

Applied Tech Monthly Top 3

ZRAN, TSYS, NICE; Removing GEOY and PLT

For April's Applied Technology Monthly Top 3 picks, we maintain ZRAN and add TSYS and NICE. We are removing GEOY and PLT, though we maintain our Overweight rating for both stocks.

- ZRAN/OW – Maintaining as a Top 3 pick.** ZRAN decreased 5.1% in March. ZRAN may be at an inflection point. Years of investment in silicon and software have yielded a portfolio of solutions for the next generation of connected CE devices. We believe the stock is undervalued, factoring in \$7.60 per share of cash, making ZRAN an interesting long trade heading into a cyclical recovery in mid-CY10, but we also believe this stock could emerge as a good long-term holding for investors that want exposure to DTV conversion in Europe, HD deployment in emerging markets, growth in OTT Video, internet media devices, the connected home and Blu-Ray. Price target \$15.
- TSYS/OW – Adding to Top 3.** TSYS has traded down 24% YTD (S&P500 up 4.9%), in part due to concerns that growth in the acquired NIM TBT Navigation business will stall owing to the introduction of free TBT solutions by Nokia and Google, we believe. This underestimates the critical role that a branded TBT solution plays for the wireless operator, in our view, and hence we think the sell-off is unjustified; in short, we believe the NIM business continues to grow according to plan (\$65-75mm of revenue in 2010E). We touched base with management and believe the company remains on track to post PF EBITDA growth of over 60% in 2010 on revenue growth of over 40%, inclusive of acquisitions. We think the stock is significantly undervalued. Price target \$12.
- NICE/OW – Adding to Top 3.** We believe NICE's 20% y/y growth in orders in 4Q09 is carrying over into 1Q10, adding to record backlog. The Actimize business is driving a good portion of the growth, which could provide potential upside to NICE's margins. The segment enjoys margins above the corporate average and could expand further with scale. We also believe that NICE has more mega deals in the pipeline within the Security segment, beyond the 8-digit deals already announced. Price target \$38.50.
- GEOY/OW and PLT/OW – Removing from Top 3.** GEOY increased 23.9% and PLT increased 10.0% in March. We maintain our Overweight rating for both but believe better near-term opportunities can be found elsewhere in our coverage universe.

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Equity Ratings and Price Targets

Company	Symbol	Mkt Cap (\$ mn)	Price(\$)	Rating		Price Target	
				Cur	Prev	Cur	Prev
Zoran Corp	ZRAN	562.96	10.76	OW	n/c	15.00	n/c
TeleCommunication Systems, Inc	TSYS	388.01	7.34	OW	n/c	12.00	n/c
Nice Systems	NICE	2,022.95	31.75	OW	n/c	38.50	n/c
GeoEye, Inc.	GEOY	623.60	29.50	OW	n/c	34.00	n/c
Plantronics Inc	PLT	1,514.92	31.28	OW	n/c	36.00	n/c

Source: Company data, Bloomberg, J.P. Morgan estimates. n/c = no change. All prices as of 31 Mar 10.

See page 19 for analyst certification and important disclosures.

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J.P. Morgan Applied Tech Monthly Top Picks

The purpose of the Monthly Top Picks is to highlight our best short-term SMID Cap trading ideas within the context of our coverage universe, with an emphasis on near-term catalysts that may have a meaningful impact on performance.

Table 1: Historical Performance of Monthly Top 3 Picks

	Ticker	Our Call	Return for Month
April 2009			
Sandisk Corp.	SNDK	Short	24.3%
Esco Technologies	ESE	Short	7.4%
Cubic Corp.	CUB	Long	13.3%
S&P 500			9.4%
May 2009			
Omnivision Technologies	OVTI	Long	19.8%
Esco Technologies	ESE	Short	-2.3%
Cubic Corp.	CUB	Long	32.9%
S&P 500			5.3%
June 2009			
GeoEye, Inc.	GEOY	Long	9.7%
Nice Systems	NICE	Long	0.5%
Synaptics Incorporated	SYNA	Long	10.1%
S&P 500			0.0%
July 2009			
GeoEye, Inc.	GEOY	Long	5.3%
Nice Systems	NICE	Long	18.7%
Synaptics Incorporated	SYNA	Long	-38.0%
S&P 500			7.4%
August 2009			
DivX, Inc.	DIVX	Long	-10.5%
GeoEye, Inc.	GEOY	Long	2.1%
Omnivision Technologies	OVTI	Long	10.6%
S&P 500			3.7%
September 2009			
Itron	ITRI	Long	17.1%
GeoEye, Inc.	GEOY	Long	5.8%
EnerNOC	ENOC	Long	23.1%
S&P 500			3.6%
October 2009			
Dolby	DLB	Long	9.8%
GeoEye, Inc.	GEOY	Long	-5.3%
Itron	ITRI	Long	-6.4%
S&P 500			-2.0%
November 2009			
Plantronics	PLT	Long	-4.0%
Omnivision Technologies	OVTI	Long	13.9%
GeoEye, Inc.	GEOY	Long	22.9%
S&P 500			5.7%
December 2009			
Plantronics	PLT	Long	12.2%
Omnivision Technologies	OVTI	Long	4.0%
TASER International	TASR	Long	3.5%
S&P 500			1.8%
January 2010			
DigitalGlobe, Inc.	DGI	Long	-2.8%
Plantronics	PLT	Long	1.7%
TASER International	TASR	Long	28.8%
S&P 500			-3.7%
February 2010			
Plantronics	PLT	Long	7.6%
TASER International	TASR	Long	34.0%
Zoran Corp	ZRAN	Long	3.4%
S&P 500			2.9%
March 2010			
GeoEye, Inc.	GEOY	Long	23.9%
Plantronics	PLT	Long	10.0%
Zoran Corp	ZRAN	Long	-5.1%
S&P 500			5.9%

Source: J.P. Morgan, Bloomberg.

Maintain Zoran Corp (ZRAN/OW) as a Monthly Top 3 Pick

Overweight

Company Data	
Price (\$)	10.76
Date Of Price	31 Mar 10
52-week Range (\$)	12.32 - 8.50
Mkt Cap (\$ mn)	562.96
Fiscal Year End	Dec
Shares O/S (mn)	52
Price Target (\$)	15.00
Price Target End Date	31 Dec 10

Zoran Corp (ZRAN;ZRAN US)

	2009A	2010E	2011E
EPS - Recurring (\$)			
Q1 (Mar)	(0.34)	(0.05)	(0.03)
Q2 (Jun)	(0.08)	0.14	0.18
Q3 (Sep)	0.17	0.23	0.29
Q4 (Dec)	0.01	0.07	0.09
FY	(0.25)	0.40	0.52
Bloomberg EPS FY (\$)	(0.30)	0.46	0.71
Revenues FY (\$ mn)	380	450	491

Source: Company data, Bloomberg, J.P. Morgan estimates.

Note: GAAP EPS 2008A=(\$4.20)

1QA=(\$0.41), 2QA=(\$0.27), 3QA=\$0.09, 4QA=(\$0.06), 2009A=(\$0.64)

1QE=(\$0.07), 2QE=\$0.11, 3QE=\$0.20, 4QE=\$0.03, 2010E=\$0.26, 2011E=\$0.38

'Bloomberg' above denotes Bloomberg EPS Adjusted consensus estimates .

ZRAN may be at an inflection point that is obscured by the tail end of the cyclical slowdown. Years of investment in silicon and software have yielded a portfolio of solutions for the next generation of CE devices. We believe the stock is undervalued, factoring in \$7.60 per share of cash, making ZRAN an interesting long trade heading into mid-CY10, but we also believe this stock could emerge as a good long-term holding for investors that want exposure to DTV conversion in Europe, HD deployment in emerging markets, growth in OTT Video, internet media devices, the connected home and Blu-Ray.

Valuation and Rating Analysis

We rate ZRAN Overweight. We believe the stock is attractively valued, taking into consideration that ~70% of the market cap is represented by a net cash position. ZRAN is trading at 5.5 times CY10E EV/EBITDA, a 46% discount to the mean of our coverage. We expect ZRAN to outperform the mean of our coverage in the next 6-12 months.

Our price target is \$15.00, based on 17 times CY11E PF EPS (ex cash), adding back \$7.62 per share of cash. Our price target is based on strong PF EPS forecasts for 2010 and 2011; however, the assigned multiple is at a slight discount to reflect the design cycle and economic cycle risks in this stock.

Risks to Our Price Target and Rating

We might become less constructive on ZRAN's prospects if:

- Demand weakens again and the global CE supply chain seizes up owing to lack of visibility;
- The CE industry moves to interoperability and connected standards that ZRAN is not involved with;
- ZRAN experiences intellectual property disputes that exclude the company from new product categories;
- ZRAN fails to capture meaningful share of the Blu-Ray DVD market.
- ZRAN's win rate for design wins falls short of expectations;

- Foreign exchange rates fluctuate, weighing on reported revenue and margins, relative to expectations;
- The firm fails to contain costs, leading to lower earnings than anticipated.

Adding TeleCommunication Systems, Inc. (TSYS/OW) to Monthly Top 3

Overweight

Company Data	
Price (\$)	7.34
Date Of Price	31 Mar 10
52-week Range (\$)	10.55 - 6.19
Mkt Cap (\$ mn)	388.01
Fiscal Year End	Dec
Shares O/S (mn)	53
Price Target (\$)	12.00
Price Target End Date	31 Dec 10

TeleCommunication Systems, Inc. (TSYS;TSYS US)

	2009A	2010E	2011E
EPS Reported (\$)			
Q1 (Mar)	0.10	0.05	0.06
Q2 (Jun)	0.13	0.07	0.08
Q3 (Sep)	0.10	0.10	0.11
Q4 (Dec)	0.20	0.15	0.17
FY	0.52	0.38	0.43
Bloomberg EPS FY (\$)	0.76	0.55	0.66

Source: Company data, Bloomberg, J.P. Morgan estimates.
2008 PF: 1QA=\$0.11, 2QA=\$0.09, 3QA=\$0.06, 4QA=\$0.79, FY08A=\$1.09
2009 PF: 1QA=\$0.10, 2QA=\$0.14, 3QA=\$0.11, 4QA=\$0.10, FY09E=\$0.45
2010 PF: 1QE=\$0.10, 2QE=\$0.12, 3QE=\$0.15, 4QE=\$0.20, FY10E=\$0.71 (prev=\$0.47), FY11E=\$0.82 (prev=\$0.56)
'Bloomberg' above denotes Bloomberg consensus estimates.

TSYS has traded down 24% YTD (S&P500 up 4.9%), in part due to concerns that growth in the acquired NIM TBT Navigation business will stall owing to the introduction of free TBT solutions by Nokia and Google, we believe. This underestimates the critical role that a branded TBT solution plays for the wireless operator, in our view, and hence we think the sell-off is unjustified; in short, we believe the NIM business continues to grow according to plan (\$65-75mm of revenue in 2010E). We touched base with management recently and believe the company remains on track to post PF EBITDA growth of over 60% in 2010 on revenue growth of over 40%, inclusive of acquisitions. We think the stock is significantly undervalued.

Valuation and Rating Analysis

Maintain Overweight rating. We believe TSYS is undervalued, trading at 6.3 times CY10E EV/EBITDA versus its peers at 8.2-8.3 times. In our view, TSYS should trade at a premium to its communications solutions peers on a sum-of-the-parts basis, including NIM, and a rerating should cause the stock to outperform the mean of our coverage. Our 2010 price target is \$12.00, based on 9 times 2011E EV/EBITDA.

Risks to Our Price Target and Rating

Our price target is at risk from fluctuating market multiples as investor sentiment changes in response to economic conditions and the evolving growth and risk characteristics of the DoD market and the wireless industry.

In addition, we could become less constructive regarding TSYS's prospects for any of the following reasons.

The legacy commercial business could slow or decline. We believe approximately 25% of revenues originate in commercial E911, SMS, and Wireless Internet Gateway services and system sales; businesses that are maturing, for which there is little or no pricing power, owing to competition, and for which growth will depend on winning de novo opportunities with wireless operators. Opportunities for growth and margin

expansion in this context are limited, and we believe competition from companies such as Acision, Comverse, Huawei, Tekelec and Airwide can only strengthen. In addition, the E911 business is being disrupted by the VoIP transition, which could yield opportunity and risk.

The Location-Based Services opportunity is significant, but it also is very risky.

We believe the risk is underscored by the introduction of free maps and navigation services by Google and Nokia, which could cause NIM's main customer (Verizon) to quickly switch from a subscription-based model (ARPU to NIM could be well over \$2.00 per month) to a bundled model (ARPU to NIM would quickly fall to ~\$1.00). Smartphones, through browsers, allow the wireless subscriber to escape the 'walled garden' and access freeware or ad-based solutions. Of course, this could spur rapid adoption, which would be good, but the pricing model could also deteriorate if the transition to ad-based search and navigation happens quickly and NIM does not participate. We believe the bull case is that NIM is well positioned to participate in the strong growth of the mobile internet and high-value mobile search, with billions of potential customers.

Customer concentration risk is high. We believe approximately 15% of 2009 revenue originated in sales to Verizon, and the acquisition of NIM probably increases the concentration risk. Switching costs are high, but this represents a risk. Sales to the US government exceeded 40% in 2008 and were probably at a similar level in 2009.

Government sales could be vulnerable from mid-2011 as the WWSS contract winds down and Swiftlink sales to DoD and other government entities happen within the context of programs of record. The problem with programs of record is that contracts are often not disclosed, so visibility declines (ref FLIR's BETSS-C program). More fundamentally, we are unable to determine TSYS's prospects on new programs (e.g., CTS), and there is risk of federal budgets being reduced in the next few years. Reduced troop commitments to Iraq and Afghanistan in 2012 and beyond could also be a negative

There are execution risks associated with the recent acquisitions, including possible disruptions to operations or accounting and control issues.

Adding Nice Systems (NICE/OW) to Monthly Top 3

Overweight

Company Data	
Price (\$)	31.75
Date Of Price	31 Mar 10
52-week Range (\$)	34.30 - 21.19
Mkt Cap (\$ mn)	2,022.95
Fiscal Year End	Dec
Shares O/S (mn)	64
Price Target (\$)	38.50
Price Target End Date	31 Dec 10

Nice Systems (NICE;NICE US)

	2009A	2010E	2011E
EPS - Recurring (\$)			
Q1 (Mar)	0.35	0.37	0.51
Q2 (Jun)	0.36	0.41	0.53
Q3 (Sep)	0.38	0.45	0.54
Q4 (Dec)	0.45	0.49	0.56
FY	1.54	1.72	2.14
Bloomberg EPS FY (\$)	1.56	1.67	1.98
Revenues FY (\$ mn)	589	665	740

Source: Company data, Bloomberg, J.P. Morgan estimates.
GAAP FY08A: 1QA=\$0.13, 2QA=\$0.02, 3QA=\$0.18, 4QA=\$0.31, FY08A=\$0.64
GAAP FY09A: 1QA=\$0.17, 2QA=\$0.19, 3QA=\$0.12, 4QA=\$0.20, FY09A=\$0.68
GAAP FY10: 1QE=\$0.11, 2QE=\$0.16, 3QE=\$0.21, 4QE=\$0.25, FY10E=\$0.72
GAAP FY11: 1QE=\$0.26, 2QE=\$0.28, 3QE=\$0.31, 4QE=\$0.33, FY11E=\$1.18
'Bloomberg' above denotes Bloomberg consensus estimates.

We believe NICE's 20% y/y growth in orders in 4Q09 is carrying over into 1Q10, adding to record backlog. The Actimize business is driving a good portion of the growth, which could provide potential upside to NICE's margins. The segment enjoys margins above the corporate average and could expand further with scale. We also believe that NICE has more mega deals in the pipeline within the Security segment, beyond the 8-digit deals already announced. Price target \$38.50.

Valuation and Rating Analysis

Maintain Overweight. Our December 31, 2010, price target is \$38.50, based on a multiple of 18x CY11E PF EPS of \$2.14. The multiple is close to the P/E of ~21 times reached in 2005-07 but is still a slight discount, reflecting our view that there's still some risk in the enterprise end market, but the cyclical slowdown in enterprise IT spending does seem to be abating. We believe risks are largely priced in and the stock will outperform the mean of our coverage.

We believe the risks associated with an early-stage industry are moderated by a large customer base (only 5% penetrated with the analytics solutions), diversified end-markets (~70% enterprise, ~30% public sector), geographic diversity (~45% International sales) and long-term growth drivers.

Risks to Our Price Target and Rating

Market adoption of NICE Perform – or market share – could disappoint. The market for products and services that gather and interpret unstructured information (video and voice) is early-stage, and customer adoption of the more advanced actionable intelligence solutions is still modest.

Investment in security applications is sensitive to broader economic health. Slowing GDP and public-sector budget deficits could lead to a slowdown of investment in security and surveillance systems that could weigh on NICE's growth prospects.

NICE faces stiff competition from Verint/Witness Systems, IBM, Cisco, Siemens and others, which could weigh on ASPs, gross margins and EPS.

NICE has been a serial acquirer of companies in its space. To date the acquisitions have generally been accretive within 18 months and integration has been straightforward. There is a risk, however, that the firm makes future acquisitions that are dilutive or introduce a high degree of risk into the business.

The CEO transition introduces a modest risk to operations.

Removing GeoEye, Inc. (GEOY/OW) as a Monthly Top 3 Pick

Overweight

Company Data	
Price (\$)	29.50
Date Of Price	31 Mar 10
52-week Range (\$)	33.00 - 19.10
Mkt Cap (\$ mn)	623.60
Fiscal Year End	Dec
Shares O/S (mn)	21
Price Target (\$)	34.00
Price Target End Date	31 Dec 10

GeoEye, Inc. (GEOY;GEOY US)

	2009A	2010E	2011E
EPS Reported (\$)			
Q1 (Mar)	(0.09)	0.38	0.33
Q2 (Jun)	0.46	0.38	0.33
Q3 (Sep)	0.61	0.36	0.36
Q4 (Dec)	0.55	0.38	0.32
FY	1.55	1.49	1.33
Bloomberg EPS FY (\$)	1.34	1.54	1.66
EBITDA FY (\$ mn)	132	153	152
Revenues FY (\$ mn)	271	309	317

Source: Company data, Bloomberg, J.P.Morgan estimates.

Note 4Q09 GAAP EPS includes loss from \$27mm early extinguishment of debt.

'Bloomberg' above denotes Bloomberg consensus estimates.

GEOY reported solid 4Q results and issued FY10 guidance slightly above expectations. The antenna issue with GeoEye-1 appears to have less of an impact than originally anticipated, resolving one uncertainty. GEOY also announced the availability of new capital through Cerberus, which – though dilutive – removes residual uncertainties regarding the funding of GeoEye-2 and signals the possibility of significant up-front funding by the NGA as part of Enhanced View, which should be awarded in June.

Valuation and Rating Analysis

Maintain Overweight. We believe GEOY is undervalued and should outperform the mean of our coverage in the next 6-12 months.

Our December 31st, 2010, price target is \$34, based on an enterprise multiple of 7 times CY11E EBITDA of \$127.4mm (excluding \$24.1mm in deferred revenue amortization). The stock currently trades at ~6.5 times CY11E EBITDA. The target multiple reflects our view of the near-term risks associated with the conclusion of the NextView contract. We believe a higher multiple might be justified with continued evidence that GeoEye-1 is generating anticipated revenue and EBITDA growth, or by the government making a longer-term commitment through the NGA or other agencies.

Risks to Our Price Target and Rating

The principal risk to our price target is not stock-specific but relates to changes in the trading multiples for the stocks in our coverage universe, reflecting investor sentiment regarding the economic cycle. In addition, the following risks apply, mainly tilted toward the downside.

There is a very small risk that one or more of GEOY's satellites fails owing to equipment failure or a collision with space debris.

Customer concentration risk is high. The National Geospatial Intelligence Agency (NGA) and other US government agencies accounted for 71% of 4Q09 revenue. GEOY's exposure to NGA will remain high indefinitely. There is also regulatory risk; the US government can conceivably prevent GEOY from selling data to international governments (27% of FY09 revenue), though doing so would undermine the commercial industry.

The Debt/TTM EBITDA ratio currently stands at ~2.5, and the interest burden is high, owing to a 10.25% interest rate on \$380 million of debt.

GEOY might need to raise capital for the GeoEye-2. The total cost of launching a satellite is about \$500 million.

New entrants into the satellite imagery industry could lead to market share loss and/or pricing pressure, and we are particularly concerned that GEOY could lose share of wallet at NGA owing to recent superior execution of task orders by a close competitor. Entrants into the aerial imagery market could impact GEOY's satellite and MJ Harden revenues.

Removing Plantronics Inc (PLT/OW) as a Monthly Top 3 Pick

Overweight

Company Data	
Price (\$)	31.28
Date Of Price	31 Mar 10
52-week Range (\$)	32.24 - 11.57
Mkt Cap (\$ bn)	1.51
Fiscal Year End	Mar
Shares O/S (mn)	48
Price Target (\$)	36.00
Price Target End Date	31 Dec 10

Plantronics Inc (PLT;PLT US)

	2009A	2010E	2011E
EPS - Recurring (\$)			
Q1 (Jun)	0.45	0.36A	0.43
Q2 (Sep)	0.41	0.40A	0.43
Q3 (Dec)	0.08	0.50A	0.57
Q4 (Mar)	0.01	0.40	0.46
FY	0.96	1.69	1.90
CY	1.28	1.84	2.00
Bloomberg EPS FY (\$)	0.78	1.66	1.87
Revenues FY (\$ mn)	766	653	670

Source: Company data, Bloomberg, J.P. Morgan estimates. PF EPS forecasts exclude amortization and FAS123R.

FY09A GAAP: 1QA: \$0.42, 2QA: \$0.36, 3QA: (\$1.90), 4QA: (\$0.23), FY09A GAAP: (\$1.33)

FY10E GAAP: 1QA: \$0.22, 2QA: (\$0.02), 3QA: \$0.47, 4QE: \$0.34, FY10E GAAP: \$1.02, FY11E GAAP: \$1.61
 'Bloomberg' above denotes Bloomberg consensus estimates.

PLT reported strong F3Q10 results and issued F4Q10 guidance ahead of expectations. Management noted that UC interest is spreading beyond Fortune 1000 companies to midsize organizations and government, with many major organizations starting deployments this year and into 2011. PLT is partnering with Microsoft, Cisco, Avaya and IBM, and is well-positioned to capitalize on this \$350mm TAM owing to the strength of its brand and distribution, the breadth of its product line and the tight relationship the company has with Microsoft. PLT will break out UC sales as a separate line item in the June quarter, implying strong confidence in the accelerating momentum for this new product line. However, significant ramp in UC deployment may take somewhat longer than anticipated.

Valuation and Rating Analysis

Maintain Overweight. PLT is trading at 17.0 times our CY10 PF EPS estimate of \$1.84, a 24% discount to the mean of our coverage, which remains a good valuation level at which to build positions in this stock for the long term. PLT looks closer to fair value relative to its 5-year mean P/E (NTM-basis) of 16.6 times, but we believe fundamentals are improving for the company owing to the accelerating adoption of headsets for unified communications. The stock looks inexpensive relative to the trading multiple of its near peers. We expect the stock to outperform the mean of our coverage in the next 6-12 months.

Our price target is \$36.00, based on an assigned multiple of 18 times our CY11 PF EPS estimate of \$2.00. The multiple, approximately aligned with the mean assigned multiple for our coverage (17x), reflects our view that PLT will emerge from the recession with a strong franchise and experience several years of ~10% revenue growth owing to first-time adoption of headsets in unified communications applications in the enterprise.

Risks to Our Price Target and Rating

A rapid change in economic fundamentals could put our price target at risk owing to a need to revise EPS forecast.

In addition, we might become less constructive on PLT's prospects if:

- Cost-cutting impedes execution or leads to control issues;
- There is unanticipated weakness in the contact center industry, in the outbound call center market or further constraints are imposed upon telemarketing "do not call" lists;
- Enterprise spending is constrained relative to expectations;
- There is evidence that competitors are able to gain entry into Plantronics' distribution channels or win share of Plantronics' OEM business;
- Existing competitors or new entrants introduce high-quality products that compete with Plantronics on price in any of their major markets;
- The outsourcing transition disrupts operations or fails to yield anticipated benefits;
- The global economy deteriorates;
- Unified communications adoption fails to match our expectations;
- Major OEMs (e.g., Cisco, Avaya, Microsoft) build own-brand UC headsets to compete with Plantronics;

Zoran Corp: Summary Of Financials

Income Statement - Annual	FY09A	FY10E	FY11E	FY12E	Income Statement - Quarterly	1Q10E	2Q10E	3Q10E	4Q10E
Revenues	380	450	491	-	Revenues	91	119	133	107
Cost of products sold	196	224	250	-	Cost of products sold	43	60	68	53
Gross profit	184	226	241	-	Gross profit	48	60	65	54
SG&A	107	98	102	-	SG&A	24	25	25	25
R&D	110	115	118	-	R&D	29	29	28	28
Stock based comp.	12	9	10	-	Stock based comp.	2	2	2	2
Non-cash charges	-	-	-	-	Non-cash charges	-	-	-	-
Operating Income	(12)	22	30	-	Operating Income	(3)	8	14	3
EBITDA	(5)	28	36	-	EBITDA	(1)	10	15	4
Other income / (expense)	9	6	6	-	Other income / (expense)	1	1	1	2
Pre-tax income	(2)	28	37	-	Pre-tax income	(1)	10	15	4
Income taxes	6	4	6	-	Income taxes	0	1	3	0
Net income - GAAP	(33)	14	21	-	Net income - GAAP	(4)	6	10	2
Net income PF	(13)	21	28	-	Net income PF	(2)	8	12	4
Diluted shares outstanding	52	53	54	-	Diluted shares outstanding	53	53	53	53
EPS - GAAP	(0.64)	0.26	0.38	-	EPS - GAAP	(0.07)	0.11	0.20	0.03
EPS PF	(0.25)	0.40	0.52	-	EPS PF	(0.05)	0.14	0.23	0.07
Balance Sheet and Cash Flow Data	FY09A	FY10E	FY11E	FY12E	Ratio Analysis	FY09A	FY10E	FY11E	FY12E
Cash and cash equivalents	399	421	458	-	Sales growth	(13.3%)	18.4%	9.1%	-
Accounts receivable	22	40	38	-	EBIT growth	(6.7%)	(279.0%)	38.1%	-
Inventories	27	38	39	-	EPS growth	(84.7%)	(140.9%)	46.1%	-
Other current assets	21	25	25	-	Gross margin	41.3%	44.4%	43.8%	-
Current assets	468	524	561	-	EBIT margin	(3.2%)	4.8%	6.1%	-
PP&E	12	12	12	-	EBITDA margin	(1.3%)	6.2%	7.3%	-
Long-term portfolio investments	67	67	67	-	Tax rate	(468.7%)	24.6%	23.1%	-
Goodwill and intangibles	5	4	4	-	Net margin	(3.4%)	4.7%	5.8%	-
Total assets	552	607	644	-	Debt / EBITDA	(8.3)	1.6	1.2	-
Accounts payable	29	47	52	-	Debt / Capital (book)	8.3%	8.6%	8.1%	-
Deferred revenues	-	-	-	-	Return on assets (ROA)	(2.3%)	3.6%	4.5%	-
Total debt	32	32	32	-	Return on equity (ROE)	(2.7%)	4.6%	5.8%	-
Total liabilities	101	132	139	-	Return on invested capital (ROIC)	(18.3%)	11.3%	14.9%	-
Shareholders' equity	452	475	505	-	Enterprise value / Sales	0.6	0.4	0.3	-
Net Income (including charges)	(33)	14	21	-	Enterprise value / EBITDA	(45.5)	7.3	4.6	-
D&A	7	6	6	-	Free cash flow yield	(1.5%)	3.1%	6.0%	-
Change in Working Capital	9	(5)	6	-	P/E	NM	40.9	28.0	-
Other	-	-	-	-	Capex	(3)	(6)	(6)	-
Cash flow from operations	(5)	24	43	-	Free cash flow	(9)	19	37	-
Capex	(3)	(6)	(6)	-	Cash flow from investing activities	(12)	(6)	(6)	-
Free cash flow	(9)	19	37	-	Cash flow from financing activities	7	0	0	-
Cash flow from investing activities	(12)	(6)	(6)	-	Dividends	-	-	-	-
Cash flow from financing activities	7	0	0	-	Dividend yield	-	-	-	-
Dividends	-	-	-	-					
Dividend yield	-	-	-	-					

Source: Company reports and J.P. Morgan estimates.

Note: \$ in millions (except per-share data). Fiscal year ends Dec

TeleCommunication Systems, Inc.: Summary Of Financials

Income Statement - Annual	FY09A	FY10E	FY11E	FY12E	Income Statement - Quarterly	1Q10E	2Q10E	3Q10E	4Q10E
Revenues	300	431	470	-	Revenues	93	100	107	131
Cost of products sold	186	250	272	-	Cost of products sold	54	58	61	77
Gross profit	114	180	198	-	Gross profit	39	42	46	53
SG&A	51	82	88	-	SG&A	20	20	21	21
R&D	22	33	36	-	R&D	7	8	8	9
Stock based comp.	6	11	13	-	Stock based comp.	3	3	3	3
Non-cash charges	7	12	15	-	Non-cash charges	3	3	3	3
Operating Income	49	54	59	-	Operating Income	8	11	14	21
EBITDA	49	81	91	-	EBITDA	15	18	21	27
Other income / (expense)	(2)	(11)	(10)	-	Other income / (expense)	(2)	(3)	(3)	(3)
Pre-tax income	47	43	49	-	Pre-tax income	6	8	11	18
Income taxes	19	17	19	-	Income taxes	2	3	4	7
Net income - GAAP	28	26	30	-	Net income - GAAP	4	5	7	11
Net income PF	24	49	57	-	Net income PF	7	8	10	14
Diluted shares outstanding	54	70	70	-	Diluted shares outstanding	69	69	70	70
EPS - GAAP	0.52	0.38	0.43	-	EPS - GAAP	0.05	0.07	0.10	0.15
EPS PF	0.45	0.71	0.82	-	EPS PF	0.10	0.12	0.15	0.20
Balance Sheet and Cash Flow Data	FY09A	FY10E	FY11E	FY12E	Ratio Analysis	FY09A	FY10E	FY11E	FY12E
Cash and cash equivalents	61	68	96	-	Sales growth	36.3%	43.5%	9.2%	-
Accounts receivable	65	89	92	-	EBIT growth	94.3%	10.1%	8.7%	-
Inventories	9	13	14	-	EPS growth	(59.0%)	58.4%	15.3%	-
Other current assets	63	63	63	-	Gross margin	37.9%	41.9%	42.0%	-
Current assets	200	233	265	-	EBIT margin	16.3%	12.5%	12.5%	-
PP&E	21	26	38	-	EBITDA margin	16.4%	18.8%	19.3%	-
Long-term portfolio investments	-	-	-	-	Tax rate	39.9%	39.0%	39.0%	-
Goodwill and intangibles	198	196	191	-	Net margin	9.4%	6.1%	6.4%	-
Total assets	472	509	548	-	Debt / EBITDA	2.1	1.3	1.0	-
Accounts payable	72	51	51	-	Debt / Capital (book)	35.1%	31.2%	25.7%	-
Deferred revenues	10	16	17	-	Return on assets (ROA)	6.0%	5.1%	5.5%	-
Total debt	101	103	95	-	Return on equity (ROE)	15.2%	11.5%	10.9%	-
Total liabilities	286	282	273	-	Return on invested capital (ROIC)	-	-	-	-
Shareholders' equity	186	227	275	-	Enterprise value / Sales	1.7	1.2	1.0	-
Net Income (including charges)	28	26	30	-	Enterprise value / EBITDA	10.6	7.8	5.0	-
D&A	9	14	17	-	Free cash flow yield	-	-	-	-
Change in Working Capital	(13)	(42)	(3)	-	P/E	14.1	19.5	17.2	-
Other	-	-	-	-	Capex	(1)	(20)	(24)	-
Cash flow from operations	-	-	-	-	Free cash flow	40	(11)	34	-
Capex	(1)	(20)	(24)	-	Cash flow from investing activities	(153)	(20)	(24)	-
Free cash flow	40	(11)	34	-	Cash flow from financing activities	148	4	(6)	-
Cash flow from investing activities	(153)	(20)	(24)	-	Dividends	-	-	-	-
Cash flow from financing activities	148	4	(6)	-	Dividend yield	-	-	-	-
Dividends	-	-	-	-					
Dividend yield	-	-	-	-					

Source: Company reports and J.P. Morgan estimates.

Note: \$ in millions (except per-share data). Fiscal year ends Dec

Nice Systems: Summary Of Financials

Income Statement - Annual	FY09A	FY10E	FY11E	FY12E	Income Statement - Quarterly	1Q10E	2Q10E	3Q10E	4Q10E
Revenues	589	665	740	-	Revenues	158	163	169	175
Cost of products sold	237	256	281	-	Cost of products sold	62	63	64	66
Gross profit	346	396	451	-	Gross profit	91	97	102	106
SG&A	214	235	246	-	SG&A	57	58	59	60
R&D	77	92	99	-	R&D	22	23	23	24
Stock based comp.	24	24	27	-	Stock based comp.	6	6	6	6
Non-cash charges	-	-	-	-	Non-cash charges	-	-	-	-
Operating Income	104	129	163	-	Operating Income	27	31	34	37
EBITDA	126	136	175	-	EBITDA	28	32	36	39
Other income / (expense)	8	7	8	-	Other income / (expense)	2	2	2	2
Pre-tax income	111	136	171	-	Pre-tax income	29	32	36	39
Income taxes	15	24	31	-	Income taxes	5	6	6	7
Net income - GAAP	43	46	77	-	Net income - GAAP	7	10	13	16
Net income PF	96	111	140	-	Net income PF	24	26	29	32
Diluted shares outstanding	62	64	65	-	Diluted shares outstanding	64	64	64	65
EPS - GAAP	0.68	0.72	1.18	-	EPS - GAAP	0.11	0.16	0.21	0.25
EPS PF	1.54	1.72	2.14	-	EPS PF	0.37	0.41	0.45	0.49
Balance Sheet and Cash Flow Data	FY09A	FY10E	FY11E	FY12E	Ratio Analysis	FY09A	FY10E	FY11E	FY12E
Cash and cash equivalents	324	378	510	-	Sales growth	(6.6%)	11.8%	12.2%	-
Accounts receivable	102	111	122	-	EBIT growth	3.8%	19.4%	41.7%	-
Inventories	14	38	42	-	EPS growth	7.2%	5.1%	64.0%	-
Other current assets	24	25	27	-	Gross margin	59.3%	60.8%	61.6%	-
Current assets	472	560	709	-	EBIT margin	13.3%	14.1%	17.9%	-
PP&E	22	(8)	(36)	-	EBITDA margin	21.4%	20.4%	23.6%	-
Long-term portfolio investments	249	249	249	-	Tax rate	6.6%	18.0%	18.0%	-
Goodwill and intangibles	651	673	673	-	Net margin	7.3%	7.1%	10.6%	-
Total assets	1,400	1,480	1,600	-	Debt / EBITDA	0.2	0.2	0.1	-
Accounts payable	26	27	30	-	Debt / Capital (book)	2.1%	2.0%	1.9%	-
Deferred revenues	-	-	-	-	Return on assets (ROA)	0.8%	0.8%	1.3%	-
Total debt	23	23	23	-	Return on equity (ROE)	1.1%	1.1%	1.6%	-
Total liabilities	337	350	372	-	Return on invested capital (ROIC)	-	-	-	-
Shareholders' equity	1,063	1,130	1,229	-	Enterprise value / Sales	3.1	2.7	2.2	-
Net Income (including charges)	43	46	77	-	Enterprise value / EBITDA	14.5	13.1	9.4	-
D&A	47	42	42	-	Free cash flow yield	5.3%	3.6%	6.0%	-
Change in Working Capital	12	(21)	5	-	P/E	46.4	44.1	26.9	-
Other	-	-	-	-	Capex	(9)	(12)	(14)	-
Cash flow from operations	119	89	145	-	Free cash flow	110	76	132	-
Capex	(9)	(12)	(14)	-	Cash flow from investing activities	(71)	(34)	(14)	-
Free cash flow	110	76	132	-	Cash flow from financing activities	21	0	0	-
Cash flow from investing activities	(71)	(34)	(14)	-	Dividends	-	-	-	-
Cash flow from financing activities	21	0	0	-	Dividend yield	-	-	-	-
Dividends	-	-	-	-					
Dividend yield	-	-	-	-					

Source: Company reports and J.P. Morgan estimates.

Note: \$ in millions (except per-share data). Fiscal year ends Dec

GeoEye, Inc.: Summary Of Financials

Income Statement - Annual	FY09A	FY10E	FY11E	FY12E	Income Statement - Quarterly	1Q10E	2Q10E	3Q10E	4Q10E
Revenues	271	309	317	-	Revenues	75	76	78	79
Cost of products sold	153	172	178	-	Cost of products sold	42	42	43	44
Gross profit	118	137	139	-	Gross profit	33	33	35	35
SG&A	45	56	63	-	SG&A	14	14	14	15
R&D	-	-	-	-	R&D	-	-	-	-
Stock based comp.	-	-	-	-	Stock based comp.	-	-	-	-
Non-cash charges	-	-	-	-	Non-cash charges	-	-	-	-
Operating Income	73	80	76	-	Operating Income	19	19	21	21
EBITDA	132	153	152	-	EBITDA	36	37	39	40
Other income / (expense)	(58)	(25)	(22)	-	Other income / (expense)	(7)	(6)	(6)	(5)
Pre-tax income	14	56	54	-	Pre-tax income	13	13	14	15
Income taxes	(18)	21	20	-	Income taxes	5	5	5	6
Net income - GAAP	32	35	33	-	Net income - GAAP	8	8	9	10
Net income PF	12	35	33	-	Net income PF	8	8	9	10
Diluted shares outstanding	21	21	21	-	Diluted shares outstanding	21	21	21	21
EPS - GAAP	1.55	1.49	1.33	-	EPS - GAAP	0.38	0.38	0.36	0.38
EPS PF	0.59	1.49	1.33	-	EPS PF	0.38	0.38	0.36	0.38
Balance Sheet and Cash Flow Data	FY09A	FY10E	FY11E	FY12E	Ratio Analysis	FY09A	FY10E	FY11E	FY12E
Cash and cash equivalents	209	344	474	-	Sales growth	84.9%	13.9%	2.8%	-
Accounts receivable	33	63	64	-	EBIT growth	-	-	-	-
Inventories	-	-	-	-	EPS growth	13.9%	(29.9%)	(54.9%)	-
Other current assets	109	69	69	-	Gross margin	43.5%	44.3%	43.8%	-
Current assets	351	476	608	-	EBIT margin	-	-	-	-
PP&E	530	560	572	-	EBITDA margin	48.8%	49.7%	47.8%	-
Long-term portfolio investments	-	-	-	-	Tax rate	(121.3%)	38.0%	38.0%	-
Goodwill and intangibles	46	46	46	-	Net margin	11.8%	11.2%	10.5%	-
Total assets	947	1,082	1,207	-	Debt / EBITDA	2.9	2.5	3.3	-
Accounts payable	34	36	38	-	Debt / Capital (book)	57.6%	47.8%	52.3%	-
Deferred revenues	245	220	196	-	Return on assets (ROA)	1.7%	1.6%	1.1%	-
Total debt	381	391	505	-	Return on equity (ROE)	11.5%	8.1%	7.3%	-
Total liabilities	667	656	747	-	Return on invested capital (ROIC)	-	-	-	-
Shareholders' equity	280	427	460	-	Enterprise value / Sales	2.9	2.2	2.0	-
Net Income (including charges)	32	35	33	-	Enterprise value / EBITDA	6.5	5.8	5.8	-
D&A	57	69	72	-	Free cash flow yield	-	-	-	-
Change in Working Capital	(54)	8	(5)	-	P/E	19.0	19.7	22.1	-
Other	-	-	-	-					
Cash flow from operations	170	112	101	-					
Capex	(82)	(82)	(84)	-					
Free cash flow	88	30	17	-					
Cash flow from investing activities	(215)	(82)	(84)	-					
Cash flow from financing activities	130	122	114	-					
Dividends	-	-	-	-					
Dividend yield	-	-	-	-					

Source: Company reports and J.P.Morgan estimates.

Note: \$ in millions (except per-share data). Fiscal year ends Dec

Plantronics Inc: Summary Of Financials

Income Statement - Annual	FY09A	FY10E	FY11E	FY12E	Income Statement - Quarterly	1Q10A	2Q10A	3Q10A	4Q10E
Revenues	766	653	670	725	Revenues	160	167	166	152
Cost of products sold	470	350	347	384	Cost of products sold	93	95	86	78
Gross profit	296	295	324	341	Gross profit	68	73	80	75
SG&A	176	151	156	164	SG&A	37	37	38	38
R&D	72	60	63	66	R&D	15	15	15	15
Stock based comp.	18	21	19	23	Stock based comp.	8	6	4	4
Non-cash charges	-	-	-	-	Non-cash charges	-	-	-	-
Operating Income	66	105	123	134	Operating Income	23	26	32	25
EBITDA	(38)	95	140	152	EBITDA	27	5	35	28
Other income / (expense)	4	(5)	(6)	(7)	Other income / (expense)	(1)	(1)	(1)	(2)
Pre-tax income	63	111	129	141	Pre-tax income	24	27	33	27
Income taxes	16	28	35	39	Income taxes	6	7	8	7
Net income - GAAP	(65)	50	80	85	Net income - GAAP	11	(1)	23	17
Net income PF	47	82	94	101	Net income PF	17	20	25	20
Diluted shares outstanding	49	49	49	50	Diluted shares outstanding	49	49	49	49
EPS - GAAP	(1.33)	1.02	1.61	1.68	EPS - GAAP	0.22	(0.02)	0.47	0.34
EPS PF	0.96	1.69	1.90	2.01	EPS PF	0.36	0.40	0.50	0.40
Balance Sheet and Cash Flow Data	FY09A	FY10E	FY11E	FY12E	Ratio Analysis	FY09A	FY10E	FY11E	FY12E
Cash and cash equivalents	218	355	422	(105)	Sales growth	(10.6%)	(14.7%)	2.6%	8.3%
Accounts receivable	84	85	93	1,114	EBIT growth	(166.1%)	(223.2%)	57.6%	9.0%
Inventories	119	82	95	105	EPS growth	(43.4%)	76.0%	12.5%	5.8%
Other current assets	42	52	52	52	Gross margin	38.7%	45.2%	48.3%	47.0%
Current assets	464	574	663	756	EBIT margin	(8.3%)	12.0%	18.3%	18.5%
PP&E	96	69	71	72	EBITDA margin	(4.9%)	14.5%	20.8%	21.0%
Long-term portfolio investments	-	-	-	-	Tax rate	25.3%	25.7%	27.0%	28.0%
Goodwill and intangibles	41	18	18	18	Net margin	6.1%	12.6%	14.0%	14.0%
Total assets	633	664	755	849	Debt / EBITDA	(0.4)	0.2	0.1	0.1
Accounts payable	33	50	55	60	Debt / Capital (book)	2.5%	2.5%	2.2%	2.0%
Deferred revenues	-	-	-	-	Return on assets (ROA)	6.8%	12.7%	13.2%	12.6%
Total debt	14	14	14	14	Return on equity (ROE)	8.5%	15.2%	15.7%	14.9%
Total liabilities	108	107	116	125	Return on invested capital (ROIC)	8.3%	14.8%	15.3%	14.6%
Shareholders' equity	525	557	639	724	Enterprise value / Sales	1.3	1.3	1.2	1.0
Net Income (including charges)	(65)	50	80	85	Enterprise value / EBITDA	(27.0)	9.3	1.5	1.2
D&A	26	17	17	18	Free cash flow yield	-	-	-	-
Change in Working Capital	16	35	(13)	(9)	P/E	NM	30.6	19.4	18.6
Other	-	-	-	-					
Cash flow from operations	99	126	84	94					
Capex	(24)	(7)	(18)	(20)					
Free cash flow	75	119	66	74					
Cash flow from investing activities	(83)	29	(18)	(20)					
Cash flow from financing activities	(15)	0	2	1					
Dividends	-	-	-	-					
Dividend yield	-	-	-	-					

Source: Company reports and J.P. Morgan estimates.

Note: \$ in millions (except per-share data). Fiscal year ends Mar

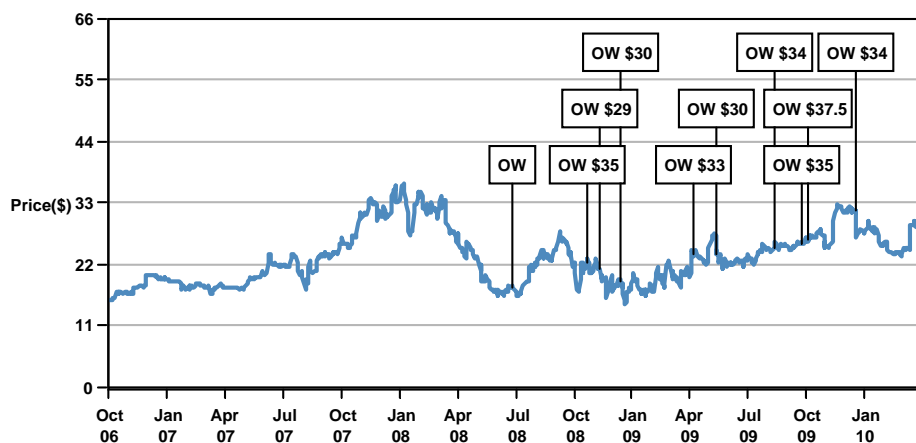
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- **Lead or Co-manager:** JPMSI or its affiliates acted as lead or co-manager in a public offering of equity and/or debt securities for GeoEye, Inc. within the past 12 months.
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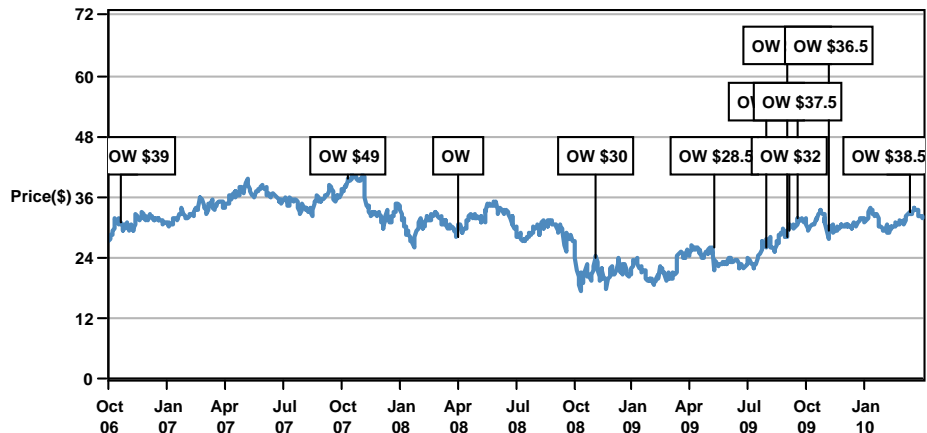
GeoEye, Inc. (GEOY) Price Chart



Date	Rating	Share Price (\$)	Price Target (\$)
24-Jun-08	OW	18.04	-
21-Oct-08	OW	22.55	35.00
11-Nov-08	OW	21.27	29.00
11-Dec-08	OW	18.95	30.00
06-Apr-09	OW	23.95	33.00
13-May-09	OW	23.69	30.00
11-Aug-09	OW	24.95	34.00
24-Sep-09	OW	25.80	35.00
02-Oct-09	OW	26.31	37.50
17-Dec-09	OW	31.71	34.00

Source: Bloomberg and J.P. Morgan; price data adjusted for stock splits and dividends. Initiated coverage Jun 24, 2008. This chart shows J.P. Morgan's continuing coverage of this stock; the current analyst may or may not have covered it over the entire period. J.P. Morgan ratings: OW = Overweight, N = Neutral, UW = Underweight.

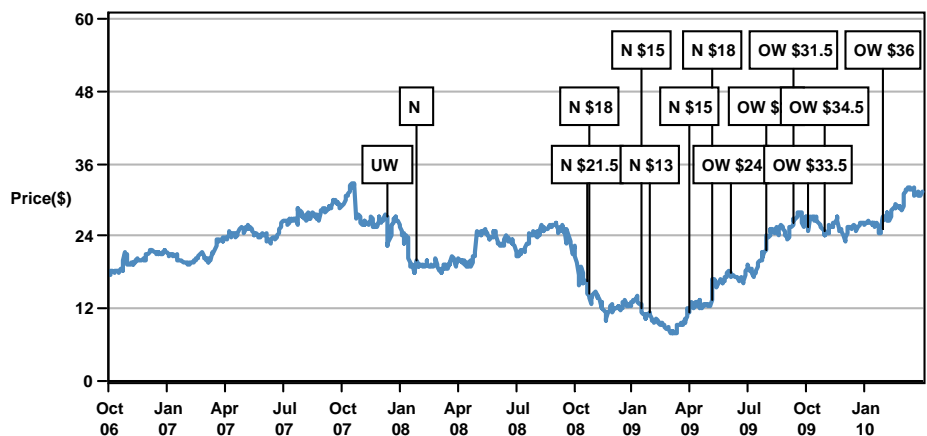
Nice Systems (NICE) Price Chart



Date	Rating	Share Price (\$)	Price Target (\$)
20-Oct-06	OW	31.01	39.00
12-Oct-07	OW	39.39	49.00
01-Apr-08	OW	28.22	--
04-Nov-08	OW	23.88	30.00
07-May-09	OW	25.80	28.50
29-Jul-09	OW	26.18	31.00
01-Sep-09	OW	28.02	33.50
02-Sep-09	OW	29.17	32.00
17-Sep-09	OW	31.61	37.50
03-Nov-09	OW	29.34	36.50
11-Mar-10	OW	32.96	38.50

Source: Bloomberg and J.P. Morgan; price data adjusted for stock splits and dividends.
 This chart shows J.P. Morgan's continuing coverage of this stock; the current analyst may or may not have covered it over the entire period.
 J.P. Morgan ratings: OW = Overweight, N = Neutral, UW = Underweight.

Plantronics Inc (PLT) Price Chart



Date	Rating	Share Price (\$)	Price Target (\$)
13-Dec-07	UW	27.26	--
28-Jan-08	N	19.95	--
20-Oct-08	N	16.50	21.50
23-Oct-08	N	14.48	18.00
15-Jan-09	N	12.10	15.00
28-Jan-09	N	11.50	13.00
30-Mar-09	N	11.40	15.00
06-May-09	N	13.57	18.00
03-Jun-09	OW	17.88	24.00
29-Jul-09	OW	21.73	25.00
10-Sep-09	OW	26.19	31.50
02-Oct-09	OW	25.54	33.50
28-Oct-09	OW	24.87	34.50
27-Jan-10	OW	25.18	36.00

Source: Bloomberg and J.P. Morgan; price data adjusted for stock splits and dividends.
 This chart shows J.P. Morgan's continuing coverage of this stock; the current analyst may or may not have covered it over the entire period.
 J.P. Morgan ratings: OW = Overweight, N = Neutral, UW = Underweight.

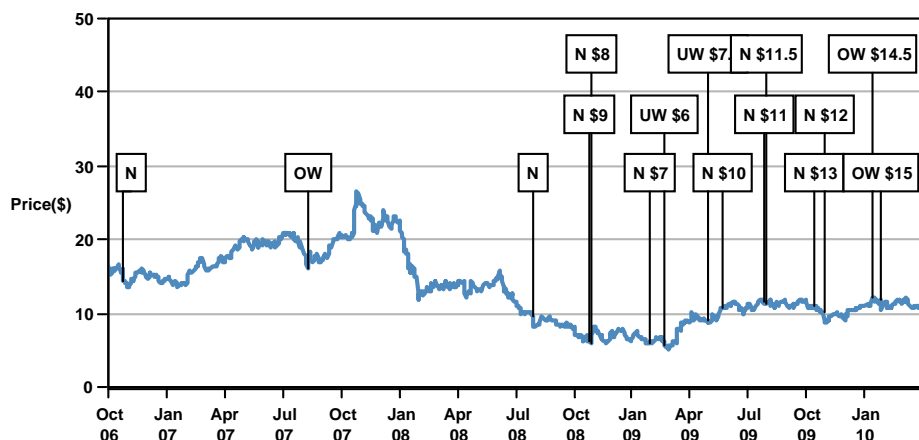
TeleCommunication Systems, Inc. (TSYS) Price Chart



Date	Rating	Share Price (\$)	Price Target (\$)
02-Feb-10	OW	8.77	12.00

Source: Bloomberg and J.P. Morgan; price data adjusted for stock splits and dividends. Initiated coverage Feb 02, 2010. This chart shows J.P. Morgan's continuing coverage of this stock; the current analyst may or may not have covered it over the entire period. J.P. Morgan ratings: OW = Overweight, N = Neutral, UW = Underweight.

Zoran Corp (ZRAN) Price Chart



Date	Rating	Share Price (\$)	Price Target (\$)
25-Oct-06	N	14.41	-
10-Aug-07	OW	16.00	-
29-Jul-08	N	9.60	-
25-Oct-08	N	6.19	9.00
28-Oct-08	N	6.04	8.00
27-Jan-09	N	6.00	7.00
20-Feb-09	UW	5.73	6.00
29-Apr-09	UW	9.10	7.50
20-May-09	N	10.66	10.00
27-Jul-09	N	11.47	11.00
28-Jul-09	N	11.18	11.50
13-Oct-09	N	11.06	13.00
27-Oct-09	N	10.17	12.00
11-Jan-10	OW	12.16	14.50
26-Jan-10	OW	11.76	15.00

Source: Bloomberg and J.P. Morgan; price data adjusted for stock splits and dividends. This chart shows J.P. Morgan's continuing coverage of this stock; the current analyst may or may not have covered it over the entire period. J.P. Morgan ratings: OW = Overweight, N = Neutral, UW = Underweight.

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Coverage Universe: **Paul Coster, CFA:** Avid Technology (AVID), Cogent Inc. (COGT), Cubic Corp (CUB), Diebold, Incorporated (DBD), Digital Theater Systems, Inc. (DTSI), DigitalGlobe, Inc. (DGI), DivX, Inc (DIVX), Dolby

Laboratories, Inc. (DLB), ESCO Technologies Inc. (ESE), Echelon Corporation (ELON), EnerNOC Inc. (ENOC), FLIR Systems Inc (FLIR), Garmin Ltd. (GRMN), GeoEye, Inc. (GEOY), ICx Technologies, Inc. (ICXT), Itron, Inc (ITRI), Ituran Location and Control (ITRN), L-1 Identity Solutions (ID), LoJack Corp (LOJN), NCR Corporation (NCR), Nice Systems (NICE), Novatel Wireless (NVTL), OmniVision Technologies (OVTI), Plantronics Inc (PLT), Sandisk Corp (SNDK), Sierra Wireless Inc. (SWIR), Synaptics Inc. (SYNA), TASER International Inc. (TASR), TeleCommunication Systems, Inc. (TSYS), Trimble Navigation (TRMB), Verint Systems, Inc. (VRNT), Zebra Technologies (ZBRA), Zoran Corp (ZRAN), iRobot Corporation (IRBT)

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	Overweight (buy)	Neutral (hold)	Underweight (sell)
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IB clients*	48%	46%	32%
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IB clients*	70%	58%	48%

*Percentage of investment banking clients in each rating category.

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