PRCCISION CASTPARTS
NYSE:PCP
RECENT PRICE 235.91
P/E RATIO 16.6
TRAILING 10YR MEDIAN 18.4
RELATIVE P/E 0.91
DIVID YLD 0.1
VALUE LINE

<table>
<thead>
<tr>
<th>TIMELINE</th>
<th>2019</th>
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<tbody>
<tr>
<td>High: 23.0</td>
<td>10.8</td>
</tr>
<tr>
<td>Low: 16.0</td>
<td>4.8</td>
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<tr>
<td>52Wk High: 16.0</td>
<td>7.7</td>
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<tr>
<td>52Wk Low: 12.9</td>
<td>5.2</td>
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<tr>
<td>52Wk Range: 10.9</td>
<td>7.6</td>
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<tr>
<td>Relative Week: 26.3</td>
<td>1.3</td>
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<tr>
<td>% Change: +26.3</td>
<td>+1.3</td>
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LEGENDS
10% = 10 x Cash Flow / pr sh
15% = Relative Price Strength

2000-15

I/F

ANNUAL RATES Past Past Est'd '11-'13

Current Assets 5080.2 5507.0 5855.0
Cash Assets 280.2 361.0 404.0

CAPITAL STRUCTURE as of 9/20/14
Total Debt $34320 mill. Due in 5 yrs $2316.1 mill. LT Debt $1999 mill. LT Interest $75.0 mill. (Total interest coverage: more than 25x)

BUSINESS: Precision Castparts Corp. makes complex metal compo-

gents and products for aerospace and industrial markets. It has three main divisions: Investment Cast Products manufactures compo-


Precision Castparts stock has continued to benefit from rising aero-

pace demand. Based on the company's September results, we have raised our aircraft sales estimates. Higher defense spending in the fourth quarter was good news, along with the continued growth in the commercial aerospace segment. We believe the company's higher-end products for the commercial market will continue to benefit from the strong sales growth in the aerospace sector.

If the U.S. economy continues to grow at the projected rate, we believe Precision's strong fundamentals and industry-specific growth potential will continue to benefit the company's stock. We believe Precision will continue to be a leader in the aerospace markets and should benefit from the strong growth in the commercial aerospace segment. We recommend the stock for the long term.

Pricing: The stock is trading at a P/E of 16x, which is lower than the industry average of 19x. The stock is also trading at a P/S of 1.6x, which is lower than the industry average of 2.0x. The stock has a strong dividend yield of 1.2%, which is higher than the industry average of 0.9%.

Risk: The stock is rated as a "Buy" with a risk rating of 2.0. The stock is expected to have a moderate degree of volatility and may be more sensitive to market movements.

Technical analysis: The stock is currently trading above its 50-day moving average, which is a positive sign. The stock has formed a bullish pattern, which is also supportive of the upward trend. The relative strength index (RSI) is above 50, indicating that the stock is in a buying range.

Conclusion: We recommend Precision Castparts as a "Buy" with a target price of $265.00. The stock is expected to continue its upward trend and is expected to reach its target price within the next six months.