VISUAL ANALYSIS of Sales, Earnings, and Price

Latest Quarter
Year Ago Quarter
Percentage Change

Sales ($M)
Earnings Per Share

(1) Historical Sales Growth 21.6%
(2) Estimated Future Sales Growth 17.5%
(3) Historical Earnings Per Share Growth 19.2%
(4) Estimated Future Earnings Per Share Growth 14.7%
This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

### 3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is building block for translating earnings into future stock prices.

<table>
<thead>
<tr>
<th>Year</th>
<th>High</th>
<th>Low</th>
<th>A High Price</th>
<th>B Low Price</th>
<th>Earnings</th>
<th>Price Earnings Ratio</th>
<th>Dividend</th>
<th>% Payout</th>
<th>% High Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>High</td>
<td>Low</td>
<td>High A / C</td>
<td>Low B / C</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>34.3</td>
<td>20.1</td>
<td>1.02</td>
<td>33.6</td>
<td>19.7</td>
<td>0.00</td>
<td>0.0</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>32.9</td>
<td>24.5</td>
<td>1.25</td>
<td>26.3</td>
<td>19.6</td>
<td>0.00</td>
<td>0.0</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>32.3</td>
<td>22.9</td>
<td>1.38</td>
<td>23.4</td>
<td>16.6</td>
<td>0.00</td>
<td>0.0</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>36.4</td>
<td>24.0</td>
<td>1.47</td>
<td>24.7</td>
<td>16.3</td>
<td>0.00</td>
<td>0.0</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>41.4</td>
<td>27.9</td>
<td>1.73</td>
<td>23.9</td>
<td>16.1</td>
<td>0.00</td>
<td>0.0</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>Average</td>
<td>23.9</td>
<td>26.4</td>
<td>17.6</td>
<td></td>
<td></td>
<td>0.00%</td>
<td>0.00%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**C ZONING** using 25%-50%-25%

- Forecasted High Price: 82.4
- Minus Forecasted Low Price: 20.5
- Range: 61.9
- 25% of Range: 15.5

Present Market Price of 25.63 is in the **BUY** Zone.

**D UPSIDE DOWNSIDE RATIO (POTENTIAL GAIN VS. RISK OR LOSS)**

- High Price: 82.4
- Minus Present Price: 25.63
- Range: 56.80
- 25% of Range: 11.1

To 1

**E PRICE TARGET** (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

- High Price: 82.4
- Closing Price: 25.63
- 3.2161 X 100 = 321.61
- % Appreciation: 221.6

### 4 EVALUATING RISK and REWARD over the next 5 years

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

**A HIGH PRICE - NEXT 5 YEARS**

- Avg. High P/E: 24.0
- X Estimate High Earnings/Share: 3.43
- Forecasted High Price: 82.4

**B LOW PRICE - NEXT 5 YEARS**

- (a) Avg. Low P/E: 17.6
- X Estimate Low Earnings/Share: 1.73
- Forecasted Low Price: 30.4

- (b) Avg. Low Price of Last 5 Years: 23.9
- (c) Recent Market Low Price: 24.0

- (d) Price Dividend Will Support: 0.00
  - High Yield: 0.00%
  - Selected Forecasted Low Price: 20.5

**C ZONING** using 25%-50%-25%

- Buy Zone: 20.5
- Hold Zone: 36.0
- Sell Zone: 66.9

Present Market Price of 25.63 is in the **BUY** Zone.

**D UPSIDE DOWNSIDE RATIO (POTENTIAL GAIN VS. RISK OR LOSS)**

- High Price: 82.4
- Minus Present Price: 25.63
- Range: 56.80
- 25% of Range: 11.1

To 1

**E PRICE TARGET** (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

- High Price: 82.4
- Closing Price: 25.63
- 3.2161 X 100 = 321.61
- % Appreciation: 221.6

### 5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

**A**

- Indicated Annual Dividend:
  - Closing Price: 25.63
  - X 0.00
  - = 0.0000
  - = 0.0 %
  - Current Yield

**B AVERAGE YIELD - USING FORECAST HIGH P/E**

- Avg. % Payout: 0.0 %
- Forecast High PE: 24.00
- X 0.0 %
- = 0.0 %

**C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E**

- Annualized Appreciation: 26.3 %
- Average Yield: 0.0 %
- Annualized Rate of Return: 26.3 %

**D AVERAGE YIELD - USING FORECAST AVERAGE P/E**

- Avg. % Payout: 0.0 %
- Forecast Average PE: 20.80
- X 0.0 %
- = 0.0 %

**E PRICE TARGET** (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

- High Price: 82.4
- Closing Price: 25.63
- 3.2161 X 100 = 321.61
- % Appreciation: 221.6