

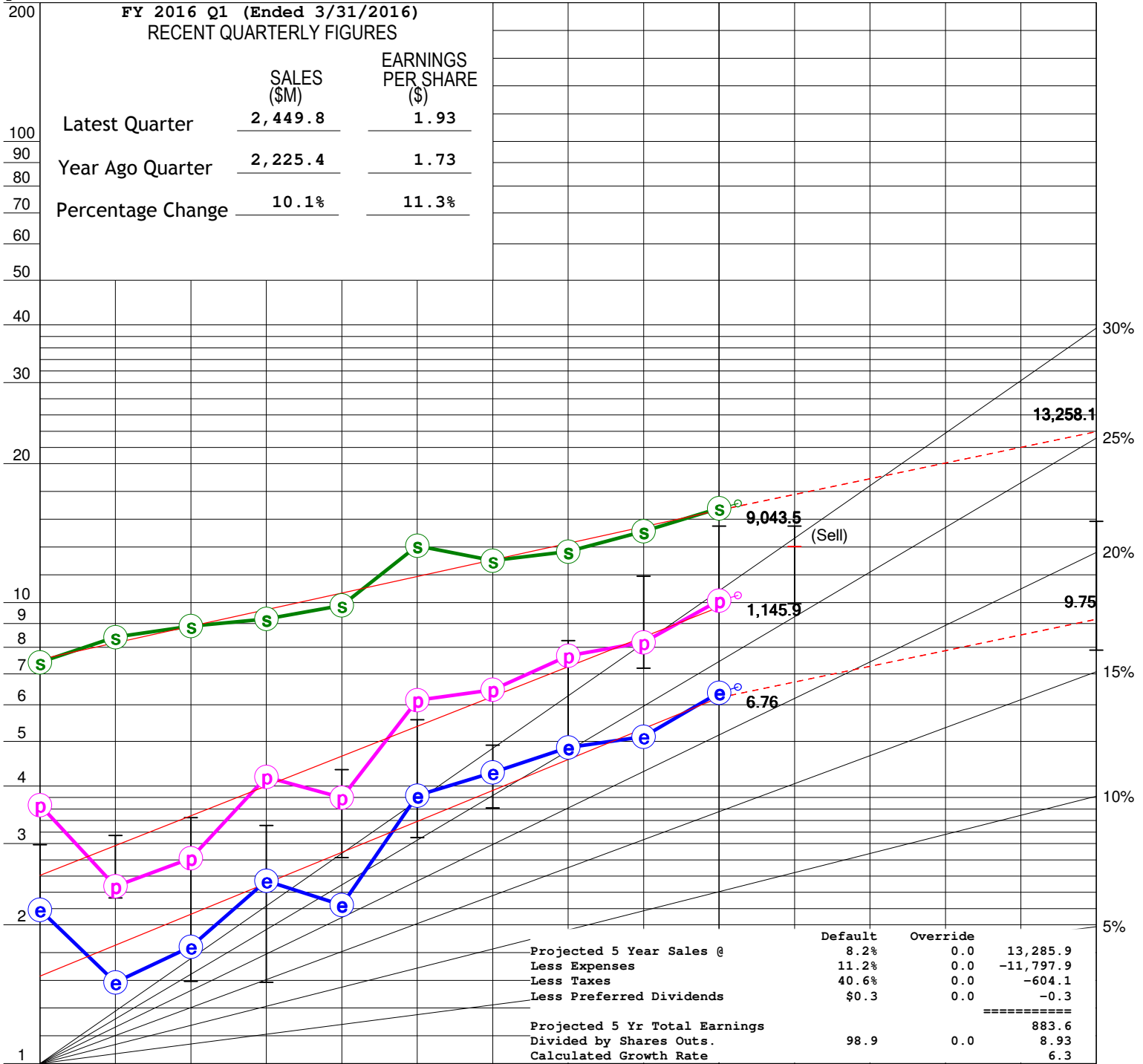


Stock Study

Company	Universal Health Serv..	Price Date	05/02/16
Study by	pwoodring	Data Date	05/02/16
Sector	Healthcare	Last Judgment	05/03/16
Industry	Medical Care	Data Source	BI
Preferred(\$M)	0.0	Reference	Morningstar
Diluted(M Shares)	98.9	% Insiders	1.3
Total Debt(\$M)	3,280.4	% Institutions	84.8
% Tot Debt to Tot Cap	43.3	Quality	

1 Growth Analysis

NYS: UHS



- | | | | | |
|-----------------------------------|-------|--|--------|---------------|
| (1) Historical Sales Growth | 8.6 % | (3) Historical Earnings Per Share Growth | 16.7 % | www.iclub.com |
| (2) Estimated Future Sales Growth | 8.2 % | (4) Estimated Future Earnings Per Share Growth | 8.2 % | |
| (5) Sales Growth R ² | 0.95 | (6) Earnings Per Share Growth R ² | 0.88 | |

2 QUALITY ANALYSIS

Company **Universal Health Services**

(UHS)

05/02/16

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	5 YEAR AVG.	TREND UP / DOWN
A % Pre-tax Profit on Sales	9.8	5.8	6.3	9.1	7.7	9.3	10.5	11.9	11.5	12.7	11.2	UP
B % ROE (Beginning Yr)	11.4	11.4	13.2	17.3	13.0	19.9	19.7	18.5	17.1	18.5	18.8	EVEN
C % LT Debt to Equity	51.1	65.2	64.0	53.9	196.7	161.2	137.2	102.1	87.5	80.0	113.6	DOWN

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) 134.17 (19.3) 52-WEEK HIGH (P/E) 148.57 (21.4) 52-WEEK LOW (P/E) 100.82 (14.5)

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1 2011	56.5	31.4	4.04	14.0	7.8	0.200	4.9	0.6
2 2012	49.8	36.4	4.54	11.0	8.0	0.200	4.4	0.5
3 2013	83.8	48.9	5.14	16.3	9.5	0.200	3.9	0.4
4 2014	115.6	73.1	5.42	21.3	13.5	0.300	5.5	0.4
5 2015	148.6	101.2	6.76	22.0	15.0	0.400	5.9	0.4
6 AVERAGE		58.2		16.9	10.8		4.9	
AVERAGE P/E RATIO		13.9	PROJECTED P/E RATIO		17.8	TTM EPS		6.95
CURRENT P/E RATIO		19.3	PEG RATIO		2.2	FTM EPS		7.52
RELATIVE VALUE		139.3%	PROJ. RELATIVE VALUE		128.8% 135.1%	AVG TTM + FTM EPS		7.24

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS -- NEXT 5 YEARS

Selected High P/E ~~16.9~~ 15.6 X Estimated High Earnings/Share 9.75 = Forecast High Price \$ 152.1

B FUTURE LOW PRICE ANALYSIS -- NEXT 5 YEARS

(a) Sel. Low P/E 10.8 (as adj.) X Estimated Low Earnings/Share ~~6.76~~ 6.95 = \$ 75.1

(b) Average 5-Year Low Price = 58.2

(c) Recent Severe Low Price = 73.1

(d) Price Dividend Will Support = Present Divd. ÷ High Yield = 0.40 ÷ 0.006 = 62.8

Selected Estimated Low Price = \$ 80.0

C PRICE RANGES

Forecast High Price 152.1 - Estimated Low Price 80.0 = Range 72.1 25% of Range = 18.0

BUY (Lower 25% of Range) = 80.0 to 98.0

MAYBE (Middle 50% of Range) = 98.0 to 134.1

SELL (Upper 25% of Range) = 134.1 to 152.1

Current Price 134.17 is in the Sell Range

D REWARD/RISK ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price 152.1 - Current Price 134.17) ÷ (Current Price 134.17 - Estimated Low Price 80.0) = 0.3 To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD

Present Full Year's Dividend \$ 0.400 ÷ Current Price of Stock \$ 134.17 = 0.3 % Present Yield or % Returned on Purchase Price

B AVERAGE YIELD - USING FORECAST HIGH P/E

Avg. % Payout 4.9 ÷ Forecast High P/E 15.6 = Avg. Yield 0.3

AVERAGE YIELD - USING FORECAST AVERAGE P/E

Avg. % Payout 4.9 ÷ Forecast Avg P/E 13.2 = Avg. Yield 0.4

C % COMPOUND ANNUAL TOTAL RETURN - USING FORECAST HIGH P/E

Average Yield 0.3 % + Annual Appreciation 2.5 % = Compound Annual Total Return 2.9 %

D % PROJECTED AVERAGE RETURN - USING FORECAST AVERAGE P/E

Average Yield 0.4 % + Annual Appreciation -0.8 % = Projected Average Total Return -0.5 %