

1. Percentage change in Sales from year ago quarter **+16.34%**
2. Percentage change in Earnings per Share from year ago quarter **-1.25%**
3. Is company meeting our target sales & earnings estimates? **Sales yes, earnings = NO**
4. Pre-tax Profit on sales trend? (up, even, down) **UP 24%**
5. Return on equity trends? (up, even, down) Flat 18% = good
6. Debt? (up, even, down) **12%; up from acquisitions.**

Morningstar: "Stryker has recently been very active on the M&A front by making or planning several acquisitions in the hopes of making hospitals more efficient (Ascent and OtisMed) and serving underpenetrated markets (Boston's BSX neurovascular unit). With plenty of cash left over..."

7. Current PE is **15.3%** Where does it fall in my estimated High/low range of PE's? **on the low side**
8. Signature PE = **20.8%**
9. Club cost basis for this stock is **\$33.70** **Current price is \$48.42** (from latest valuation)
10. Current fair value: **Morningstar: 4 star, \$68; Buy up to: \$47.60** S&P: _____
11. My SSG Total Return is **18% (\$107.6)** Projected Average Return is **18.4% green (MI)**

12. What will drive future growth: hospital equipment, beds, etc
 - a. Valueline: BUSINESS: Stryker Corp. develops, manufactures, and markets Orthopaedic Implants (59% of '10 sales), and MedSurg Equipment (41%). Orthopaedic products include hip, knee, trauma, spinal, and craniomaxillofacial implants. MedSurg includes powered instruments, endoscopic systems, other operating room devices, specialty stretchers, and maternity beds.
 - b. Sales of Neurotechnology and Spine products rose significantly, although much of this was due to acquisitions. Higher demand for hip and trauma implant systems was offset by lower shipments of knee and other implant systems, which caused revenues at the Reconstructive products group to come in about flat from last year. We look for 2011 top- and bottom-line growth of 13% and 11%, respectively. The MedSurg Equipment group will likely lead the way, thanks to ongoing robust demand for surgical equipment.

13. Additional comments:

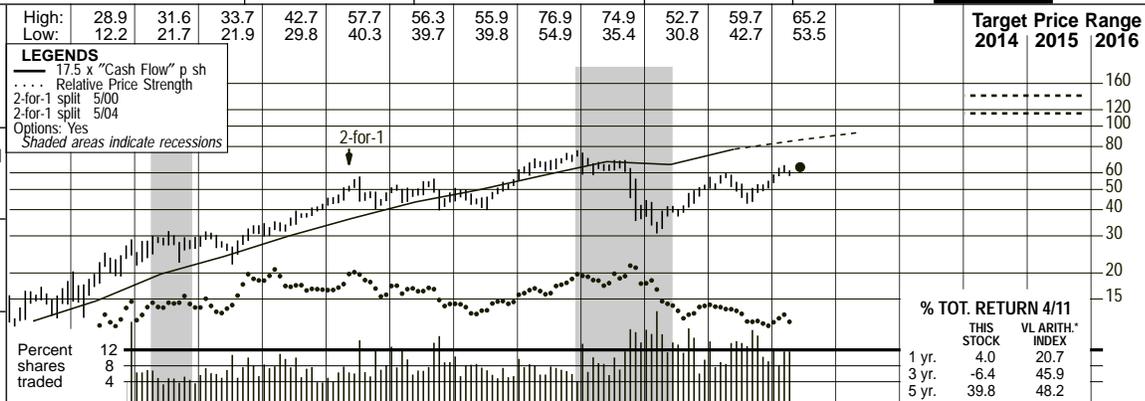
- a. **I am concerned about, and want to watch for increased internal growth in implant section**
 - i. low earnings and
 - ii. low internal earnings from implant surgery
 - iii. Neurotechnology and Spine products from acquisitions instead of internal growth

14. **Recommend: Hold YES**

STRYKER CORP. NYSE-SYK

RECENT PRICE **63.80** P/E RATIO **17.2** (Trailing: 18.6; Median: 28.0) RELATIVE P/E RATIO **1.07** DIV'D YLD **1.1%** VALUE LINE

TIMELINESS 3 Lowered 9/3/10
SAFETY 1 Raised 8/28/09
TECHNICAL 3 Lowered 4/29/11
 BETA .80 (1.00 = Market)



2014-16 PROJECTIONS
 Price Gain Ann'l Total Return
 High 140 (+120%) 22%
 Low 115 (+80%) 17%

Insider Decisions
 to Buy 0 0 0 0 1 0 0 1 0
 Options 0 0 0 0 0 1 1 2
 to Sell 0 0 0 0 1 0 0 4 2

Institutional Decisions
 202010 302010 402010
 to Buy 262 287 310
 to Sell 430 369 365
 Hlds(000) 242286 256035 247914

1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	© VALUE LINE PUB. LLC	14-16
2.24	2.35	2.55	2.86	5.41	5.84	6.61	7.60	9.08	10.59	12.02	13.25	14.60	16.95	16.90	18.72	21.40	22.30	Sales per sh	28.55
.30	.33	.41	.49	.67	.84	1.13	1.37	1.71	2.08	2.49	2.85	3.33	3.87	3.75	4.45	4.90	5.35	"Cash Flow" per sh	7.10
.23	.26	.32	.38	.41	.55	.67	.88	1.12	1.43	1.75	2.02	2.40	2.78	2.77	3.33	3.70	4.10	Earnings per sh A	5.70
.01	.03	.03	.03	.03	.04	.04	.05	.06	.09	.11	.22	.33	.40	.25	.63	.72	.76	Div'ds Decl'd per sh B	.88
.09	.07	.09	.13	.20	.21	.41	.35	.36	.47	.67	.53	.46	.39	.33	.47	.55	.60	Cap'l Spending per sh	.65
1.17	1.37	1.59	1.69	1.73	2.18	2.68	3.78	5.40	6.84	8.03	10.27	13.09	13.64	16.57	18.34	20.10	22.15	Book Value per sh C	30.15
388.43	387.15	384.24	386.16	388.80	391.80	393.40	396.20	399.40	402.50	405.20	407.90	411.00	396.40	397.90	391.10	388.00	386.00	Common Shs Outst'g D	385.00
24.6	25.0	27.5	26.7	35.5	37.1	40.3	33.0	32.4	33.0	27.7	23.6	27.9	21.8	15.1	15.7			Avg Ann'l P/E Ratio	22.0
1.65	1.57	1.59	1.39	2.02	2.41	2.07	1.80	1.85	1.74	1.47	1.27	1.48	1.31	1.01	1.01			Relative P/E Ratio	1.45
2%	4%	3%	3%	2%	2%	1%	2%	2%	2%	2%	5%	5%	7%	6%	1.2%			Avg Ann'l Div'd Yield	.7%

CAPITAL STRUCTURE as of 3/31/11
Total Debt \$1024.8 mill. Due in 5 Yrs \$25.0 mill.
LT Debt \$996.6 mill. Interest \$65 mill.
 (12% of Capital)
Leases, Uncapitalized Annual rentals \$48.2 mill.
Pension Assets-12/10 \$199.9 mill. Oblig. \$307.6 mill.
Pfd Stock None
Common Stock 388,004,426 shares as of 3/31/11
MARKET CAP: \$24.8 billion (Large Cap)

2602.3	3011.6	3625.3	4262.3	4871.5	5405.6	6000.5	6718.2	6723.1	7320.0	8300	8600	Sales (\$mill)	11000
24.7%	24.9%	24.9%	25.6%	26.8%	27.0%	28.2%	28.9%	31.0%	32.0%	31.5%	32.0%	Operating Margin	33.0%
172.0	186.1	229.7	250.9	289.9	331.8	366.6	387.6	385.3	410.2	425	445	Depreciation (\$mill)	485
271.8	357.1	453.5	586.5	719.1	830.4	1000.7	1147.8	1107.4	1329.3	1475	1625	Net Profit (\$mill)	2250
33.0%	31.8%	30.5%	30.0%	29.4%	28.2%	28.0%	27.4%	31.8%	25.6%	28.0%	28.0%	Income Tax Rate	28.0%
10.4%	11.9%	12.5%	13.8%	14.8%	15.4%	16.7%	17.1%	16.5%	18.2%	17.8%	18.9%	Net Profit Margin	20.5%
459.7	443.8	547.1	1029.1	1621.3	2182.8	3571.9	3517.2	4410.2	6026.4	6700	7600	Working Cap'l (\$mill)	11500
720.9	491.0	18.8	.7	184.2	--	--	--	--	996.5	1000	1000	Long-Term Debt (\$mill)	1000
1056.2	1498.2	2154.8	2752.0	3251.8	4191.0	5378.5	5406.7	6595.1	7173.6	7800	8550	Shr. Equity (\$mill)	11600
17.0%	19.0%	21.4%	21.4%	20.9%	19.8%	18.6%	21.2%	16.8%	16.6%	18.0%	18.0%	Return on Total Cap'l	18.5%
25.7%	23.8%	21.0%	21.3%	22.1%	19.8%	18.6%	21.2%	16.8%	18.5%	19.0%	19.0%	Return on Shr. Equity	19.5%
24.2%	22.5%	19.9%	20.3%	21.0%	18.7%	16.9%	18.7%	13.8%	15.2%	16.5%	16.5%	Retained to Com Eq	17.0%
6%	6%	5%	5%	5%	5%	9%	12%	18%	18%	18%	18%	All Div'ds to Net Prof	17%

CURRENT POSITION (SMILL.)

	2009	2010	3/31/11
Cash Assets	2954.8	4380.1	2885.9
Receivables	1147.1	1251.9	1310.3
Inventory (LIFO)	943.0	1056.8	1220.5
Other	806.3	942.6	1084.5
Current Assets	5851.2	7631.4	6501.2
Accts Payable	200.2	291.7	292.0
Debt Due	18.0	25.3	28.2
Other	1222.8	1288.0	1266.6
Current Liab.	1441.0	1605.0	1586.8

BUSINESS: Stryker Corp. develops, manufactures, and markets Orthopaedic Implants (59% of '10 sales), and MedSurg Equipment (41%). Orthopaedic products include hip, knee, trauma, spinal, and craniomaxillofacial implants. MedSurg includes powered instruments, endoscopic systems, other operating room devices, specialty stretchers, and maternity beds. Physical Therapy Services

business sold '07. About 35% of '10 sales were foreign. R&D: 5.4% of '10 sales. '10 depr. rate: 5.6%. Has 20,036 employees. Off. and directors own 9.8% of stock (3/11 proxy), 6 others aggregate 39.4%. Chairman, President, & CEO: Stephen MacMillan. Inc.: MI. Addr.: 2825 Airview Blvd, Kalamazoo, MI 49002. Telephone: 269-385-2600. Internet: www.stryker.com.

ANNUAL RATES

Past 10 Yrs. of change (per sh)	Past 5 Yrs.	Est'd '08-'10
Sales	14.0%	10.5%
"Cash Flow"	19.5%	14.0%
Earnings	21.0%	15.5%
Dividends	28.5%	37.5%
Book Value	24.0%	19.0%

Stryker continues to post solid results. During the first quarter, the company reported a 12% year-over-year increase in sales, while share net rose 13%. The top-line advance was driven by strong demand for MedSurg products, thanks to higher shipments of surgical equipment and surgical navigation systems, endoscopic and communications systems, and patient handling and emergency medical equipment. Sales of Neurotechnology and Spine products rose significantly, although much of this was due to acquisitions. Higher demand for hip and trauma implant systems was offset by lower shipments of knee and other implant systems, which caused revenues at the Reconstructive products group to come in about flat from last year.

earnings gains. As the economy continues to slowly improve, we believe many hospitals will be more willing to spend on the latest technologies in order to differentiate themselves from their competitors, and this ought to expand demand for some of the company's core products.

QUARTERLY SALES (\$ mill.)

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	1634	1713	1653	1718	6718
2009	1602	1634	1653	1834	6723
2010	1799	1758	1768	1995	7320
2011	2015	2025	2035	2225	8300
2012	2100	2050	2050	2400	8600

We look for 2011 top- and bottom-line growth of 13% and 11%, respectively. The MedSurg Equipment group will likely lead the way, thanks to ongoing robust demand for surgical equipment. The recent acquisition of Ascent is also expected to boost sales and profits for the year. Management's continuing operational efficiency plans should also help support

Stryker maintains a strong balance sheet. It has roughly \$2.9 billion of cash on hand, which should allow it to continue to pursue multiple acquisitions in the coming quarters. Its strong cash flow generation has also allowed the company to enhance shareholder return by buying back stock. In fact, during the first quarter Stryker repurchased roughly four million shares.

EARNINGS PER SHARE A

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	.70	.73	.66	.69	2.78
2009	.71	.73	.57	.76	2.77
2010	.80	.80	.80	.93	3.33
2011	.90	.90	.90	1.00	3.70
2012	1.00	1.00	1.00	1.10	4.10

Shares of Stryker are ranked to track the broader market averages over the coming six to 12 months. Increased demand for elective surgery and higher sales of the company's core medical products ought to allow for solid profit gains during this time frame. Over the 3- to 5-year period, these high-quality shares offer wide capital appreciation potential at the current quotation.

QUARTERLY DIVIDENDS PAID B

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2007	.22	--	--	--	.22
2008	.33	--	--	--	.33
2009	.40	--	--	--	.40
2010	.15	.15	.15	.15	.60
2011	.18	.18	.18	.18	.72

(A) Based on average shares through '96; diluted thereafter. Excludes extraordinary gains of \$0.03 in 1996. Excludes nonrecurring losses (gains): '98, \$0.57; '99, \$0.71; '01, \$0.01; '02, \$0.03; '04, \$0.29; '05, \$0.11; '06, 13c; '07, 4c; '08, 5c. Next earnings rpt. due late July. (B) Dividends paid early January, April, July, and October. (C) Includes intangibles. At 12/31/10: \$1781.6 million, \$4.49/share. (D) In millions, adjusted for stock splits.

Company's Financial Strength	A++
Stock's Price Stability	90
Price Growth Persistence	70
Earnings Predictability	100

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May 27, 2011

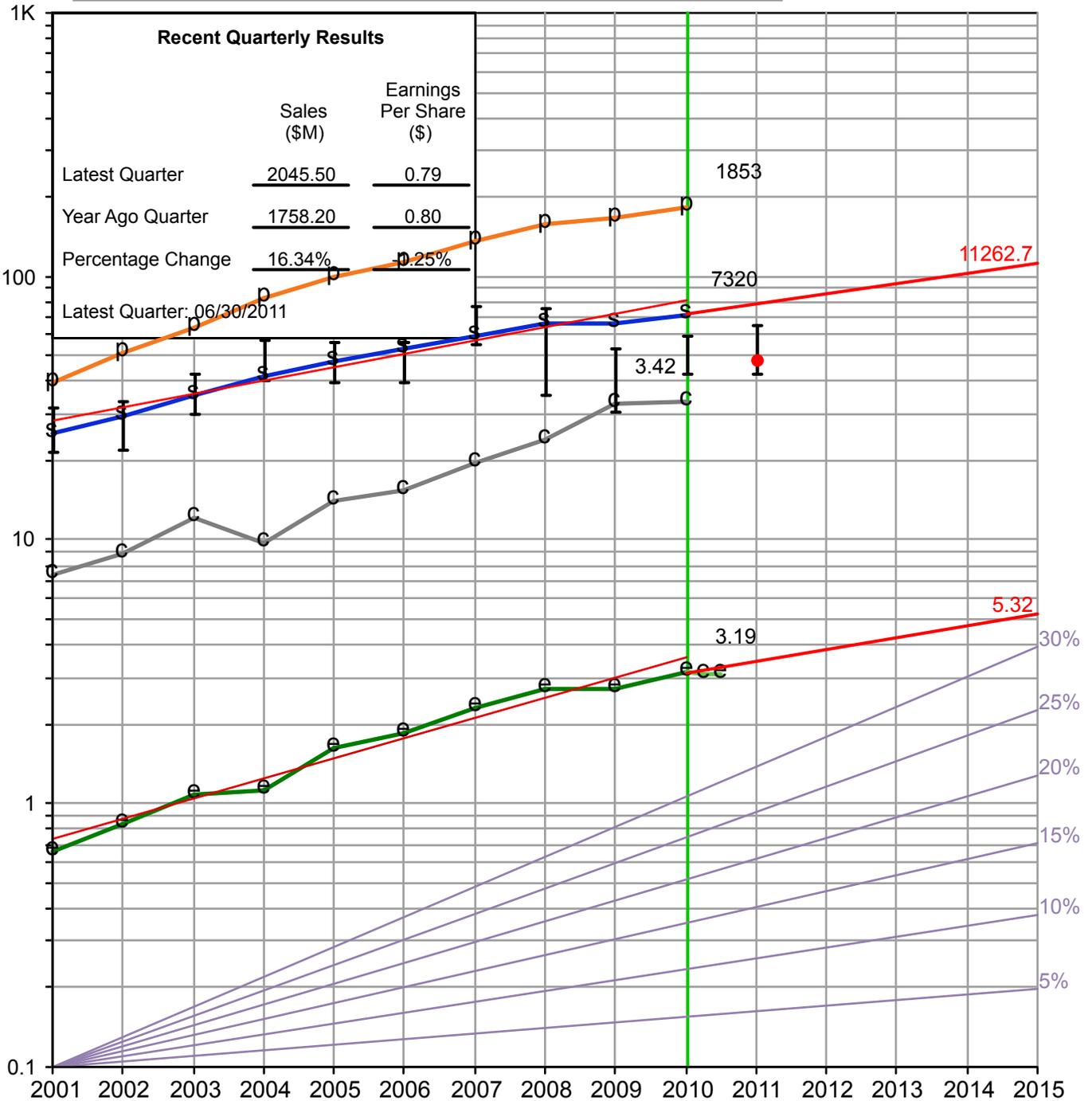
Stryker (SYK)

Date: 08/16/2011

Stock Prices

Current Price = \$48.56 52 Week Range = \$42.74 to \$65.21
 Exchange: NYSE
 Industry: Medical Instruments & Suppli

Share Data	Authorized	Issued	Debt (\$M): 1021.10
Preferred:			% Total Cap.: 11.60%
Common:	392.000	388.200	
Preferred Stock Dividend:		Dilution: 3.800	



(1) Historical Sales Growth = 12.30%
 (2) Estimated Sales Growth = 9.00%

(3) Historical EPS Growth = 19.39%
 (4) Estimated EPS Growth = 11.0%

ACE 5-year EPS Growth Estimate: 10.4%

2 EVALUATING MANAGEMENT

Stryker (SYK) - 08/12/2011

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	5 Yr Ave	Trend
% Pretax Profit on Sales (Net Before Tax/Sales)	15.6	17.4	18.0	19.7	20.9	21.4	23.2	24.0	25.2	25.3	23.8	UP
% Earned on Invested Capital (EPS/Book Val)	24.9	22.5	20.6	16.7	20.4	18.4	18.1	20.8	16.7	17.4	18.3	FLAT
% Debt to Equity	68.3	32.9	0.9	0.0	5.7	0.0	0.0	0.0	0.0	13.7	2.7	UP

3 PRICE & EARNINGS HISTORY

Current Price: 48.56

52 Week High= 65.21

52 Week Low= 42.74

Year	High Price	Low Price	EPS	PE High	PE Low	Dividend	Payout	High Yield
2006	55.9	39.8	1.89	29.6	21.0	0.220	11.6	0.6
2007	76.9	54.9	2.37	32.4	23.2	0.330	13.9	0.6
2008	74.9	35.4	2.78	27.0	12.7	0.400	14.4	1.1
2009	52.7	30.8	2.77	19.0	11.1	0.150	5.4	0.5
2010	59.7	42.7	3.19	18.7	13.4	0.630	19.7	1.5
TOTAL	320.1	203.6						
AVE	64.0	40.7		25.3	16.3		13.0	
Average Price Earnings Ratio: 20.8					Current Price Earnings Ratio: 15.4			

Current PE Ratio Based on Current EPS [\$3.16]

Projected PE Ratio of [13.8] Based on Projected EPS [\$3.5]

4 EVALUATING BUY, HOLD, & SELL

A. CALCULATED HIGH PRICE - 5 YEARS

Ave High PE 20.0 X Estimated High Earnings/Share 5.32 Projected High Price = \$ 106.4

B. CALCULATED LOW PRICE - 5 YEARS

(a) Avg. Low P/E 16.3 X Estimated Low Earnings/Share 3.19 = \$ 52.00

(b) Avg. Low Price of Last 5 Years = \$40.7

(e) Price Variant = \$41.5

(c) Recent Market Low = \$30.8

(d) Dividend Price Support = \$42.0

Selected Estimated Low Price \$ 39.0

C. BUY/HOLD/SELL ZONES

Selected High of \$106.40 minus Selected Low of \$39.00 = \$67.40 Range. 1/4 of Range = \$16.850

Lower 1/4 = \$39.0 To \$55.85 (Buy)

25%/50%/25% Zoning

Center 1/2 = \$55.85 To \$89.55 (Hold)

Upper 1/4 = \$89.55 To \$106.4 (Sell)

D. UPSIDE RISK ANALYSIS

High Price 106.4 - Current Price 48.56 = **6.1** to 1

Current price of \$48.56 is in the BUY zone

Current Price 48.56 - Low Price 39.0

PEG Ratio = 1.40

Relative Value = 74.0%

Proj PEG = 1.26

Proj Rel Value = 66.6%

5 YIELD ANALYSIS

Current Yield = (100 * Current Dividend)÷Current Price = 100 * 0.72 / 48.6 = 1.5%

Ave. 5 Yr. Yield = (Ave. EPS(5Yr) * Ave. Payout)÷Current Price = (4.36 * 13.0)/48.6 = 1.2%

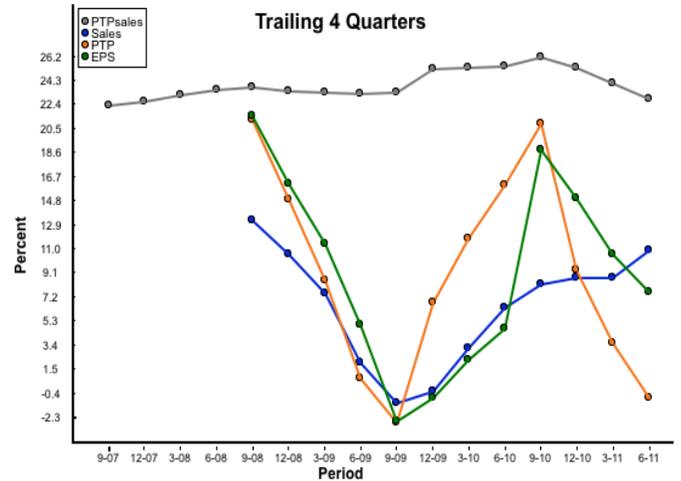
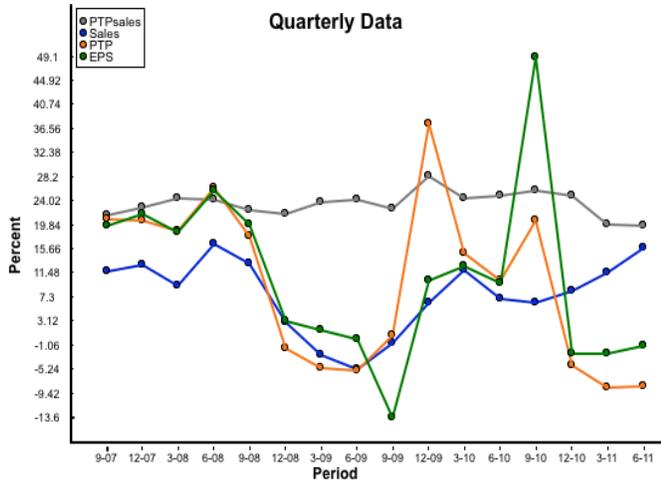
Price Appreciation = ((100*Projected High Price÷Current Price)-100)÷5 = 23.8 %

Average Total Return = Price Appreciation+Ave. 5 Yr. Yield = 25.0 %

	P.A.R	Tot. Ret.
Average Yield	0.7%	0.6%
Annual Appreciation	<u>14.7%</u>	<u>17.0%</u>
Compounded Annual Return	15.4%	17.6%

Company: Stryker

Symbol: SYK



Quarterly Performance

Trailing Twelve Months

Quarterly Performance

Period	SALES		PRETAX PROFIT			EARNINGS	
	\$ mil	% Chg	\$ mil	% Sales	% Chg	\$	% Chg
6-11	2045.5	16.3%	410.0	20.0%	-7.4%	0.79	-1.2%
3-11	2015.2	12.0%	411.8	20.4%	-7.6%	0.78	-2.5%
12-10	1995.1	8.8%	502.8	25.2%	-3.9%	0.74	-2.6%
9-10	1767.6	6.9%	461.9	26.1%	21.1%	0.85	49.1%
6-10	1758.2	7.6%	442.6	25.2%	10.6%	0.80	9.6%
3-10	1799.1	12.4%	445.8	24.8%	15.4%	0.80	12.7%
12-09	1834.2	6.8%	523.1	28.5%	37.6%	0.76	10.1%
9-09	1653.3	0.0%	381.4	23.1%	1.4%	0.57	-13.6%
6-09	1634.3	-4.6%	400.0	24.5%	-4.8%	0.73	0.0%
3-09	1601.3	-2.0%	386.4	24.1%	-4.4%	0.71	1.4%
12-08	1718.2	3.6%	380.1	22.1%	-1.0%	0.69	3.0%
9-08	1653.0	13.7%	376.0	22.7%	18.3%	0.66	20.0%
6-08	1712.6	17.0%	420.1	24.5%	26.6%	0.73	25.9%
3-08	1634.4	9.7%	404.0	24.7%	19.1%	0.70	18.6%
12-07	1658.1	13.4%	384.0	23.2%	20.9%	0.67	21.8%
9-07	1453.2	12.3%	317.9	21.9%	21.2%	0.55	19.6%

Trailing Twelve Months

Period	SALES	PRETAX PROFIT		EPS	PERCENT CHANGE		
	\$ mil	\$ mil	% Sales	\$	Sales	PTP	EPS
6-11	7823.4	1786.5	22.8%	3.16	11.1%	-0.4%	7.8%
3-11	7536.1	1819.1	24.1%	3.17	8.9%	3.9%	10.8%
12-10	7320.0	1853.1	25.3%	3.19	8.9%	9.6%	15.2%
9-10	7159.1	1873.4	26.2%	3.21	8.4%	21.0%	18.9%
6-10	7044.8	1792.9	25.4%	2.93	6.6%	16.2%	5.0%
3-10	6920.9	1750.3	25.3%	2.86	3.5%	12.0%	2.5%
12-09	6723.1	1690.9	25.2%	2.77	0.1%	7.0%	-0.4%
9-09	6607.1	1547.9	23.4%	2.70	-0.8%	-2.3%	-2.2%
6-09	6606.8	1542.5	23.3%	2.79	2.3%	1.1%	5.3%
3-09	6685.1	1562.6	23.4%	2.79	7.7%	8.7%	11.6%
12-08	6718.2	1580.2	23.5%	2.78	10.8%	15.1%	16.3%
9-08	6658.1	1584.1	23.8%	2.76	13.4%	21.3%	21.6%
6-08	6458.3	1526.0	23.6%	2.65			
3-08	6209.4	1437.7	23.2%	2.50			
12-07	6064.3	1372.8	22.6%	2.39			
9-07	5869.0	1306.3	22.3%	2.27			

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Stryker Corporation SYK |

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With regulatory changes afoot for orthopedic implants, Stryker's diversification adds benefits.



by
[Julie Stralow](#),
[CFA](#)

Thesis 08/01/11

Stryker excels in several orthopedic and medical equipment niches. We expect the firm to continue launching innovative new products to help expand these niches and its own profitability even further in the long run.

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Morningstar's [Editorial Policies](#)

Analyst Note

[FDA and IOM Lock Horns on Device Approval Process](#)

by Julie Stralow, CFA, 07-29-11

About half of Stryker's revenue comes from reconstructive orthopedic implants, where the firm is a top-tier provider of knees and hips. We think the orthopedic industry is very attractive because of its high barriers to success, and Stryker should be a key beneficiary of growth in surgical procedures to repair joints. Demographic trends in developed countries

should drive solid volume growth for the industry, as their populations age and suffer from the consequences of obesity trends. Although we are enthusiastic about orthopedic volume growth prospects, some uncertainty exists regarding regulatory requirements to introduce new products and ongoing pricing levels because of U.S. reform initiatives and growing national budget deficits worldwide, which could cause some key payers to scrutinize medical costs more intensely. However, even in our most dire scenarios, we think Stryker's returns on invested capital should remain higher than capital costs, primarily because of the positive characteristics of the orthopedic implant market.

The firm also offers tools and equipment to outfit surgical suites and regular hospital rooms. Stryker is particularly prolific in operating room products, including cutting tools, medical video equipment, and irrigation devices. These tools often complement its orthopedic devices and greatly improve the efficiency of surgical procedures. Stryker is even a top provider of medical beds and emergency equipment, such as stretchers. Although not as fundamentally attractive as implants and somewhat susceptible to economic cycles, these offerings often expand at faster rates than Stryker's orthopedic implant products. In the long run, we think that trend could

With its cash-rich balance sheet and admirable free cash-flow generation, Stryker remains in the enviable position of having many avenues to boost growth and return value to shareholders. Stryker has recently been very active on the M&A front by making or planning several acquisitions in the hopes of making hospitals more efficient (Ascent and OtisMed) and serving underpenetrated markets (Boston's BSX neurovascular unit). With plenty of cash left over, Stryker should be able to continue boosting returns to shareholders as well through share repurchases and higher dividends.

Valuation

We're cutting our fair value estimate for Stryker to \$68 per share from \$72 to account for increased regulatory scrutiny that we expect on its orthopedic implants after a recent IOM recommendation to scrap the 510(k) approval process. While we don't think the FDA will go down that path, we suspect timelines to market launch will lengthen, resulting in higher-than-expected pressure on average selling prices. We'd already assumed a 20% rise in orthopedic-related R&D costs from historical norms, and we believe that assumption remains appropriate. Overall, our new fair value estimate depends on Stryker's sales growing 8% compounded annually during the next five years (down from our previous assumption of 9%). We also assume operating margins remain around 25%, leading to 9% earnings per share growth during the period as well. We discount our free cash flow assumptions at 9.5%. Our fair value estimate implies a forward price to earnings multiple of 18.

Risk

In economic downturns, Stryker's results may reflect more cyclicity than many health-care firms. Economic concerns disrupted Stryker's medical equipment segment in 2009, and caregivers may delay purchases in this segment in future downturns. Demand for orthopedic procedures can also be delayed when uncertainty surrounds the employment landscape; these delays have significantly constrained Stryker's growth in recent years. Also, many highly motivated and resource-rich firms compete with Stryker. If the company does not stay near the top of the innovation curve, it risks losing customers to those rivals. In the longer term, third-party payers may need to reduce payments for procedures in order to afford the expected uptick in procedure volume. If payment cuts trickle down to Stryker and it can't make comparable cost reductions, those cuts could damage returns on invested capital. Potential regulatory changes in the U.S. also have the potential to increase requirements for new product launches, which could reduce returns for implant makers like Stryker.

Management & Stewardship

After reviewing Stryker's governance disclosures, we're upgrading its Stewardship Grade to B as we get a better understanding of the firm's compensation policies, which seem fair to us and should help keep managers aligned with shareholder interests. So while we think good stewardship practices are being employed at Stryker, investors should be aware of how little control they may have on Stryker's

Morningstar's

Price 08-01-2011

53.10 USD

Consider Buy

47.60 USD

Stewardship Grade

Bulls Say

- Stryker's balance accelerate growth return value to sh
- International oper operating room at small and provide
- New products cou knees (OtisMed's
- By acquiring Asce instruments, Stry administrators to especially in an environment.

Bears Say

- Health-care reform long-term returns for 65% of the fir
- Third-party payer which could limit
- Although all outst letters recently w the quality of its r more bumps along

Competitors S

Name

Stryker Corporati

Johnson & Johnson

Zimmer Holdings In

Smith & Nephew PL

Equity Analysis Guide: Stryker (SYK)

Company	Ticker	Industry	Quality	PAR
Stryker	SYK	Medical Supplies (Orthopedic)	87.8	18.4%
Current Price (08/15)				\$49.15
CAPS Rating (Rate this stock on CAPS)			★★★★★	
Expected Income Statement				
Current Sales				7,803.0
Sales Growth Forecast				9.9%
Net Profit Margin				18.0%
Projected Shares Outstanding				394.74
EPS - Five year Forecast				\$5.71
Average P/E Ratio				19.5
Projected Average Price				\$111.18
Price Appreciation (Annualized)				17.7%
Annual Dividend Yield				0.7%
Projected Annual Return				18.4%
Quality				
Financial Strength			93	23.3
EPS Stability			97	24.3
Industry Sales Growth Rate			8.1%	15.3
Industry Net Profit Margin			8.0%	25.0
Calculated Quality Rating				87.8
Fool CAPS				
Total Players				
1402 Outperforms			28 Underperforms	
All-Stars (487)				
479 Outperforms (98%)			8 Underperforms	

Fundamental Data Updated: 05/27/2011

