth opportunity

UV Ink growing rapidly, both outright and as a percent of total



Ink: Key Part of EFI-Vutek's Business Model

Estimated Ink Gross Profit per Printer over 4 Years



- Higher pricing versus solvent drives higher GP for UV
- More ink usage drives higher GP for new UV models



Ink Sales / Distribution / Manufacturing

Ink Sales / Distribution

- Ink sold direct and through distributors
 - Telemarketing used to augment sales & focus on account retention
- For OEM business, sell direct to OEM manufacturers or key distributors

Ink Manufacturing

- Manufacturing in Meredith, NH
 - Distribution Centers in US & Europe, as well as in Asia Pacific through distributors
 - Outsource low-quantity specialty inks
- Manufacturing not capital-intensive
 - Mixing operation with QC of every batch
 - Labor less than 3% of cost
 - Easily scaled up to meet increased demand



Ink Strategy

- VUTEK-branded Ink
 - Maximize retention of installed base while pricing ink to maximize profit
 - Deliver superior total value - superior ink combined with:
 - Fair pricing, with volume discounts, free shipping
 - Discounts that competition can't match (warranty, parts)
 - Value added programs and support (head exchange)
 - Ensure the best customer experience
 - Ease of doing business, ink availability
 - Support
- OEM / 3rd Party Ink
 - Offer strongest price/performance with highest quality ink at a slight premium
- Total Ink Business
 - Drive technology development to address new applications (eg, Bio)
 - Maintain superior price / performance



Q & A

