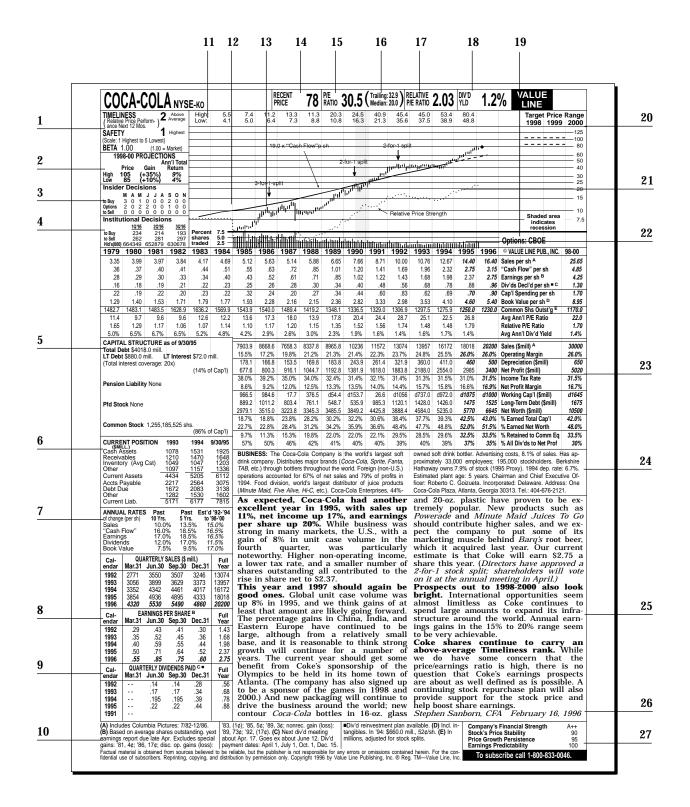
## GETTING THE MOST FROM THE VALUE LINE PAGE



- 1. Here is the core of Value Line's advice—the rank for Timeliness; the rank for Safety; Beta—the stock's sensitivity to fluctuations of the market as a whole.
- 2. The projected average annual return— based on estimated 3- to 5-year price appreciation plus dividend income.
- **3.** The record of insider decisions—decisions by officers and directors to buy or sell as reported to the SEC one month or more after execution.
- 4. A record of **the decisions taken by the biggest institutions** (over \$28 billion in equity holdings)—including banks, insurance companies, mutual funds—to buy or sell during the past three quarters and the total number of shares bought or sold.
- 5. The capital structure as of recent date showing the percentage of capital in long-term debt (14%) and in common stock (86%); the number of times that total interest charges were earned (20 as of June 1995).
- **6. Current position**—current assets and current liabilities, the components of working capital.
- 7. Annual rates of change (on a per-share basis). Actual past, estimated future.
- 8. Quarterly earnings are shown on a per-share basis (estimates in bold type), quarterly sales on a gross basis.
- **9. Quarterly dividends paid** are actual payments. The total of dividends paid in four quarters may not equal the figure shown in the annual series on dividends declared. (Sometimes a dividend declared at the end of the year will be paid in the first quarter of the following year).
- **10.** Footnotes explain a number of things, such as the way earnings are reported, wether "fully diluted", on a "primary" basis, or on an "average shares outstanding" basis.
- 11. The stock's highest and lowest price of the year.
- **12.** The Value Line—reported earnings plus depreciation ("cash flow") multiplied by a number selected to correlate the stock's 3- to 5-year projected target price with "cash flow" projected out to 1995-96.
- **13. Monthly price ranges** of the stock—plotted on a ratio (logarithmic) grid to show percentage changes in true proportion. For example, a ratio chart equalizes the move of a \$10 stock that rises to \$11 with that of a \$100 stock that rises to \$110. Both have advanced 10% and over the same space on a ratio grid.

- 14. Recent price—nine days prior to delivery date.
- **15. P/E ratio**—the most recent price divided by the latest six months' earnings per share plus earnings estimated for the next six months.
- **16. P**\**E median**—a rounded average of four middle values of the range of average annual price/earnings ratios over the past 10 years.
- **17. Relative** P/**E ratio**—the stock's current P/E divided by the median P/E for all stocks under Value Line review.
- **18.** Dividend yield—cash dividends estimated to be declared in the next 12 months divided by the recent price.
- **19. Options patch**—indicates listed options are available on the stock and on what exchange they are most actively traded.
- **20.** The 3- to 5-year target price range, estimated. The range is placed in proper position on the price chart and is shown numerically in the "1998-00 Projections" box on the left side of the price chart.
- **21. Relative price strength** describes the stock's past price performance relative to the Value Line Composite Average of 1,700 stocks. The Timeliness rank usually predicts the future direction of this line.
- **22.** The number of shares traded monthly as a percentage of the total outstanding.
- **23.** Statistical milestones that reveal significant long-term trends. The statistics are presented in two ways: 1) the upper series records results on a per-share basis; 2) the lower records results on a gross basis. Note that the statistics for the current year are estimated, as are the figures for the average of the years 1998-2000. The estimate would be revised, if necessary, should future evidence require. The weekly *Summary & Index* would promptly call attention to such revisions.
- **24.** A condensed summary of the **business**, significant shareholders, and the company's address and telephone number.
- **25.** A 400-word **report on recent developments and prospects**—issued once every three months on a preset schedule.
- **26.** The date of delivery to the subscribers. The survey is mailed on a schedule that aims for delivery to every subscriber on Friday afternoon.
- 27. Value Line's Indexes of Financial Strength, Price Stability, Price Growth Persistence, and Earnings Predictability.