

About Zebra



Zebra Technologies helps companies identify, locate and track assets, transactions and people with on-demand specialty digital printing and automatic identification solutions. In more than 100 countries around the world, more than 90% of Fortune 500 companies use innovative and reliable Zebra printers, supplies, RFID products and software to increase productivity, improve quality, lower costs, and deliver better customer service.

Vital Statistics

Number of Employees	2600
Number of Locations	41
Number of Countries	21
Square Footage	732,000
Shares Outstanding	69 million
Total Printer Models	59
RFID printer/encoders	6
Mobile printers	12
Card imaging printers	12
All other models	29
% of international sales	51
% of hardware sales	76
% of supplies sales	19

Fiscal year ends	December
Market capitalization	\$2.5 bil.
Research coverage	8 firms
Stock symbol	ZBRA
Stock market	NASDAQ

Company Highlights

- Record sales announced for 2006; 15 out of 16 years of sales growth
- More than six million printers shipped
- Entered active radio frequency identification and real-time locating systems with the acquisition of WhereNet Corp. in January 2007
- Acquisition of Swecoin in October 2006 enabled expansion into kiosk and other self-serve printing applications
- Key alliances with leading technology providers SAP, IBM, Oracle and Motorola
- Expanded global label manufacturing, including Gen 2 EPC UHF smart labels

QUICK FINANCIAL FACTS

(in millions, except per share amounts)

As of June 30, 2007

Cash and investments	\$ 492
Total assets	1,032
Total stockholders' equity	943

Quarter ended June 30, 2007

Net sales	\$ 209
Net income	26
Free cash flow	40
Diluted EPS	0.37

Growth Strategy

- Invest in new product development
 - RFID products and solutions
 - Mobile and wireless
 - Expand range of card imaging products
 - Robust software support for printer management, label design and printing in multiple languages
 - Specialty supplies and services
- Drive down manufacturing costs
- Expand international presence; Asia Pacific (China), Latin America, Eastern Europe
- Increase focus on business improvement and specialty printing applications
- Target high-growth vertical market applications
 - Retail, mobile work force, supply chain execution, government, health care
- Protect share in bar code compliance labeling
- Continue RFID leadership
- Pursue strategic acquisitions

Competitive Advantages

- **Broadest line of thermal on-demand printers for bar code, mobile and ID card applications**
 - Most respected brand
 - More than six million printers sold
- **Multiple channels of distribution — value-added resellers, systems integrators, distributors, original equipment manufacturers, direct to user**
- **Global coverage** — presence in 100 countries on all inhabited continents
- **Financial strength**
 - High cash reserves
 - No debt

FINANCIAL SUMMARY

(in thousands, except per share and percentage amounts)	Quarter Ended June 30, 2007	Quarter Ended July 1, 2006	Year Ended Dec. 31, 2006
Net sales	\$ 208,912	\$ 187,421	\$ 759,524
Gross profit	99,402	89,526	358,420
Gross profit margin (%)	47.6	47.8	47.2
Operating income	33,969	37,830	80,429
Operating profit margin (%)	16.3	20.2	10.6
Net income	25,633	27,672	70,946 ¹
Diluted EPS	0.37	0.39	1.00 ¹
Free cash flow	40,120	13,247	48,283 ²
Capital expenditures	5,570	5,983	19,197
Depreciation and amortization	6,391	3,631	16,087

(1). Includes \$65,935 in one-time charges. (2). Includes \$20,772 in acquisition expenditures.



Zebra Technologies Corporation

HEADQUARTERS

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OTHER LOCATIONS

USA: California, Florida, Rhode Island, Wisconsin
 EUROPE: France, Germany, Italy, Netherlands, Poland, Spain, Sweden, United Kingdom
 ASIA-PACIFIC: Australia, China, Japan, Singapore, South Korea
 LATIN AMERICA: Mexico
 AFRICA/MIDDLE EAST: South Africa, UAE