

# INVESTOR FACT SHEET

Q3 Fiscal 2017 (ended April 30, 2017)

Analogic provides leading-edge healthcare and security technology solutions to advance the practice of medicine and save lives. We are recognized around the world for advanced imaging systems and technology that enable computed tomography (CT), ultrasound, digital mammography, and magnetic resonance imaging (MRI), as well as automated threat detection for aviation security. Our market-leading ultrasound systems, led by our flagship BK Ultrasound brand, used in procedure-driven markets such as urology, surgery, and point-of-care, are sold to clinical practitioners around the world through our direct sales force.



analogic

Innovative Solutions for Life

## Snapshot

|                                    |                                  |
|------------------------------------|----------------------------------|
| NASDAQ OMX                         | ALOG                             |
| Long-term Debt                     | None                             |
| Quarterly Dividend                 | \$0.10/share                     |
| Market Cap (intraday 6/22/17)      | \$862 M                          |
| Shares Outstanding (as of 6/22/17) | 12.47 M                          |
| Fiscal Year End                    | July 31                          |
| Indexes                            | S&P SmallCap 600<br>Russell 2000 |

## Fiscal 2016 Performance

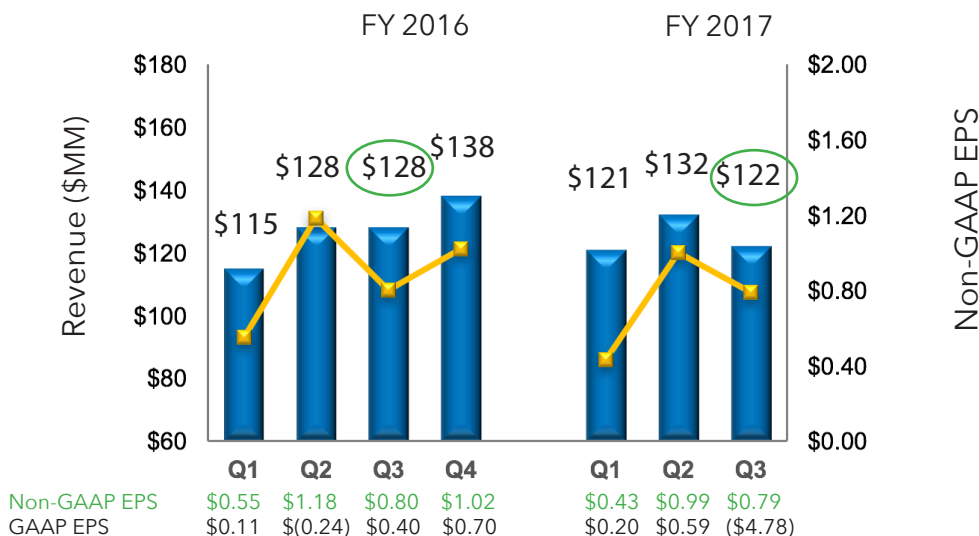
- Revenue \$509 M
- GAAP diluted EPS \$0.96/share
- Non-GAAP\* diluted EPS \$3.54/share
- GAAP operating margin 5%
- Non-GAAP\* operating margin 13%
- Positive operating cash flows \$33 M, free cash flow \$20 M
- Cash & Equivalents (Q3 FY 2017) \$159 M

## Quarterly Milestones

(compared to Q3 FY 16)

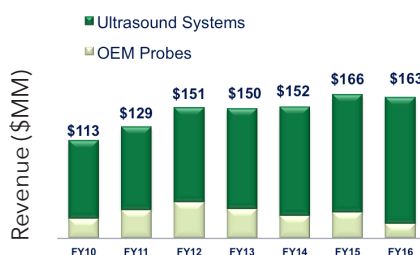
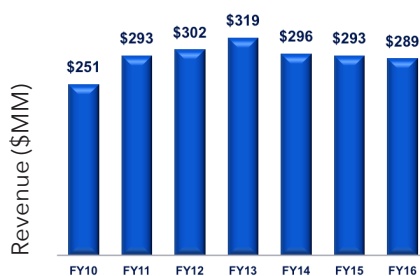
- Quarterly revenue \$122 M, down 5%
- Gross margin 43%
- GAAP operating margin (53%)
- Non-GAAP operating margin 10%
- GAAP diluted EPS (\$4.78)
- Non-GAAP diluted EPS \$0.79

## Revenue and Non-GAAP EPS\*



\* Non-GAAP EPS figures exclude certain charges; please refer to the non-GAAP reconciliation table on the back of this Fact Sheet and in Analogic's Q3 FY 2017 earnings release available at <http://investor.analogic.com>.

## Business Units



\*As of fiscal 2016

## Medical Imaging

(57%\* of revenue)

In Medical Imaging, we are a leading designer and manufacturer of computed tomography (CT) systems and subsystems; magnetic resonance imaging (MRI) power systems; and Selenium-based direct digital 2D and 3D mammography detectors sold to OEMs around the world. Our subsystems are used in half of all the CT and MRI scanners installed worldwide.

## Ultrasound

(32%\* of revenue)

We are a global market leader with over 40 years of innovation in procedure-driven ultrasound, branded BK Ultrasound. Our products are used in the urology, surgery, and point-of-care markets. Our ultrasound segment also manufactures and sells advanced ultrasound transducers and probes to medical OEMs.

## Security and Detection

(11%\* of revenue)

Our security business designs and manufacturers airport checked baggage screening systems and DNA analysis systems. Our checked baggage systems are sold through our OEM customers, L-3 Communications and Smiths Detection, to the Transportation Security Administration for installation in U.S. airports and to international airport authorities for installation at airports outside of the U.S.

## Analyst Coverage

CJS Securities, Inc. Lawrence Solow

Sidoti & Company James Sidot

## Top Five Shareholders % TSO

BlackRock Inst. Trust Co. 12.0%

The Vanguard Group, Inc. 9.0%

Dimensional Fund Advisors, L.P. 6.2%

Wells Capital Management Inc. 5.7%

Royce & Associates, LP 4.6%  
(as of March 31, 2017)

## Senior Management

### Fred Parks

President and CEO

### Mark Frost

Senior Vice President, CFO, and Treasurer

## Investor Contact

### Mark Namaroff

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Please visit <http://investor.analogic.com> for a copy of Analogic's fiscal 2016 10K report.

## Non-GAAP Statements of Operations Reconciliation

(In thousands, except per share data)

|   | Oct 31, 15     | Jan 31, 16      | Apr 30, 16      | Jul 31, 16      | Oct 31, 16     | Jan 31, 17      | Apr 30, 17      |
|---|----------------|-----------------|-----------------|-----------------|----------------|-----------------|-----------------|
| GAAP (Loss) Income From Operations              | \$1,988        | \$1,509         | \$7,626         | \$14,090        | \$3,953        | \$9,450         | \$(64,603)      |
| Share-based compensation expense                | 2,382          | 1,760           | 2,934           | 1,720           | 1,563          | 2,597           | 2,195           |
| BK distributor matter inquiry related costs     | 26             | 10,208          | 39              | 195             | 4              | 12              | 8               |
| Restructuring                                   | 3,283          | 3,147           | 1,839           | 1,372           | 32             | 267             | 2,080           |
| Acquisition-related revenues and expenses       | 2,061          | 2,492           | 2,462           | 2,360           | 2,212          | (6,065)         | (23)            |
| Asset impairment charges                        |                |                 |                 |                 |                | 10,423          | 73,051          |
| <b>Non-GAAP Income From Operations</b>          | <b>\$9,740</b> | <b>\$19,116</b> | <b>\$14,900</b> | <b>\$19,737</b> | <b>\$7,764</b> | <b>\$16,684</b> | <b>\$12,708</b> |
| Percentage of Total Net Revenue                 | 8%             | 15%             | 12%             | 14%             | 6%             | 13%             | 10%             |
| GAAP Net Income (Loss)                          | \$1,376        | \$(2,985)       | \$4,970         | \$8,767         | \$2,531        | \$7,510         | \$(59,664)      |
| Share-based compensation expense                | 1,684          | 1,228           | 1,996           | 1,121           | 1,066          | 1,791           | 1,453           |
| BK distributor matter inquiry related costs     | 17             | 12,640          | 30              | 133             | 2              | 8               | 433             |
| Restructuring                                   | 2,171          | 2,010           | 1,146           | 858             | 21             | 169             | 1,367           |
| Acquisition-related revenues, expenses and loss | 1,722          | 1,989           | 1,958           | 1,898           | 1,752          | (3,500)         | 338             |
| Asset impairment charges                        |                |                 |                 |                 |                | 6,610           | 66,035          |
| <b>Non-GAAP Net Income</b>                      | <b>\$6,969</b> | <b>\$14,882</b> | <b>\$10,100</b> | <b>\$12,777</b> | <b>\$5,372</b> | <b>\$12,588</b> | <b>\$9,962</b>  |
| Percentage of Total Net Revenue                 | 6%             | 12%             | 8%              | 9%              | 4%             | 10%             | 8%              |
| GAAP Diluted Net Income (Loss) Per Share        | \$0.11         | \$(0.24)        | \$0.40          | \$0.70          | \$0.20         | \$0.59          | \$(4.78)        |
| Effect of Non-GAAP adjustments                  | 0.44           | 1.43            | .40             | .32             | 0.23           | 0.40            | 5.57            |
| <b>Non-GAAP Diluted Net Income Per Share</b>    | <b>\$0.55</b>  | <b>\$1.18</b>   | <b>\$0.80</b>   | <b>\$1.02</b>   | <b>\$0.43</b>  | <b>\$0.99</b>   | <b>\$0.79</b>   |

Note Regarding Forward-Looking Statements: In addition to historical information, this document may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to risks and uncertainties. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including risks relating to product development and commercialization, limited demand for the Company's products, risks associated with competition, uncertainties associated with regulatory agency approvals, competitive pricing pressures, downturns in the economy, the risk of potential intellectual property litigation, acquisition, related risks, and other factors discussed in our most recent annual and quarterly reports filed with the Securities and Exchange Commission. In addition, forward-looking statements represent the Company's views as of the date of this document. While the Company anticipates that subsequent events and developments will cause the Company's views to change, the Company specifically disclaims any obligation to update these forward-looking statements. These forward-looking statements should not be relied upon as representing the Company's views as of any date later than the date of this document.

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