

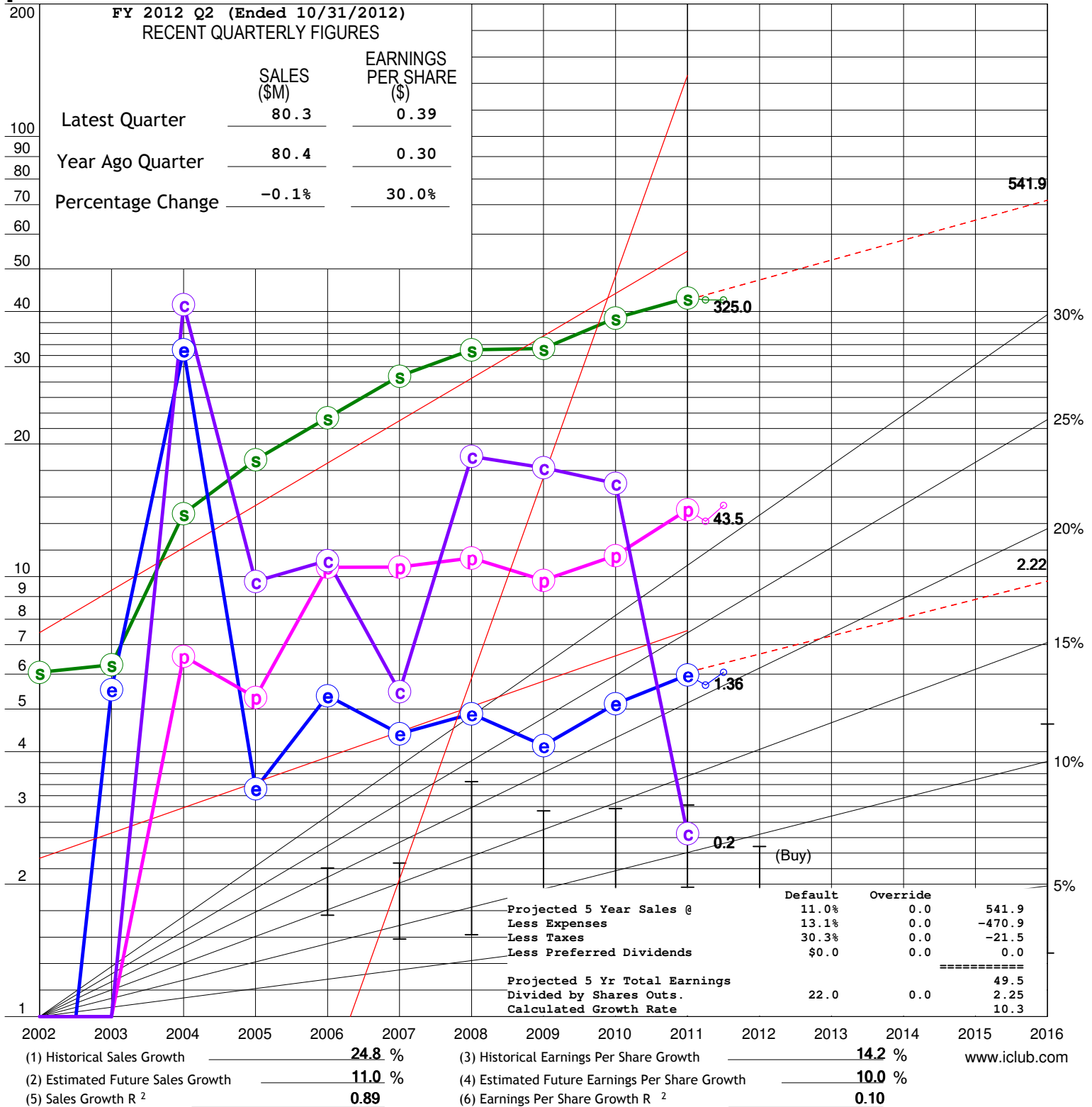


# Stock Selection Guide

Company	AeroVironment - 2-18-..	Price Date	02/15/13
Study by	S Patterson	Data Date	02/15/13
Sector	Industrials	Data Source	StkCntrl
Industry	Aerospace & Defense	Reference	Morningstar
Preferred(\$M)	0.0		
Common(M Shares)	22.0	% Insiders	1.4
Debt(\$M)	0.0	% Institutions	74.5
% Debt to Tot.Cap.	0.0	Quality	1.1 (Take Stock)

## 1 Growth Analysis

NAS: AVAV



## 2 QUALITY ANALYSIS

Company **AeroVironment - 2-18-13**

(AVAV)

02/15/13

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	5 YEAR AVG.	TREND UP / DOWN
<b>A</b> % Pre-tax Profit on Sales			19.2	11.7	18.5	14.9	13.6	12.1	11.7	13.4	13.1	<b>EVEN</b>
<b>B</b> % ROE (Beginning Yr)						13.8	13.2	9.7	10.9	11.3	11.8	<b>EVEN</b>
<b>C</b> % Debt to Equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	<b>EVEN</b>

## 3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) 22.43 (16.3) 52-WEEK HIGH (P/E) 29.37 (21.3) 52-WEEK LOW (P/E) 19.25 (13.9)

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield	
1 2007	26.9	18.1	1.00	26.9	18.1	0.000	0.0	0.0	
2 2008	41.2	18.5	1.11	37.1	16.7	0.000	0.0	0.0	
3 2009	35.4	21.6	0.94	37.7	23.0	0.000	0.0	0.0	
4 2010	35.8	20.7	1.17	30.6	17.7	0.000	0.0	0.0	
5 2011	36.5	23.7	1.36	26.8	17.4	0.000	0.0	0.0	
6 AVERAGE		20.5		31.8	18.6		0.0		
AVERAGE P/E RATIO	25.2		PROJECTED P/E RATIO	14.8		TTM EPS	1.38		
CURRENT P/E RATIO	16.3		PEG RATIO	1.5		FTM EPS	1.52		
RELATIVE VALUE	64.5		PROJ. RELATIVE VALUE	58.6		AVG TTM + FTM EPS	1.45		

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

### A FUTURE HIGH PRICE ANALYSIS - NEXT 5 YEARS

Selected High P/E ~~31.8~~ 25.1 X Estimated High Earnings/Share 2.22 = Forecast High Price \$ 55.7

### B FUTURE LOW PRICE ANALYSIS - NEXT 5 YEARS

(a) Sel. Low P/E ~~18.6~~ 17.0 (as adj.) X Estimated Low Earnings/Share ~~1.36~~ 1.38 = \$ 23.5

(b) Average 5-Year Low Price = 20.5

(c) Recent Severe Low Price = 19.3

(d) Price Dividend Will Support = Present Divd. + High Yield = 0.000 + 0.000 = 0.0

Selected Estimated Low Price = \$ 16.8

### C PRICE RANGES

Forecast High Price 55.7 - Estimated Low Price 16.8 = Range 38.9 25% of Range = 9.7

BUY (Lower 25% of Range) = 16.8 to 26.5

MAYBE (Middle 50% of Range) = 26.5 to 46.0

SELL (Upper 25% of Range) = 46.0 to 55.7

Current Price 22.430 is in the **Buy** Range

### D UPSIDE/DOWNSIDE ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price 55.7 - Current Price 22.430) + (Current Price 22.430 - Estimated Low Price 16.8) = 5.9 To 1

## 5 TOTAL RETURN ANALYSIS

### A CURRENT YIELD

Present Full Year's Dividend \$ 0.000 ÷ Current Price of Stock \$ 22.430 = 0.0 % Present Yield or % Returned on Purchase Price

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

Avg. % Payout 0.0 ÷ Forecast High P/E 25.1 = Avg. Yield 0.0

### AVERAGE YIELD - USING FORECAST AVERAGE P/E

Avg. % Payout 0.0 ÷ Forecast Avg P/E 21.1 = Avg. Yield 0.0

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

Average Yield 0.0 % + Annual Appreciation 20.0 % = Compound Annual Total Return 20.0 %

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

Average Yield 0.0 % + Annual Appreciation 15.8 % = Projected Average Total Return 15.8 %

# PERT-A Graph

Company AeroVironment - 2-18-13

(AVAV)

