

KMG CHEMICALS INC NDQ--KMGB				RECENT PRICE	13.60	TRAILING P/E RATIO	11.5	RELATIVE P/E RATIO	0.64	DIV'D YLD	0.6%	VALUE LINE
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© VALUE LINE PUBLISHING, INC.	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010/2011
SALES PER SH	4.77	4.58	4.73	5.78	6.73	6.74	8.33	13.99	17.18	
"CASH FLOW" PER SH	.50	.54	.44	.44	.60	.87	1.18	1.03	1.48	
EARNINGS PER SH	.35	.36	.25	.22	.37	.56	.80	.50	.91	1.22 ^{A,B} /1.40 ^C
DIV'DS DECL'D PER SH	.04	.04	.05	.06	.07	.08	.08	.08	.08	
CAP'L SPENDING PER SH	.33	.18	.04	.13	.05	.20	.05	.25	.27	
BOOK VALUE PER SH	2.57	2.86	3.07	3.26	3.74	4.45	5.24	5.77	6.39	
COMMON SHS OUTST'G (MILL)	7.50	7.51	7.51	7.55	8.79	10.53	10.77	11.03	11.10	
AVG ANN'L P/E RATIO	10.9	8.0	11.7	16.3	16.5	14.6	15.1	30.9	6.9	11.1/9.7
RELATIVE P/E RATIO	.56	.44	.67	.86	.87	.79	.80	1.86	.46	
AVG ANN'L DIV'D YIELD	1.1%	1.5%	1.8%	1.7%	1.1%	.9%	.6%	.5%	1.3%	
SALES (\$MILL)	35.8	34.4	35.5	43.6	59.2	71.0	89.8	154.4	190.7	Bold figures are consensus earnings estimates and, using the recent prices, P/E ratios.
OPERATING MARGIN	15.0%	16.0%	12.8%	10.9%	12.9%	18.2%	20.5%	11.1%	14.2%	
DEPRECIATION (\$MILL)	1.1	1.4	1.4	1.6	2.2	3.9	3.8	5.7	6.2	
NET PROFIT (\$MILL)	2.6	2.7	1.9	1.7	3.1	5.3	8.8	5.7	10.2	
INCOME TAX RATE	38.0%	38.0%	35.7%	38.1%	36.7%	35.6%	37.7%	38.6%	41.5%	
NET PROFIT MARGIN	7.4%	7.8%	5.4%	3.9%	5.2%	7.5%	9.9%	3.7%	5.4%	
WORKING CAP'L (\$MILL)	6.5	9.1	9.9	8.0	12.2	19.6	28.7	31.0	29.7	
LONG-TERM DEBT (\$MILL)	1.6	1.7	4.3	11.2	17.6	14.0	10.5	53.5	39.3	
SHR. EQUITY (\$MILL)	19.3	21.5	23.0	24.6	32.9	46.9	56.4	63.7	71.0	
RETURN ON TOTAL CAP'L	13.2%	11.8%	7.3%	5.2%	6.7%	9.6%	13.9%	6.0%	10.7%	
RETURN ON SHR. EQUITY	13.7%	12.5%	8.3%	6.9%	9.3%	11.3%	15.7%	8.9%	14.4%	
RETAINED TO COM EQ	12.2%	11.0%	6.6%	5.0%	7.7%	9.9%	14.3%	7.5%	13.2%	
ALL DIV'DS TO NET PROF	11%	12%	21%	27%	17%	12%	9%	16%	9%	

^ANo. of analysts changing earn. est. in last 27 days: 0 up, 0 down, consensus 5-year earnings growth not available. ^BBased upon one analyst's estimate. ^CBased upon one analyst's estimate.

ANNUAL RATES						INDUSTRY: Chemical (Specialty)					
of change (per share)		5 Yrs.	1 Yr.			ASSETS (\$mill.)		2008	2009	10/31/09	BUSINESS: KMG Chemicals, Inc. engages in the manufacture, formulation, and distribution of specialty chemicals worldwide. The company operates businesses engaged in electronic chemicals, industrial wood preservation chemicals, and animal health pesticides. Its electronic chemicals are used in the manufacturing of semiconductors. The wood preserving chemicals, pentachlorophenol (penta) and creosote, are used by its industrial customers primarily to extend the useful life of utility poles and railroad crossties. KMG's animal health pesticides are used on cattle, other livestock, and poultry to protect the animals from flies and other pests. The company continues its growth by acquiring and optimizing stable chemical product lines and businesses with established production processes. Has 272 employees. C.E.O. & President: J. Neal Butler. Inc.: TX. Address: 9555 W. Sam Houston Parkway S., Suite 600, Houston, TX 77099. Tel.: (713) 600-3800. Internet: http://www.kmgchemicals.com .
Sales		21.0%	23.0%			Cash Assets		2.6	7.2	12.0	
"Cash Flow"		21.0%	44.0%			Receivables		37.1	21.2	22.5	
Earnings		21.5%	82.0%			Inventory (FIFO)		24.6	28.2	28.9	
Dividends		8.5%	--			Other		3.9	4.2	3.8	
Book Value		13.5%	11.0%			Current Assets		68.2	60.8	67.2	
						Property, Plant & Equip, at cost		66.0	67.4	--	
						Accum Depreciation		8.2	12.6	--	
						Net Property		57.8	54.8	54.7	
						Other		29.8	27.9	27.6	
						Total Assets		155.8	143.5	149.5	
						LIABILITIES (\$mill.)					
						Accts Payable		23.0	16.6	18.3	
						Debt Due		7.5	7.0	7.6	
						Other		6.7	7.5	7.3	
						Current Liab		37.2	31.1	33.2	
						LONG-TERM DEBT AND EQUITY as of 10/31/09					
						Total Debt \$44.9 mill.		Due in 5 Yrs. NA			
						LT Debt \$37.3 mill.					
						Including Cap. Leases NA		(33% of Cap'l)			
						Leases, Uncapitalized		Annual rentals NA			
						Pension Liability \$.5 mill. in '09 vs. \$.4 mill. in '08					
						Pfd Stock None		Pfd Div'd Paid None			
						Common Stock 11,147,675 shares		(67% of Cap'l)			
INSTITUTIONAL DECISIONS						TOTAL SHAREHOLDER RETURN					
		1Q'09	2Q'09	3Q'09		Dividends plus appreciation as of 2/28/2010					
to Buy		13	15	16		3 Mos.		6 Mos.	1 Yr.	3 Yrs.	5 Yrs.
to Sell		10	8	7		-25.13%		34.89%	236.28%	32.39%	83.22%
Hld's(000)		3561	3651	3704							

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