**\_\_1st\_\_\_Quarter report for \_\_\_GPN\_\_\_\_\_\_\_ Date: 10/17/12**

Percentage change in Sales from year ago quarter\_\_\_\_\_\_\_8.8%\_\_\_\_\_\_\_\_\_

Percentage change in Earnings per Share from year ago quarter\_\_\_\_-25.3%\_\_\_\_\_\_\_\_\_\_\_

(from top left box on p. 1 of SSG)

Is company meeting our target sales & earnings estimates at bottom of p. 1 of SSG? No, Sales=9.0% EPS= 8.5%

Pre-tax Profit on sales trend? (up, even, down) Down

Return on equity trends? (up, even, down) Down

Debt? (up, even, down) SSG says up, but it actually decreasing

Current PE is \_\_20.2\_\_\_\_\_\_. (Section 3 SSG)

Where does it fall in my estimated High/low range of PE's?\_\_near top\_\_\_\_\_\_\_

Signature PE =\_\_ 22.3\_\_\_\_\_\_\_

Club cost basis for this stock is \_38.57\_\_. Current price is \_\_\_43.92\_\_\_\_\_\_

(from latest valuation)

Has stock met S&P's 12-month target price from a year ago?\_\_\_no $50\_\_\_\_\_\_\_\_\_

Current fair value: Morningstar:\_\_\_none\_\_\_\_\_\_\_ S&P:\_\_$47.90\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

My SSG Total Return is \_\_\_\_10.0%\_\_\_\_\_\_ Projected Average Return is \_\_\_\_6.5%\_\_\_\_

What will drive future growth?\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Additional comments: The decrease in earnings are because of the “processing system intrusion charges” of $0.20, otherwise earnings for the Q1 would be unchanged from a year ago. The security breach will be a cloud over the company for the next few years.

The SSG says “hold” but I recommend we “sell” or challenge

Recommend: Buy More \_\_\_\_, Hold\_\_\_\_\_\_\_\_, Challenge with a better investment\_\_\_X\_\_\_, Sell\_\_X\_\_.