VISUAL ANALYSIS of Sales, Earnings, and Price

Symbol: ULTA

<table>
<thead>
<tr>
<th>FY 2017 Q1</th>
<th>Sales ($M)</th>
<th>Earnings Per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latest Quarter</td>
<td>1,315</td>
<td>2.05</td>
</tr>
<tr>
<td>Year Ago Quarter</td>
<td>1,074</td>
<td>1.45</td>
</tr>
<tr>
<td>Percentage Change</td>
<td>22.5%</td>
<td>41.4%</td>
</tr>
</tbody>
</table>

(1) Historical Sales Growth 20.6%
(2) Estimated Future Sales Growth 17.4%
(3) Historical Earnings Per Share Growth 37.8%
(4) Estimated Future Earnings Per Share Growth 16.2%
This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

### 5-YEAR POTENTIAL

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

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

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

### 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.

### PRICE TARGET

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

### 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.

### EVALUATING MANAGEMENT

<table>
<thead>
<tr>
<th>Year</th>
<th>Pre-tax Profit on Sales</th>
<th>% Earned on Equity</th>
<th>% Debt To Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>4.6%</td>
<td>12.9%</td>
<td>26.1%</td>
</tr>
<tr>
<td>2008</td>
<td>3.9%</td>
<td>10.7%</td>
<td>30.2%</td>
</tr>
<tr>
<td>2009</td>
<td>5.4%</td>
<td>14.2%</td>
<td>0.0%</td>
</tr>
<tr>
<td>2010</td>
<td>8.1%</td>
<td>17.4%</td>
<td>0.0%</td>
</tr>
<tr>
<td>2011</td>
<td>11.0%</td>
<td>20.2%</td>
<td>0.0%</td>
</tr>
<tr>
<td>2012</td>
<td>12.6%</td>
<td>24.2%</td>
<td>0.0%</td>
</tr>
<tr>
<td>2013</td>
<td>12.3%</td>
<td>21.8%</td>
<td>0.0%</td>
</tr>
<tr>
<td>2014</td>
<td>12.7%</td>
<td>21.5%</td>
<td>0.0%</td>
</tr>
<tr>
<td>2015</td>
<td>12.9%</td>
<td>23.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>2016</td>
<td>13.5%</td>
<td>27.9%</td>
<td>0.0%</td>
</tr>
<tr>
<td>2017</td>
<td>12.8%</td>
<td>23.7%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

### CLOSING PRICE  237.67 (08/15/17)

<table>
<thead>
<tr>
<th>CLOSING PRICE</th>
<th>HIGH THIS YEAR</th>
<th>LOW THIS YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>237.67</td>
<td>314.86</td>
<td>225.13</td>
</tr>
</tbody>
</table>

### AVERAGE PRICE EARNINGS RATIO: 31.5

### CURRENT PRICE EARNINGS RATIO: 33.4

### 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 39.2  X  Estimate High Earnings/Share 13.81 = Forecasted High Price $ 541.5

### B LOW PRICE - NEXT 5 YEARS

(a) Avg. Low P/E 23.8  X  Estimate Low Earnings/Share 6.52 = Forecasted Low Price $ 155.2

(b) Avg. Low Price of Last 5 Years 99.7

(c) Recent Market Low Price 120.4

(d) Price Dividend Will Support Indicated Dividend 0.00 High Yield = 0.00% = 0.0

### C ZONING using 25%-50%-25%

Forecasted High Price 541.5 Minus Forecasted Low Price 155.2 = 386.3 Range. 25% of Range 96.6

Buy Zone 155.2 to 251.8

Hold Zone 251.8 to 444.9

Sell Zone 444.9 to 541.5

Present Market Price of 237.67 is in the BUY Zone

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

High Price 541.5 Minus Present Price 237.67 = 303.79 = 3.7 To 1

Present Price 237.67 Minus Low Price 155.2 = 82.47 = 3.7 To 1

### E PRICE TARGET

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

High Price 541.5

Closing Price 237.67 = 2.2782 * 100 = 227.82 - 100 = 127.8% Appreciation

### 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 0.00

Closing Price 237.67 = 0.0000 = 0.0% Current Yield

B AVERAGE YIELD - USING FORECAST HIGH P/E

Avg. % Payout 0.0% = 0.0% Average Yield 0.0% = 0.0%

Forecast High PE 39.20

AVERAGE YIELD - USING FORECAST AVERAGE P/E

Avg. % Payout 0.0% = 0.0% Average Yield 0.0% = 0.0%

Forecast Average PE 31.50

C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation 17.9% Annualized Appreciation 12.9%

Average Yield 0.0% Average Yield 0.0%

Annualized Rate of Return 17.9% Annualized Rate of Return 12.9%