



Himax Technologies (HIMX)

Devin D'Angelo

Agenda

Executive Summary



Industry Thesis



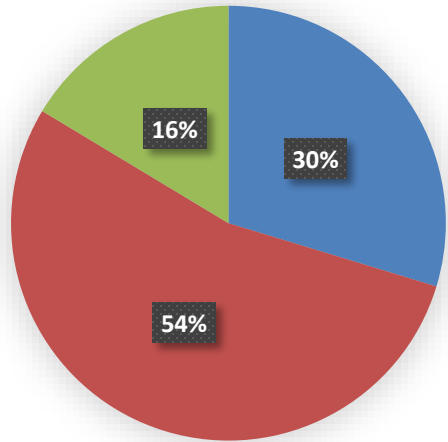
Company Thesis



Valuation & Recommendation

Business Overview

Revenue By Segment 2013



■ Large Panel Drivers ■ Small and Medium Panel Drivers ■ Total Non-Drivers

- Himax is a fabless semiconductor design house located in Taiwan.
- 84% of Revenue from Display Driver IC in LCD Panels.
- For 5 years, the company has seen rapid declines in Large Panel Driver IC and rapid growth in Small/Medium Panel Driver IC.
- Non Driver products expected to achieve profitability in 2015.

Large Panel



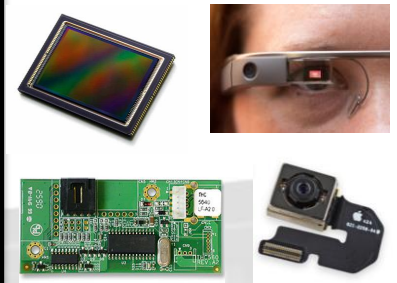
TVs PC Monitors Notebook PCs

Small/Medium Panel



Smartphones Tablets Consumer Electronics

Non Driver



Investment Thesis

Industry Thesis

Large panel displays will bounce back led by 4k TV shipments from China.

Low cost smartphone producers will drive higher unit shipments.

Suppliers will benefit from high demand for display solutions.

Company Thesis

- Himax is the market leader in China where the majority of growth in the display market is occurring.
- Headwinds from weakness at Samsung are overblown. Growth from Himax's other customers will more than fill the gap.
- The street is overly cautious on Himax's wearables opportunity after being overly optimistic in 2013.

Recommendation

Buy

Current Price

\$7.62

Fair Value

\$9.50



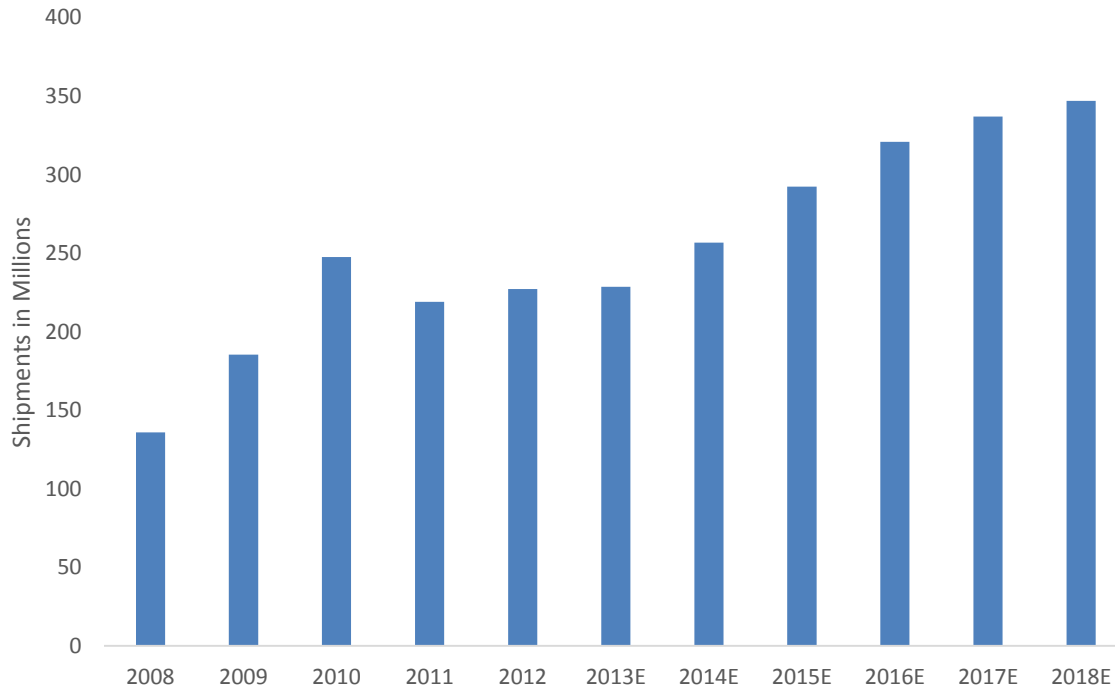
Industry Thesis

LCD Displays



Global TV Shipments

Demand for Display Drivers in TVs

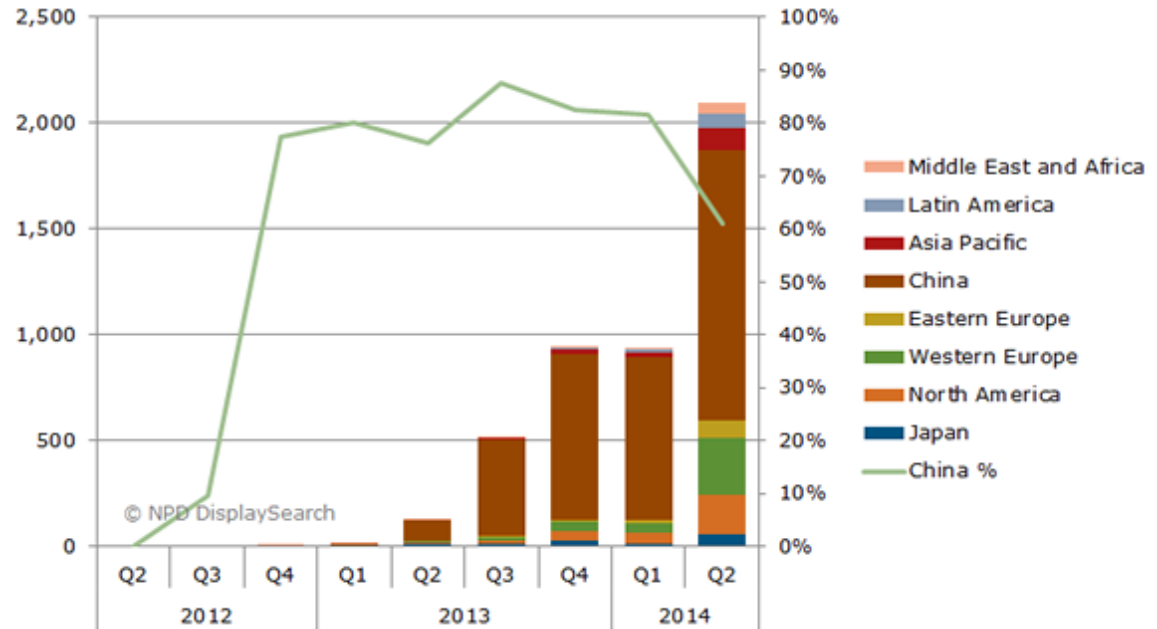


- 4K TV Shipments are growing at an 88% compound **quarterly** growth rate.
- Shipments are on track to top 15 million for the year.
- Chinese manufacturers control approximately 75% of the 4K market.

After 3 years of declines, TV shipments have sharply rebounded in 2014 and are expected to continue growing led by 4K TV Shipments from China.



4K TVs

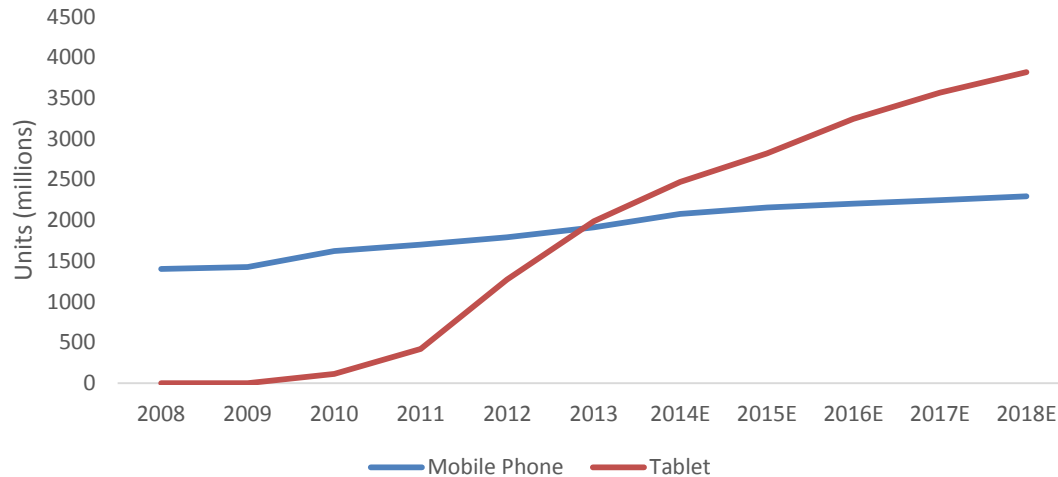


- Prices of 4K TVs have fallen 85% from \$8k to \$1k in two years.
- Chinese manufactures offer the most affordable displays on the market under \$1k on average.
- Adoption is currently outpacing expectations at 6% penetration in North America.
- As many as 4 out of every 10 TVs shipped will be 4K within 5 years.
- Content providers (such as Netflix) have plans to offer video in 4K.

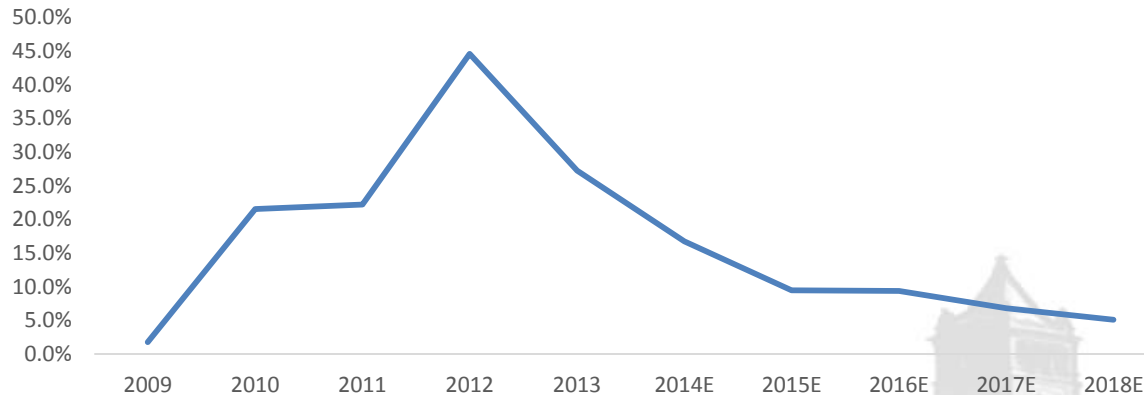


Smartphones and Tablets

Smart Phone and Tabet Shipments



Small/Medium Panel YOY Growth



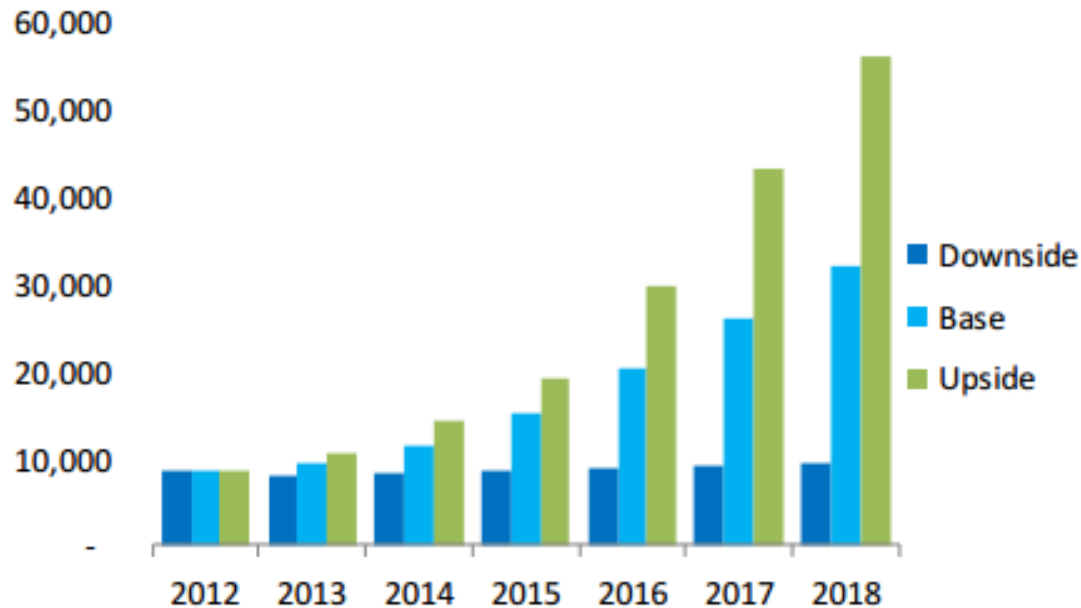
- Low cost competitors are gaining share and rapidly ramping production.
- Shipments are projected to grow at a 5.7% CAGR through 2018.
- The market is maturing and growth leveling off from as high as 50% YOY to closer to 7%.
- Particularly high growth is expected in India.

Smartphone shipments are on track for 20% YOY growth this year led by Chinese manufacturers.

Wearable Micro-Displays

Preliminary Scenario Forecast - Wearable Technology

Millions \$US

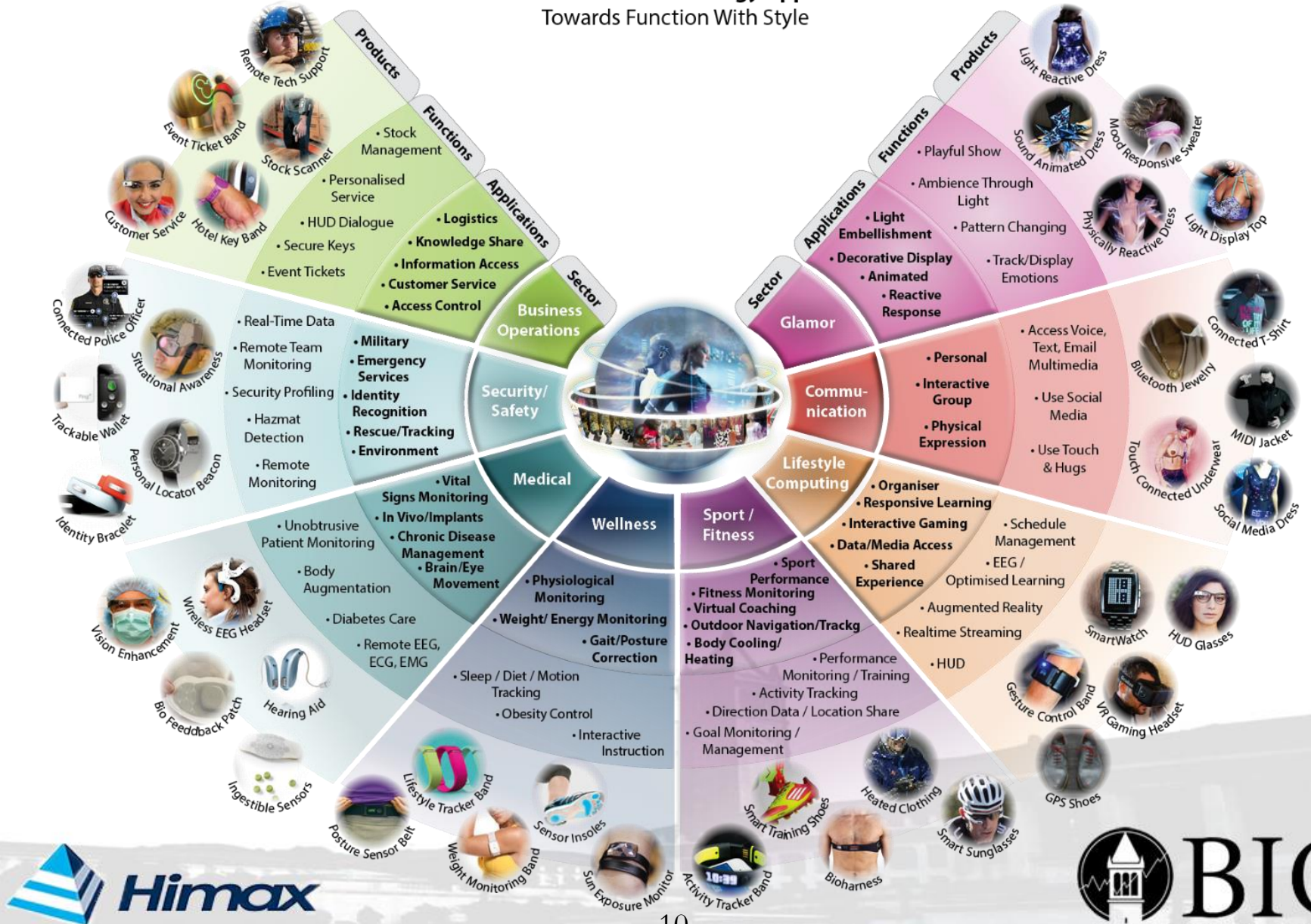


- Huge market potential with applications in Healthcare, Industry, Fitness, and Infotainment.
- Many companies developing products from Google and Medtronic to Adidas.
- High degree of uncertainty remains.



Applications of Wearables

World of Wearable Technology Applications: Towards Function With Style



WLO: Array Cameras

- Current smartphone camera technology has peaked.
- Array cameras will allow thinner smartphones and higher quality pictures.
- Himax is one of a few companies with high quality array cameras capable of smartphone integration
- Credit Suisse estimates that the array camera market could reach **\$1 billion** by end of year 2015.



Smartphone array camera shipments (mn units)	2012E	2013E	2014E	2015E
Array camera penetration in high-end smartphones	0.0%	0.0%	10.0%	25.0%
Array camera penetration in total smartphone market	0.0%	0.0%	2.6%	5.6%
Total array camera shipments (mn units)	0.0	0.0	31.4	79.4

Smartphone array camera market size	2012E	2013E	2014E	2015E
Smartphone array camera ASP (US\$)			20.0	15.0
ASP erosion (%)				-25.0%
Array camera market size (US\$ mn)			628	1,191
YoY growth (%)				90%

Source: Company data, Credit Suisse estimates



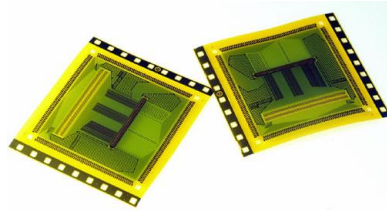
Company Thesis

Himax Technologies (HIMX)



Complete Solution

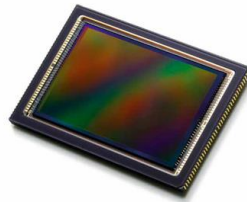
Display Drivers



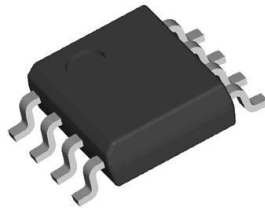
Touch
Controllers



Image Sensors



Power IC



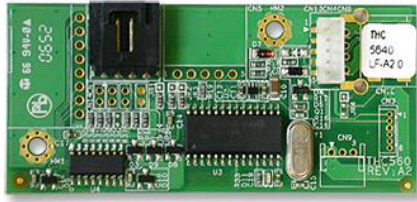
Himax's diverse product line offers customers a complete solution for their smart phone or tablet production.

New Competition



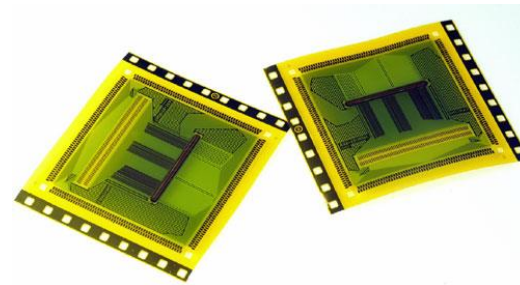
Synaptics®

Touch Controllers



RENESAS

Display Drivers



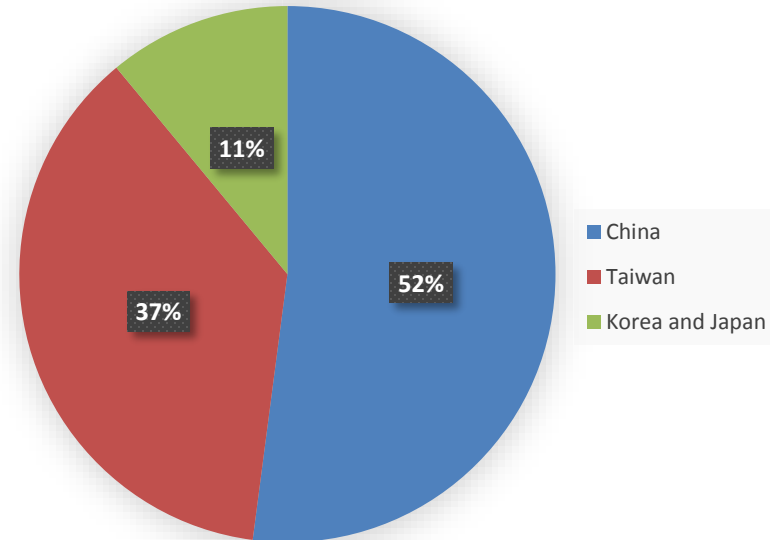
The acquisition of Renesas by Synaptics presents a challenge to Himax's competitive advantage.



Samsung Headwind

Vendor	2014Q3 Shipment Volumes	3Q14/3Q13 Change
1. Samsung	78.1	-8.2%
2. Apple	39.3	16.1%
3. Xiaomi	17.3	211.3%
4. Lenovo*	16.9	38.0%
4. LG*	16.8	39.8%
Others	159.2	40.8%
Total	327.6	25.2%

Himax Revenue by Region



- A decline in orders from a “Major Korean Customer” have been a negative for the stock lately.
- This customer represents around 10% of Revenue.
- It remains to be seen if Samsung can turn around its smartphone business.

Negative Market Sentiment

HIMX (Daily) 1/3/2014 - 11/2/2014

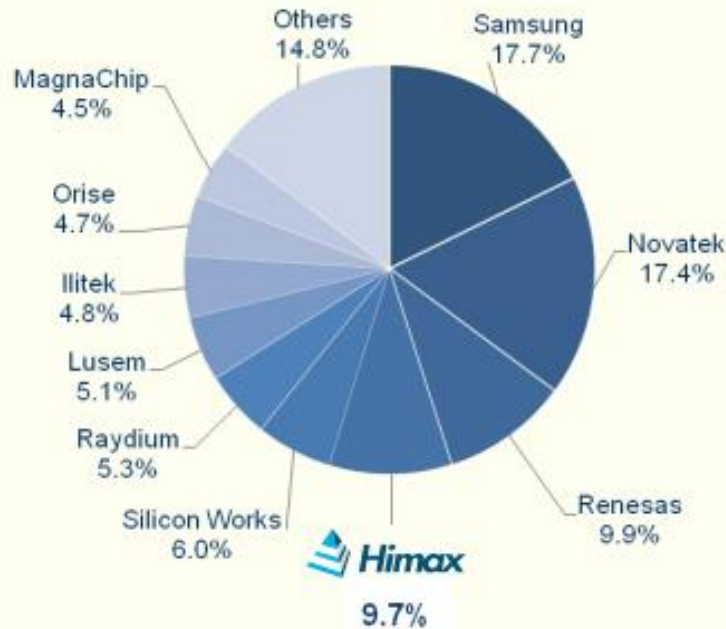


© 2014 NinjaTrader, LLC

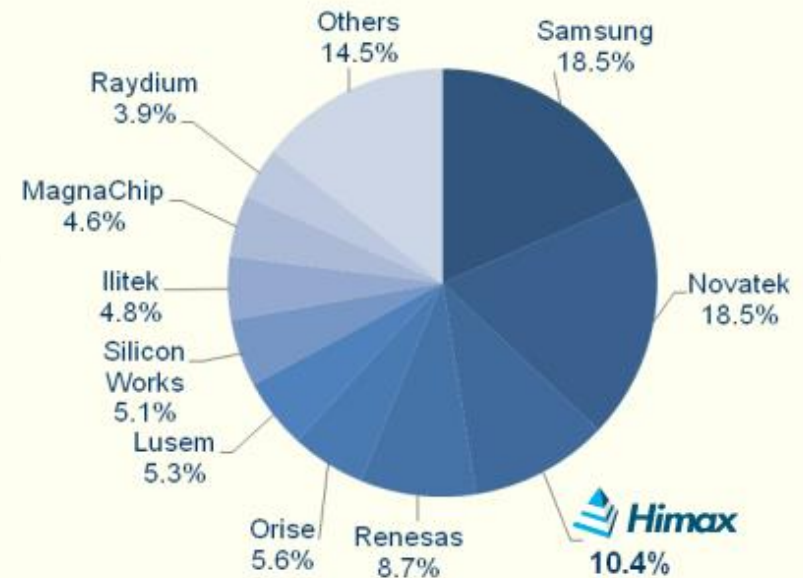


Taking Market Share

2013 Q3 Display Driver Market Share



2014 Q1 Driver Market Share



Despite headwinds from Samsung and new competition, Himax continues to grow its market share in its core business due to its strong position in the Chinese market.

New Design Wins

Himax Customer

Q3 YOY Shipment Growth



+211%



+40%

- Credit Suisse research suggests that Himax has partnered with Xiaomi and LG for their 2015 smartphone launches.
- Himax can continue to grow sales even if Samsung continues to lose share.



Losing Google?

Himax LCoS customers



- Speculation over losing Google as a customer has driven Himax stock down from \$15 to under \$6.00 at one point.
- The market is obsessed with Google's relationship and every rumor moves the stock price considerably.
- Himax has won over 20 LCoS customers and is no way reliant on Google Glass.
- Speculation over losing Google is not founded in fact.
- NDAs prevent Himax from disputing rumors.

Wearables Market Leader

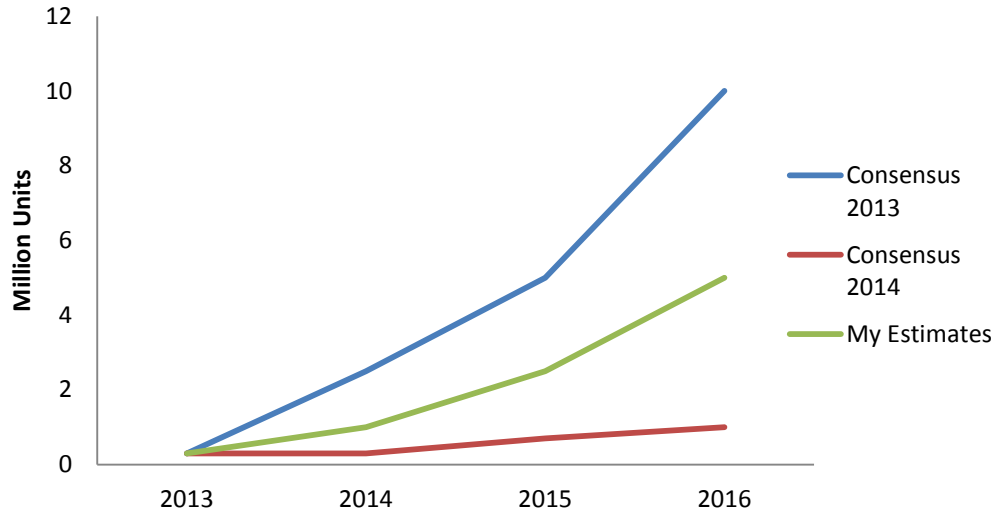
	FLCoS	OLED
Brightness	20,000 nits	900 nits
Color	Full-Color	Single Color
Contrast	100:1	10,000:1
Power	50 nits/mW	50 nits/mW
Burn-in	No	Yes
Cost	\$15	\$100
Scalability	Yes	Limited

- Himax's FLCoS technology is the clear winner among microdisplay technologies.
- Google's 2013 investment and countless design wins from the likes of Lenovo and Lumus are evidence of their superior technology
- Current production capacity 200,000 displays per month.
- Management has discussed ramping this to over 1 million per month



Street Overly Cautious

Forecasted LCoS Unit Shipments



- Analysts have pulled a complete 180 from overly optimistic to incredibly pessimistic on LCoS forecasts.
- 2015 EPS estimates revised down 90-100% in only 9 months.
- These revisions are based on rumors and speculation which I contend are false.

Nomura October 2013 LCoS Forecast

	2013F	2014F	2015F
ASP (USD)	17	17	17
Shipment (mn)	0.3	10	15
Sales (USDmn)	5.1	170	255
Sales % from LCOS	1%	17%	21%
GM	45%	45%	45%
Net income (USDmn)	0.8	31.1	49.3
No.shares (mn)	170	170	170
Incremental EPS (USD)	0.00	0.18	0.29
LCOS EPS contribution %	1%	28%	33%

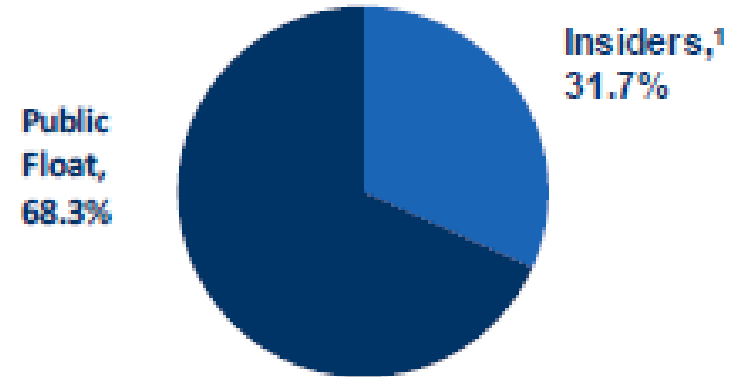
Nomura August 2014 LCoS Forecast

	2013E	2014F	2015F	2016F
ASP (USD)	15	20	20	20
Shipment (mn)	0.3	0.3	0.7	1
Sales (USDmn)	4.5	6	14	20
Sales % from LCOS	1%	1%	1%	2%
GM	45%	45%	45%	45%
OPEX	1mn	1.3mn	2.5mn	3.5mn
Net income (USDmn)	1.0	1.4	3.8	5.5
No.shares (mn)	170	170	170	170
Incremental EPS (USD)	0.01	0.01	0.02	0.03
LCOS EPS contribution %	2%	2%	4%	5%

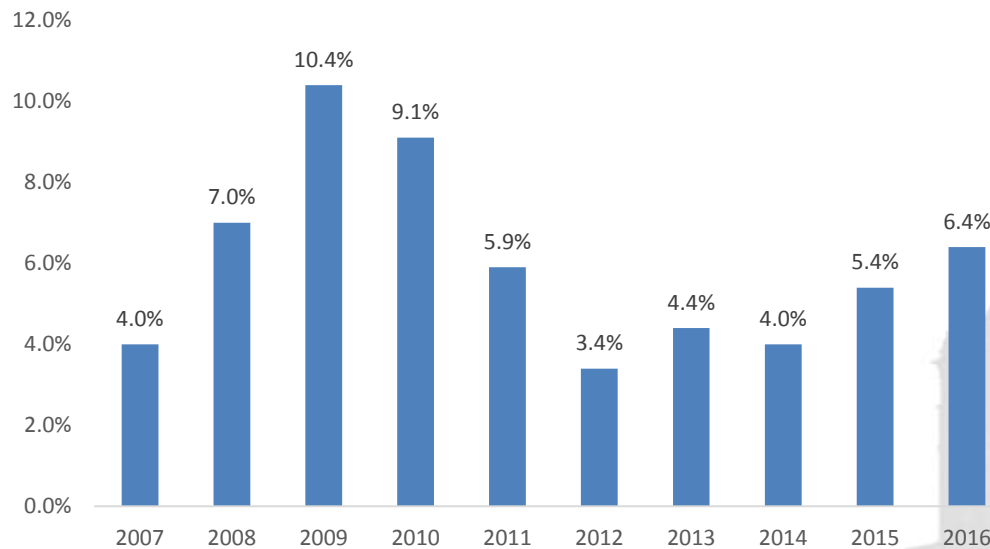


Returning Value to Shareholders

- \$485 million returned to shareholders since IPO in the form of dividends and buybacks (the IPO itself was only \$465 million).
- Significant insider ownership at 31.7% with majority held by founder Dr Biing-Seng Wu.
- Dr Wu helped establish the first flat panel plant in Taiwan and holds over 60 patents.



Dividend Yield



Dr. Biing-Seng Wu:
Founder Chairman
of the board.



Valuation and Recommendation



Valuation Assumptions

Bull Case

- LCoS ramp in 2015.
- Large Panel market share gains and margin expansion.
- Small Panel market share gains, steady ASPs, and steady margins.
- Other Products continue to grow at forecasted rates.

Base Case

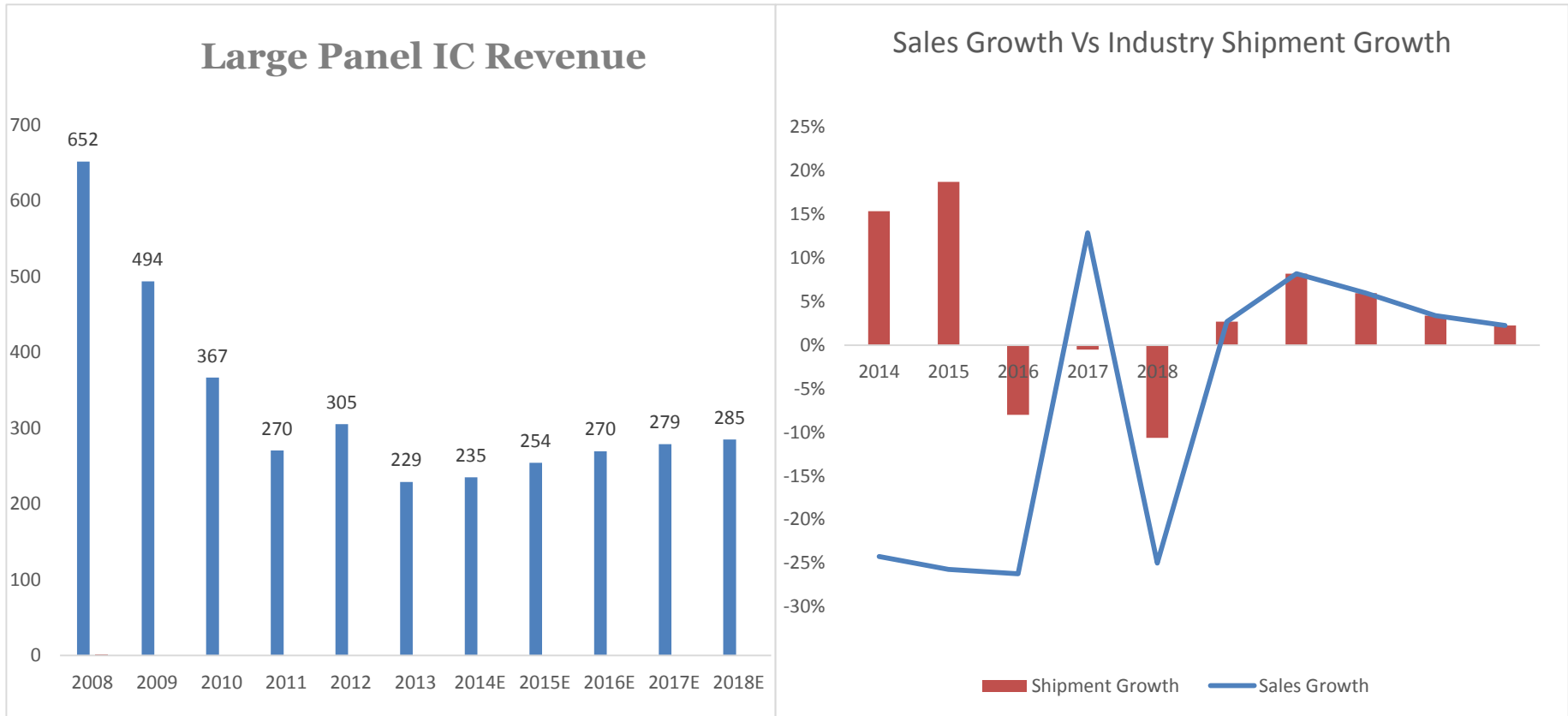
- LCoS ramp in 2016.
- Large Panel Driver sales and margins stabilize.
- Small Panel constant market share, pricing pressure, and margin pressure.
- Other products continue to grow at forecasted rates.

Bear Case

- LCoS production never ramps beyond current production.
- Large panel market share loss and margin pressure.
- Small panel market share loss and very high pricing pressure..
- Other products see slightly below forecast growth.

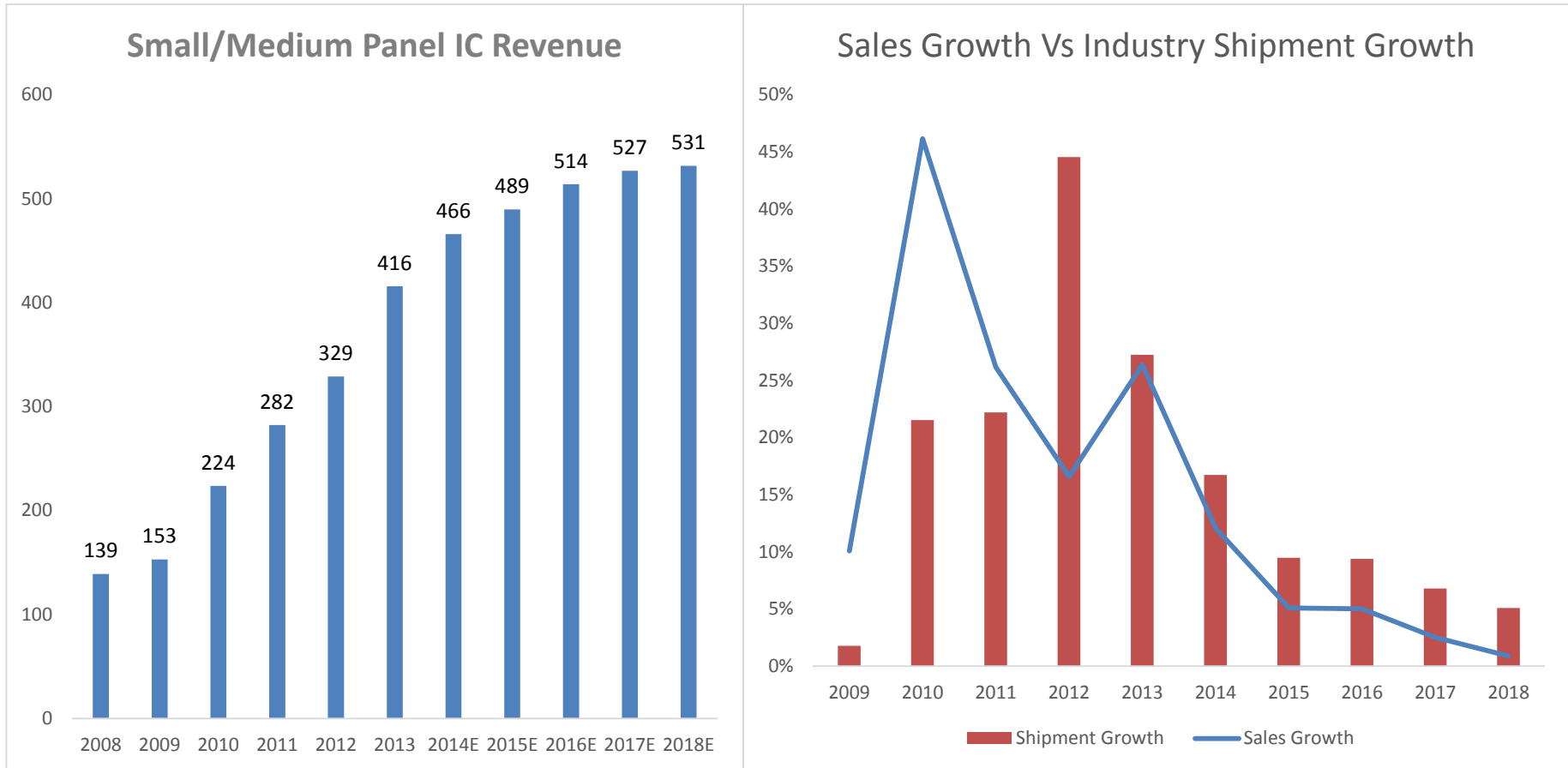


Large Panel Projections



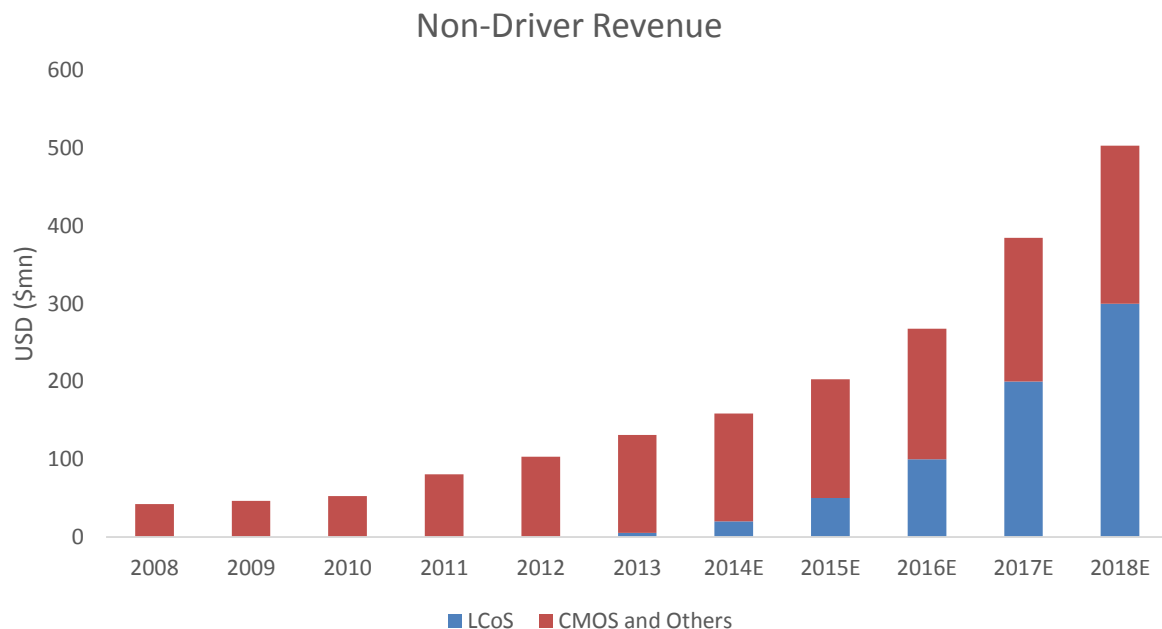
My base case models stabilization in large driver IC segment tracking growth in the overall industry.

Small Panel Projections



My base case models rapidly slowing growth in the small driver IC segment.

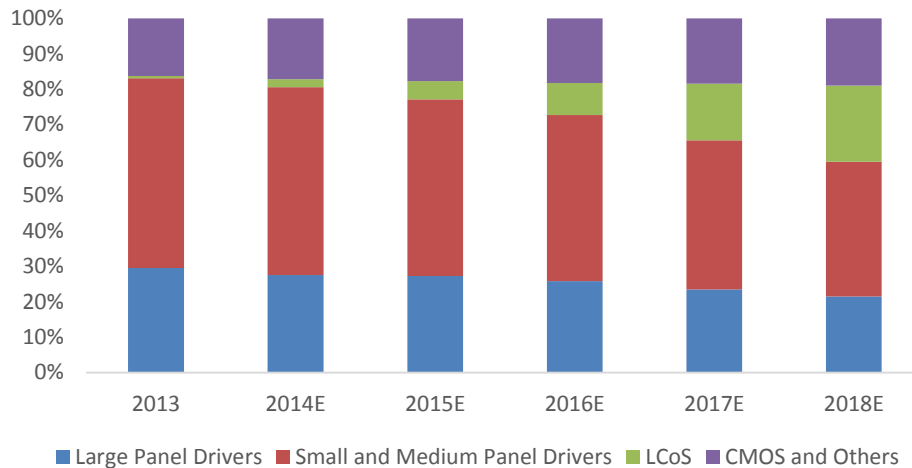
Non-Driver Projections



	2014	2015	2016	2017	2018
ASP	20	20	20	20	20
Units (<i>millions</i>)	1	2.5	5	10	15
Revenue	20	50	100	200	300
EPS	0.05	0.12	0.23	0.47	0.70
% contribution	12%	20%	28%	43%	52%

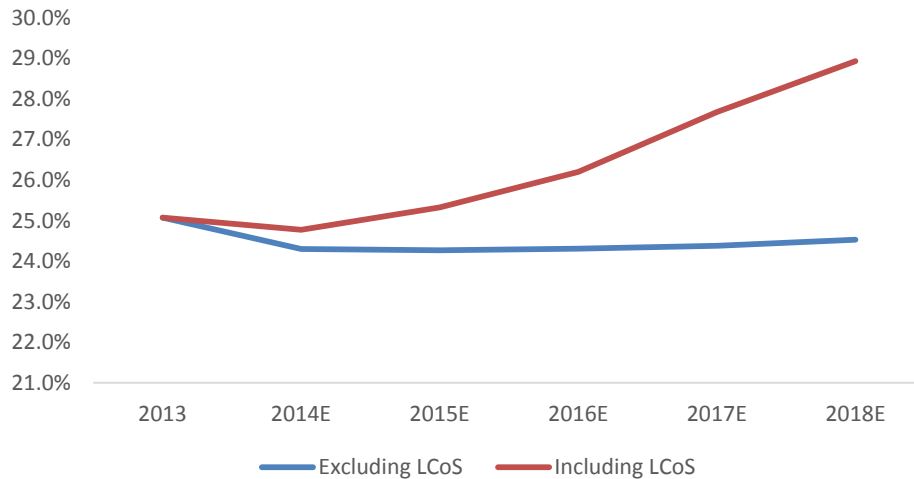
Revenue and Earnings Mix

Revenue by Segment

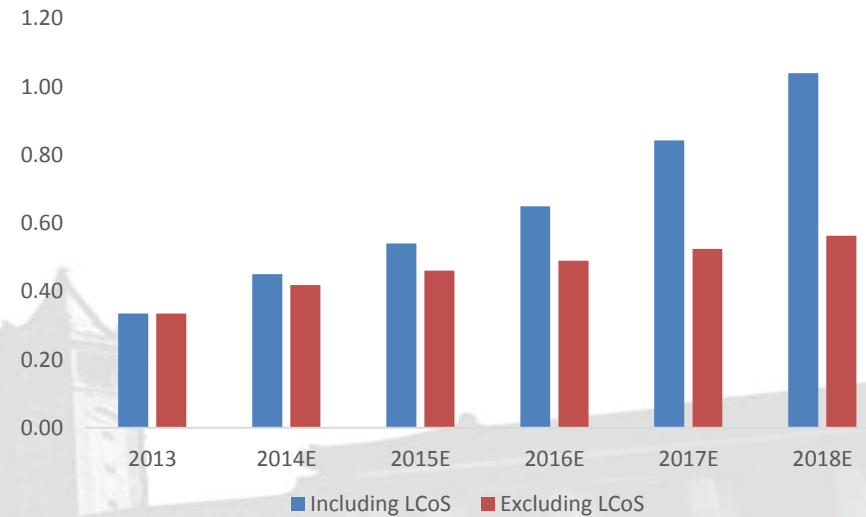


- LCoS has gross margins around 50%.
- Significant growth in LCoS will drive rapid margin expansion.
- Earnings impact will be significant beyond 2016.

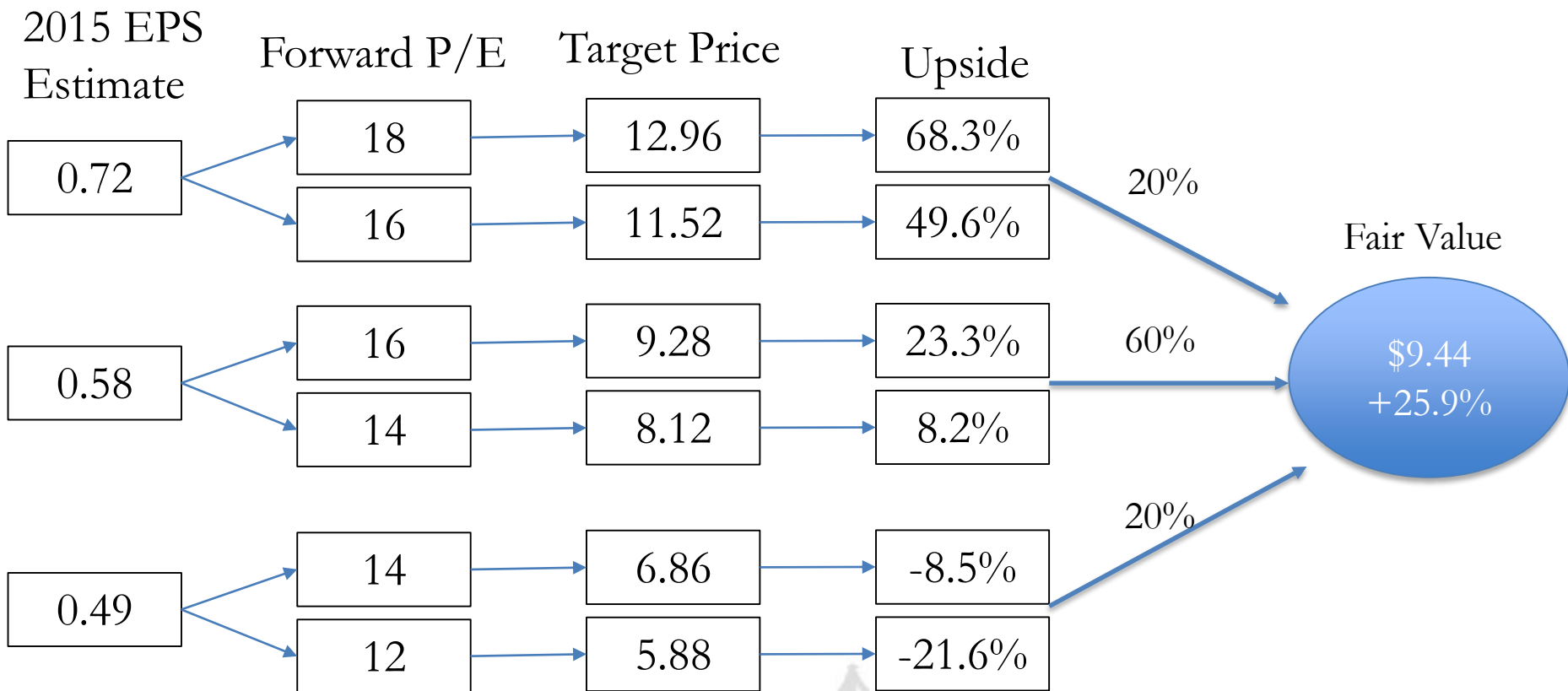
LCoS Gross Margin Impact



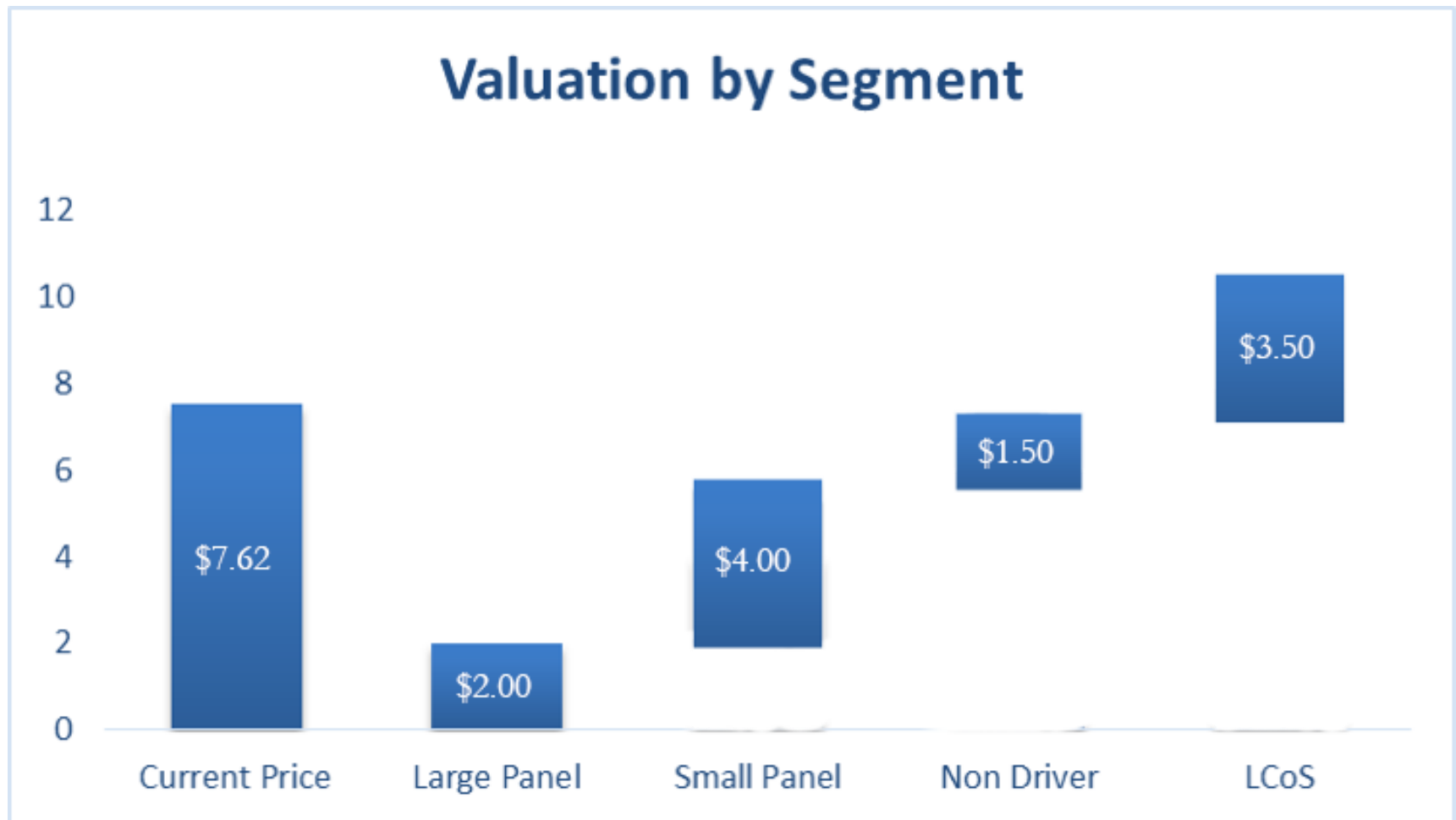
LCoS Earnings Impact



Valuation Tree



Contributions to Valuation



Valuation Summary

HIMX (Daily) 9/20/2013 - 11/2/2014



© 2014 NinjaTrader, LLC



Appendix



HIMAX TECHNOLOGIES, INC.											
USD in millions except per share data.											
	2008	2009	2010	2011	2012	2013	2014E	2015E	2016E	2017E	2018E
Large Panel Drivers	651.5	493.5	366.5	270.4	305.2	228.9	242.3	267.5	283.4	293.0	299.7
% Growth		-24.3%	-25.7%	-26.2%	12.9%	-25.0%	5.9%	10.4%	5.9%	3.4%	2.3%
Small and Medium Panel Drivers	139	153	223.6	282.1	328.9	415.6	465.7	489.5	513.9	526.8	531.5
% Growth		10.1%	46.1%	26.2%	16.6%	26.4%	12.1%	5.1%	5.0%	2.5%	0.9%
Total Non-Drivers	42.15	46.3	52.6	80.5	103.2	126.2	171.4	224.2	300.3	430.3	564.9
LCoS	0	0	0	0	0	5.1	20	50	100	200	300
% Growth	0%	0%	0%	0%	0%	0%	292.2%	150.0%	100.0%	100.0%	50.0%
CMOS and Others	42.15	46.3	52.6	80.5	103.2	126.2	151.4	174.2	200.3	230.3	264.9
% Growth		9.8%	13.6%	53.0%	28.2%	22.3%	20.0%	15.0%	15.0%	15.0%	15.0%
Revenue	833	692	643	633	737	771	879.5	981.1	1097.6	1250.2	1396.0
% Growth		-16.9%	-7.1%	-1.6%	16.4%	4.6%	14.1%	11.6%	11.9%	13.9%	11.7%
COGS											
Large Driver IC				48	56	43	46	51	55	56	58
% Gross Margin				17.8%	18.3%	18.8%	19.0%	19.2%	19.4%	19.2%	19.2%
Small Driver IC				62.0	84.0	106.0	117.4	122.4	127.5	130.7	131.8
% Gross Margin				22.0%	25.5%	25.5%	25.2%	25.0%	24.8%	24.8%	24.8%
Non Driver Gross Profit				15	31	42	45.4	52.2	60.1	69.1	79.5
% Gross Margin				18.6%	30.0%	33.3%	30.0%	30.0%	30.0%	30.0%	30.0%
LCoS Gross Profit						2.3	9	22.5	45	90	135
% Gross Margin						45.0%	45.0%	45.0%	45.0%	45.0%	45.0%
Cost of revenue				508.0	566.0	577.7	661.7	732.6	810.1	904.2	992.2
% of Revenue				80.3%	76.8%	74.9%	75.2%	74.7%	73.8%	72.3%	71.1%
Gross profit	204	142	135	125	171	193	218	248	288	346	404
% Growth		-30.4%	-4.9%	-7.4%	36.8%	13.0%	12.7%	14.1%	15.7%	20.3%	16.7%
% Gross Margin		20.5%	21.0%	19.7%	23.2%	25.1%	24.8%	25.3%	26.2%	27.7%	28.9%
Operating expenses											
Research and development	88	71	76	79	71	80	79	87	97	110	123
% of Sales	10.6%	10.3%	11.8%	12.5%	9.6%	10.4%	9.0%	8.9%	8.8%	8.8%	8.8%
Sales, General and administrative	31	27	32	31	33	37	36.0	38.0	43.0	44.0	44.0
% of Sales	3.7%	3.9%	5.0%	4.9%	4.5%	4.8%	4.1%	3.9%	3.9%	3.5%	3.2%
Total operating expenses	119	98	108	110	104	117	115	125	140	154	167
Operating income	85.0	44.0	27.0	15.0	67.0	76.3	102.7	123.2	147.9	192.0	237.0
% Growth		-48.2%	-38.6%	-44.4%	346.7%	13.9%	34.6%	19.9%	20.1%	29.8%	23.4%
% Operating Margin	10.2%	6.4%	4.2%	2.4%	9.1%	9.9%	11.7%	12.6%	13.5%	15.4%	17.0%
Interest and Taxes											
Interest Expense	0	0	0	0	0	0	0	0	0	0	0
Income before taxes	64	44	35	17	66	75	102.7	123.2	147.9	192.0	237.0
Provision for income taxes	-9	8	6	7	16	19	26	30.8	37.0	48.0	59.2
Tax Rate	-14.1%	18.2%	17.1%	41.2%	24.2%	25.3%	25%	25.0%	25.0%	25.0%	25.0%
Net income	94.0	36.0	21.0	8.0	51.0	57.3	77.0	92.4	110.9	144.0	177.7
% Growth		-61.7%	-41.7%	-61.9%	537.5%	12.3%	34.4%	19.9%	20.1%	29.8%	23.4%
% Net Margin	11.3%	5.2%	3.3%	1.3%	6.9%	7.4%	8.8%	9.4%	10.1%	11.5%	12.7%

HIMAX TECHNOLOGIES, INC.

USD in millions except per share data.

	2008	2009	2010	2011	2012	2013	2014E	2015E	2016E	2017E	2018E
Large Panel Drivers	651.5	493.5	366.5	270.4	305.2	228.9	252.1	283.8	306.4	316.8	324.0
% Growth		-24.3%	-25.7%	-26.2%	12.9%	-25.0%	10.2%	12.5%	8.0%	3.4%	2.3%
Small and Medium Panel Drivers	139	153	223.6	282.1	328.9	415.6	495.7	554.2	618.8	660.8	694.3
% Growth		10.1%	46.1%	26.2%	16.6%	26.4%	19.3%	11.8%	11.7%	6.8%	5.1%
Total Non-Drivers	42.15	46.3	52.6	80.5	103.2	126.2	171.4	274.2	400.3	530.3	664.9
LCoS	0	0	0	0	0	5.1	20	100	200	300	400
% Growth	0%	0%	0%	0%	0%	0%	292.2%	400.0%	100.0%	50.0%	33.3%
CMOS and Others	42.15	46.3	52.6	80.5	103.2	126.2	151.4	174.2	200.3	230.3	264.9
% Growth		9.8%	13.6%	53.0%	28.2%	22.3%	20.0%	15.0%	15.0%	15.0%	15.0%
Revenue	833	692	643	633	737	771	919.3	1112.1	1325.5	1507.9	1683.2
% Growth		-16.9%	-7.1%	-1.6%	16.4%	4.6%	19.2%	21.0%	19.2%	13.8%	11.6%
COGS											
Large Driver IC				48	56	43	48	55	60	62	64
% Gross Margin				17.8%	18.3%	18.8%	19.2%	19.5%	19.6%	19.6%	19.6%
Small Driver IC				62.0	84.0	106.0	127.4	143.5	161.5	173.8	184.0
% Gross Margin				22.0%	25.5%	25.5%	25.7%	25.9%	26.1%	26.3%	26.5%
Non Driver Gross Profit				15	31	42	45.4	52.2	60.1	69.1	79.5
% Gross Margin				18.6%	30.0%	33.3%	30.0%	30.0%	30.0%	30.0%	30.0%
LCoS Gross Profit						2.3	9	50	100	150	200
% Gross Margin						45.0%	45.0%	50.0%	50.0%	50.0%	50.0%
Cost of revenue				508.0	566.0	577.7	689.0	811.0	943.8	1052.9	1156.2
% of Revenue				80.3%	76.8%	74.9%	75.0%	72.9%	71.2%	69.8%	68.7%
Gross profit	204	142	135	125	171	193	230	301	382	455	527
% Growth		-30.4%	-4.9%	-7.4%	36.8%	13.0%	19.1%	30.8%	26.7%	19.2%	15.8%
% Gross Margin		20.5%	21.0%	19.7%	23.2%	25.1%	25.0%	27.1%	28.8%	30.2%	31.3%
Operating expenses											
Research and development	88	71	76	79	71	80	83	99	117	133	148
% of Sales	10.6%	10.3%	11.8%	12.5%	9.6%	10.4%	9.0%	8.9%	8.8%	8.8%	8.8%
Sales, General and administrative	31	27	32	31	33	37	36.0	38.0	43.0	44.0	44.0
% of Sales	3.7%	3.9%	5.0%	4.9%	4.5%	4.8%	3.9%	3.4%	3.2%	2.9%	2.6%
Total operating expenses	119	98	108	110	104	117	119	137	160	177	192
Operating income	85.0	44.0	27.0	15.0	67.0	76.3	111.5	164.1	222.0	278.3	334.8
% Growth		-48.2%	-38.6%	-44.4%	346.7%	13.9%	46.1%	47.2%	35.3%	25.3%	20.3%
% Operating Margin	10.2%	6.4%	4.2%	2.4%	9.1%	9.9%	12.1%	14.8%	16.7%	18.5%	19.9%
Interest and Taxes											
Interest Expense	0	0	0	0	0	0	0	0	0	0	0
Income before taxes	64	44	35	17	66	75	111.5	164.1	222.0	278.3	334.8
Provision for income taxes	-9	8	6	7	16	19	28	41.0	55.5	69.6	83.7
Tax Rate	-14.1%	18.2%	17.1%	41.2%	24.2%	25.3%	25%	25.0%	25.0%	25.0%	25.0%
Net income	94.0	36.0	21.0	8.0	51.0	57.3	83.6	123.1	166.5	208.7	251.1
% Growth		-61.7%	-41.7%	-61.9%	537.5%	12.3%	46.0%	47.2%	35.3%	25.3%	20.3%
% Net Margin	11.3%	5.2%	3.3%	1.3%	6.9%	7.4%	9.1%	11.1%	12.6%	13.8%	14.9%

HIMAX TECHNOLOGIES, INC.

USD in millions except per share data.

	2008	2009	2010	2011	2012	2013	2014E	2015E	2016E	2017E	2018E
Large Panel Drivers	651.5	493.5	366.5	270.4	305.2	228.9	227.8	241.3	252.8	258.5	264.4
<i>% Growth</i>		-24.3%	-25.7%	-26.2%	12.9%	-25.0%	-0.5%	5.9%	4.8%	2.3%	2.3%
Small and Medium Panel Drivers	139	153	223.6	282.1	328.9	415.6	441.4	445.4	449.0	443.8	433.8
<i>% Growth</i>		10.1%	46.1%	26.2%	16.6%	26.4%	6.2%	0.9%	0.8%	-1.1%	-2.3%
Total Non-Drivers	42.15	46.3	52.6	80.5	103.2	126.2	171.4	194.2	240.3	290.3	364.9
<i>LCoS</i>	0	0	0	0	0	5.1	20	20	40	60	100
<i>% Growth</i>	0%	0%	0%	0%	0%	0%	292.2%	0.0%	100.0%	50.0%	66.7%
<i>CMOS and Others</i>	42.15	46.3	52.6	80.5	103.2	126.2	151.4	174.2	200.3	230.3	264.9
<i>% Growth</i>		9.8%	13.6%	53.0%	28.2%	22.3%	20.0%	15.0%	15.0%	15.0%	15.0%
Revenue	833	692	643	633	737	771	840.6	880.8	942.1	992.7	1063.0
<i>% Growth</i>		-16.9%	-7.1%	-1.6%	16.4%	4.6%	9.0%	4.8%	7.0%	5.4%	7.1%
COGS											
Large Driver IC				48	56	43	43	46	48	49	50
<i>% Gross Margin</i>				17.8%	18.3%	18.8%	19.0%	19.0%	19.0%	19.0%	19.0%
Small Driver IC				62.0	84.0	106.0	111.2	111.3	111.3	110.1	107.6
<i>% Gross Margin</i>				22.0%	25.5%	25.5%	25.2%	25.0%	24.8%	24.8%	24.8%
Non Driver Gross Profit				15	31	42	45.4	52.2	60.1	69.1	79.5
<i>% Gross Margin</i>				18.6%	30.0%	33.3%	30.0%	30.0%	30.0%	30.0%	30.0%
LCoS Gross Profit						2.3	9	9	18	27	45
<i>% Gross Margin</i>						45.0%	45.0%	45.0%	45.0%	45.0%	45.0%
Cost of revenue				508.0	566.0	577.7	631.7	662.4	704.6	737.4	780.8
<i>% of Revenue</i>				80.3%	76.8%	74.9%	75.1%	75.2%	74.8%	74.3%	73.4%
Gross profit	204	142	135	125	171	193	209	218	237	255	282
<i>% Growth</i>		-30.4%	-4.9%	-7.4%	36.8%	13.0%	8.1%	4.5%	8.7%	7.5%	10.6%
<i>% Gross Margin</i>		20.5%	21.0%	19.7%	23.2%	25.1%	24.9%	24.8%	25.2%	25.7%	26.6%
Operating expenses											
Research and development	88	71	76	79	71	80	76	78	83	87	94
<i>% of Sales</i>	10.6%	10.3%	11.8%	12.5%	9.6%	10.4%	9.0%	8.9%	8.8%	8.8%	8.8%
Sales, General and administrative	31	27	32	31	33	37	36.0	38.0	43.0	44.0	44.0
<i>% of Sales</i>	3.7%	3.9%	5.0%	4.9%	4.5%	4.8%	4.3%	4.3%	4.6%	4.4%	4.1%
Total operating expenses	119	98	108	110	104	117	112	116	126	131	138
Operating income	85.0	44.0	27.0	15.0	67.0	76.3	97.3	102.0	111.6	123.9	144.7
<i>% Growth</i>		-48.2%	-38.6%	-44.4%	346.7%	13.9%	27.5%	4.9%	9.3%	11.1%	16.8%
<i>% Operating Margin</i>	10.2%	6.4%	4.2%	2.4%	9.1%	9.9%	11.6%	11.6%	11.8%	12.5%	13.6%
Interest and Taxes											
Interest Expense	0	0	0	0	0	0	0	0	0	0	0
Income before taxes	64	44	35	17	66	75	97.3	102.0	111.6	123.9	144.7
Provision for income taxes	-9	8	6	7	16	19	24	25.5	27.9	31.0	36.2
<i>Tax Rate</i>	-14.1%	18.2%	17.1%	41.2%	24.2%	25.3%	25%	25.0%	25.0%	25.0%	25.0%
Net income	94.0	36.0	21.0	8.0	51.0	57.3	73.0	76.5	83.7	93.0	108.5
<i>% Growth</i>		-61.7%	-41.7%	-61.9%	537.5%	12.3%	27.3%	4.9%	9.3%	11.1%	16.8%
<i>% Net Margin</i>	11.3%	5.2%	3.3%	1.3%	6.9%	7.4%	8.7%	8.7%	8.9%	9.4%	10.2%

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Operating income	85	44	27	15	67	76	103	123	148	192	237
Tax Rate	-14.1%	18.2%	17.1%	41.2%	24.2%	25.3%	25.0%	25.0%	25.0%	25.0%	25.0%
NOPAT	97.0	36.0	22.4	8.8	50.8	57.0	77.0	92.4	110.9	144.0	177.7
D&A			14	14	13	13	14	14	14	14	14
CAPEX			11	7.17	19	6.56	18	15	15	15	15
Accounts Recievable		203	176	181	209	201	229	255	286	325	363
Inventories		68	118	113	117	177	173	194	217	247	275
Accounts Payable		88	116	134	136	151	202	226	253	288	321
NWC		183	178	160	190	227	200	223	250	284	317
Change in NWC			-5	-18	30	37	-27	23	26	35	33
Days Recievable		107	100	104	104	95	95	95	95	95	95
Days Inventory				81	75	112	72	72	72	72	72
Days Payable				96	88	95	84	84	84	84	84
Free Cash Flow		36.0	30.4	33.7	14.8	26.4	100.0	68.3	83.5	108.3	143.6
% Growth			-15.6%	10.8%	-56.1%	78.9%	278.7%	-31.7%	22.3%	29.8%	32.5%

