

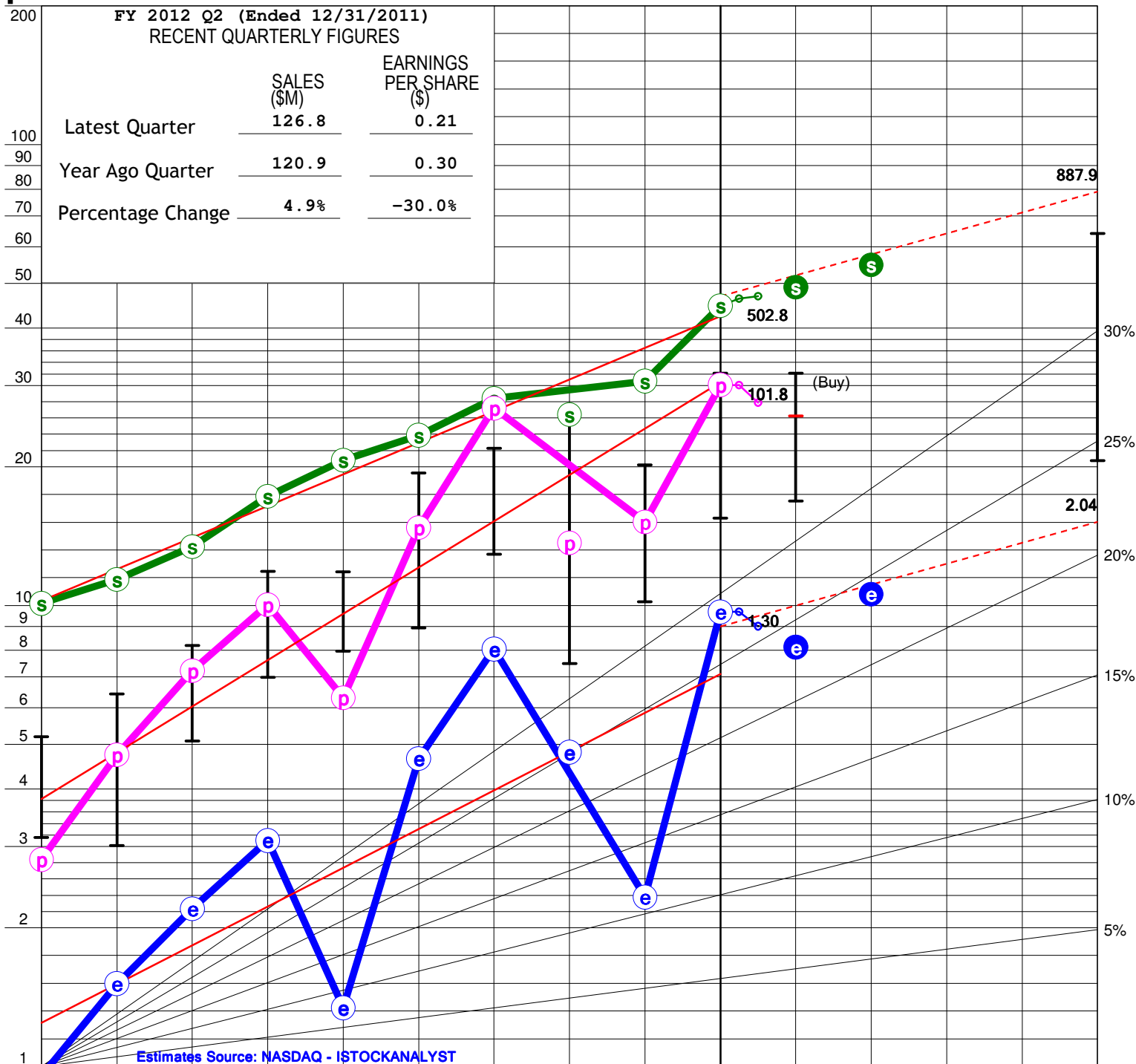


Stock Selection Guide

Company	II-VI INC RCB 0212	Price Date	03/19/12
Study by	RCB	Data Date	03/02/12
Sector	Technology	Data Source	BI
Industry	Scientific & Technical I	Reference	
Preferred(\$M)	0.0		
Common(M Shares)	62.7	% Insiders	7.5
Debt(\$M)	20.9	% Institutions	78.0
% Debt to Tot.Cap.	3.8	Quality	

1 Growth Analysis

NAS: IIVI



(1) Historical Sales Growth	17.1 %	(3) Historical Earnings Per Share Growth	21.4 %	www.iclub.com
(2) Estimated Future Sales Growth	11.0 %	(4) Estimated Future Earnings Per Share Growth	11.0 %	
(5) Sales Growth R ²	0.96 0.98	(6) Earnings Per Share Growth R ²	0.58 0.56	

2 QUALITY ANALYSIS

Company **II-VI INC RCB 0212**

(IIVI)

03/19/12

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	5 YEAR AVG.	TREND UP / DOWN
A % Pre-tax Profit on Sales	8.4	12.5	16.2	17.5	9.2	19.0	28.7	15.8	14.9	20.2	19.7	UP
B % Return on Equity	7.3	10.3	12.9	15.2	6.2	16.8	22.1	5.9	4.7	15.6	13.0	UP
C % Debt to Equity	30.2	15.2	6.1	25.9	13.9	6.8	1.3	0.6	0.4	2.9	2.4	EVEN

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) 24.18 (20.0) 52-WEEK HIGH (P/E) 29.96 (24.8) 52-WEEK LOW (P/E) 15.80 (13.1)

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1 2007	18.2	8.4	0.63	29.1	13.4	0.000	0.0	0.0
2 2008	20.6	12.1	1.08	19.1	11.2	0.000	0.0	0.0
3 2009	24.1	7.0	0.65	37.4	10.9	0.000	0.0	0.0
4 2010	19.0	9.6	0.31	60.7	30.7	0.000	0.0	0.0
5 2011	30.0	14.5	1.30	23.1	11.2	0.000	0.0	0.0
6 AVERAGE		10.3		27.2	11.7		0.0	
AVERAGE P/E RATIO		24.7 19.5	PROJECTED P/E RATIO		18.0	TTM EPS		1.21
CURRENT P/E RATIO		20.0	PEG RATIO		1.6	FTM EPS		1.34
RELATIVE VALUE		81.0% 102.6%	PROJ. RELATIVE VALUE		72.9% 92.3%	AVG TTM + FTM EPS		1.28

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS -- NEXT 5 YEARS

Selected High P/E ~~27.2~~ 24.8 X Estimated High Earnings/Share 2.04 = Forecast High Price \$ ~~50.6~~ 60.2

B FUTURE LOW PRICE ANALYSIS -- NEXT 5 YEARS

(a) Sel. Low P/E ~~11.7~~ 12.1 (as adj.) X Estimated Low Earnings/Share ~~1.30~~ 1.21 = \$ 14.6

(b) Average 5-Year Low Price = 10.3

(c) Recent Severe Low Price = 9.6

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

Selected Estimated Low Price = \$ 19.4

C PRICE RANGES

Forecast High Price 60.2 - Estimated Low Price 19.4 = Range 40.8 25% of Range = 10.2

BUY (Lower 25% of Range) = 19.4 to 29.6

MAYBE (Middle 50% of Range) = 29.6 to 50.0

SELL (Upper 25% of Range) = 50.0 to 60.2

Current Price 24.180 is in the Buy Range

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

(Forecast High Price 60.2 - Current Price 24.180) + (Current Price 24.180 - Estimated Low Price 19.4) = 7.5 To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD

Present Full Year's Dividend \$ 0.000 ÷ Current Price of Stock \$ 24.180 = 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 24.8 = Avg. Yield 0.0

AVERAGE YIELD - USING FORECAST AVERAGE P/E

Avg. % Payout 0.0 ÷ Forecast Avg P/E 18.5 = 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 9.3 % = Projected Average Total Return 9.3 %



PERT-A Report

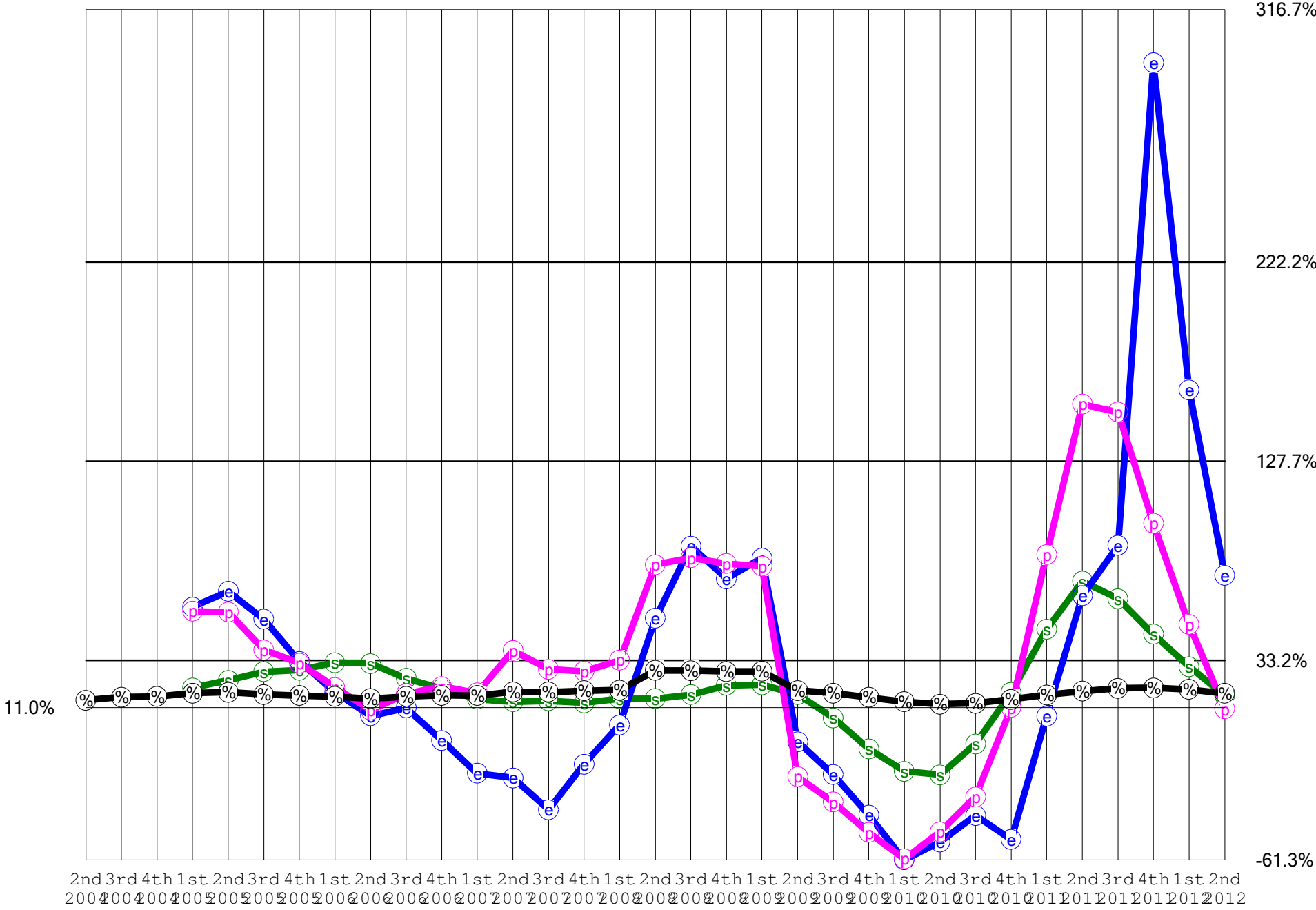
Company II-VI INC RCB 0212 (IIVI)

QUARTERLY DATA									LAST 12 MONTHS DATA								
PERIOD	EPS		PRE-TAX PROFIT			SALES		INCOME TAX RATE	EPS \$	PRE-TAX PROFIT		SALES MIL	INCOME TAX		% CHANGE		
	\$	% CHANGE	\$ MIL	% SALES	% CHANGE	\$ MIL	% CHANGE			\$ MIL	% SALES		\$ MIL	% RATE	EPS	PRE-TAX PROFIT	SALES
09/03	0.11		4.68	13.7		34.09		34.3	0.43	17.81	13.6	130.7	5.2	29.5			
12/03	0.12	21.1	5.15	14.9	40.5	34.64	10.2	34.5	0.45	19.29	14.4	133.9	6.1	31.8			
03/04	0.16	54.3	7.18	18.3	74.6	39.13	20.9	33.2	0.51	22.36	15.9	140.7	7.5	33.5			
06/04	0.21	64.0	7.41	17.2	38.5	42.99	30.9	29.0	0.59	24.42	16.2	150.8	8.0	32.8			
09/04	0.20	90.5	8.16	20.2	74.4	40.51	18.8	27.7	0.68	27.90	17.7	157.3	8.7	31.1	58.6	56.7	20.3
12/04	0.18	56.5	7.39	17.1	43.5	43.21	24.8	27.0	0.75	30.14	18.2	165.8	8.8	29.2	66.0	56.2	23.8
03/05	0.19	17.3	7.95	14.9	10.8	53.31	36.2	28.4	0.78	30.91	17.2	180.0	8.7	28.0	52.9	38.2	27.9
06/05	0.21	2.4	8.71	15.3	17.6	57.01	32.6	28.0	0.78	32.22	16.6	194.0	8.9	27.8	32.9	31.9	28.6
09/05	0.23	13.0	9.57	17.6	17.2	54.39	34.3	27.5	0.81	33.62	16.2	207.9	9.3	27.7	18.2	20.5	32.2
12/05	0.17	-3.9	6.84	12.7	-7.4	53.83	24.6	27.0	0.80	33.07	15.1	218.5	9.2	27.7	7.0	9.7	31.8
03/06	0.25	31.1	11.20	18.9	40.8	59.36	11.3	28.9	0.86	36.32	16.2	224.6	10.1	27.8	10.7	17.5	24.8
06/06	0.10	-54.3	11.36	17.5	30.3	64.94	13.9	0.0	0.74	38.97	16.8	232.5	8.1	20.9	-4.6	20.9	19.8
09/06	0.13	-44.7	10.23	16.8	6.9	60.80	11.8	26.7	0.64	39.63	16.6	238.9	8.2	20.7	-20.2	17.8	14.9
12/06	0.15	-13.3	12.83	20.3	87.6	63.34	17.7	29.0	0.62	45.62	18.4	248.4	9.7	21.2	-22.4	37.9	13.7
03/07	0.17	-33.7	12.46	18.6	11.3	67.09	13.0	19.4	0.54	46.88	18.3	256.2	8.8	18.8	-37.5	29.1	14.1
06/07	0.19	92.7	14.38	20.0	26.6	71.97	10.8	21.2	0.62	49.91	19.0	263.2	12.0	24.1	-16.0	28.1	13.2
09/07	0.16	28.0	13.18	18.1	28.8	72.67	19.5	27.0	0.66	52.86	19.2	275.1	12.8	24.1	2.6	33.4	15.1
12/07	0.44	193.3	41.50	55.9	223.4	74.26	17.2	35.5	0.95	81.52	28.5	286.0	21.0	25.8	53.2	78.7	15.1
03/08	0.22	33.3	16.22	20.0	30.1	80.96	20.7	17.7	1.01	85.28	28.4	299.9	21.6	25.3	87.5	81.9	17.1
06/08	0.26	37.8	18.57	20.2	29.1	91.81	27.6	16.5	1.08	89.46	28.0	319.7	21.6	24.2	72.0	79.3	21.5
09/08	0.29	78.1	17.80	20.3	35.1	87.77	20.8	4.1	1.20	94.08	28.1	334.8	17.4	18.4	81.8	78.0	21.7
12/08	0.14	-68.2	11.12	15.0	-73.2	74.28	0.0	24.5	0.90	63.70	19.0	334.8	10.0	15.7	-5.3	-21.9	17.1
03/09	0.12	-47.7	8.91	13.9	-45.0	64.11	-20.8	23.4	0.80	56.40	17.7	318.0	9.7	17.1	-20.9	-33.9	6.0
06/09	0.11	-58.8	8.43	12.8	-54.6	66.07	-28.0	25.6	0.65	46.27	15.8	292.2	9.0	19.4	-40.0	-48.3	-8.6
09/09	0.11	-63.2	8.40	12.8	-52.8	65.54	-25.3	25.3	0.47	36.87	13.7	270.0	9.1	24.7	-61.3	-60.8	-19.4
12/09	0.10	-28.6	7.38	10.7	-33.6	68.79	-7.4	19.9	0.43	33.13	12.5	264.5	7.8	23.5	-52.8	-48.0	-21.0
03/10	0.17	43.5	14.45	14.8	62.1	97.53	52.1	28.7	0.48	38.66	13.0	297.9	9.6	24.9	-40.3	-31.4	-6.3
06/10	-0.06	-155.2	21.09	18.6	150.1	113.24	71.4	185.2	0.31	51.32	14.9	345.1	33.2	64.8	-51.6	10.9	18.1
09/10	0.29	176.2	24.69	20.6	194.0	120.13	83.3	25.7	0.50	67.61	16.9	399.7	43.9	64.9	6.9	83.4	48.0
12/10	0.30	200.0	24.20	20.0	227.8	120.89	75.7	20.9	0.70	84.43	18.7	451.8	55.0	65.1	64.0	154.9	70.8
03/11	0.36	118.2	27.07	20.8	87.4	130.00	33.3	14.6	0.89	97.05	20.0	484.3	59.8	61.6	87.8	151.0	62.5
06/11	0.35	NMF	25.80	19.6	22.3	131.78	16.4	14.1	1.30	101.76	20.2	502.8	19.2	18.8	316.7	98.3	45.7
09/11	0.29	0.0	24.61	17.8	-0.4	138.37	15.2	24.5	1.30	101.68	19.5	521.0	18.8	18.5	161.6	50.4	30.4
12/11	0.21	-30.0	15.67	12.4	-35.3	126.76	4.9	14.0	1.21	93.14	17.7	526.9	15.6	16.8	73.6	10.3	16.6
03/12								24.1						19.2			
06/12								24.1						21.7			

A B C D E F G H I J K L M N O P Q R S T

PERT-A Graph

Company II-VI INC RCB 0212 (IIVI)



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Prepared using Toolkit 6. 3/19/2012 5:00:00 PM

NOTES:=====

Sep 22, 2011: 50 shares of IIVI @ \$17.16 a share for a total of \$865.00.

3/19/2012 \$24.19 - TS Q; 2.6 Buy at \$15.75

My SSG:

2/15/2012 \$23.25 UP \$6.09/26% IN 5MOS ---

02/15/2012 GURUFOCUS = Fair Value \$ 34.16

Margin Of Safety: 32%

2/15/2012 NAVELLIER

Rating: Hold Volatility: Moderate

Total Grade: C Industry: Electrical Equipment

Competitors: AETI, CCIX, GNRC, TNB

hide

Stock Analysis

Fundamental Grade: D

Sales Growth: D

Operating Margin Growth: C

Earnings Growth: D

Earnings Momentum: D

Earnings Surprises: F

Analyst Earnings Revisions: F

Cash Flow: B

Return on Equity: B

Quantitative Grade: C

Total Grade: C

II-VI INC: STOCK RATING SUMMARY

6

StockScouter

II-VI Inc, a mid-cap growth company in the capital goods sector, is expected to outperform the market over the next six months with above average risk.

10 is the best possible rating.

QUICK SUMMARY

Pro

Earnings growth in the past year has accelerated moderately compared to earnings growth in the past three years. Positive

The StockScouter measure of relative price change and consistency is very high. Very positive

Con

One or more analysts has modestly decreased quarterly earnings estimates for IIVI. Negative

Shares are neither being accumulated heavily nor sold heavily by financial institutions. Neutral for a large company like IIVI

FUNDAMENTAL

Grade: B

The most recent quarterly earnings report was approximately equal to or higher than analysts' consensus forecast, but not to a degree that is predictive of future returns. Neutral

Neutral

Earnings growth in the past year has accelerated moderately compared to earnings growth in the past three years. Positive

One or more analysts has modestly decreased quarterly earnings estimates for IIVI. Negative

OWNERSHIP

Grade: F

Two or more executives, directors or major shareholders sold a large number of shares recently. Very negative

Shares are neither being accumulated heavily nor sold heavily by financial institutions. Neutral for a large company like IIVI

VALUATION

Grade: A

The price-to-earnings multiple is close to the average for all stocks in the StockScouter universe. Neutral

The price-to-sales multiple is slightly higher than the average for all stocks in the StockScouter universe. Positive/Neutral for a medium- to large-sized company like IIVI

The ratio of IIVI's price-to-earnings multiple to its five-year growth rate is about the same or slightly above the average of all stocks in the StockScouter universe. Positive

TECHNICAL

Grade: A

The StockScouter measure of relative price change and consistency is very high. Very positive

Previous day's closing price for IIVI was significantly above its 50-day moving average. Very positive

Navellier: C - - - HOLD

Take Stock: buy \$18.42 Quality: 2.6

MI Symb	Growth	Proj P/E	Proj Yield	Fin Str	EPS Stab	Qty	
II-VI	14.2	17	0	62%	69	72.2	15.8%

Motley Fool CAPS: 5* Total players: 1308Outperform/21underperform

AllStars: 450Outperforms/5underperform

GURUFOCU.COM Intrinsic Value: 38.78 MOS=49%

II-VI, pronounced "Two-Six," develops and sells electro-optical components for use in industrial, military, and radiation detection applications. The company's products include lasers operating on the infrared and near-infrared spectrum. These products are used in civilian applications for cutting and engraving of solid products. Military applications include optics for fighting vehicles. Radiation detection equipment uses radiation for the diagnosis of medical conditions

YAHOO:

II-VI Incorporated engages in the development, manufacture, and marketing of materials and derivative products for precision use in industrial, medical, military, security, and aerospace applications worldwide. The company offers a line of precision infrared optical components, such as lenses, output couplers, windows, and mirrors for use in CO2 lasers; and laser-related products for solid-state lasers and precision optical elements used to focus and direct laser beams onto target work surfaces. It also provides military infrared products, including optics for targeting and navigation systems that utilize advanced optical materials; thermo-electric coolers and systems based on engineered semiconductor materials, which provide temperature control; and silicon carbide substrates used in solid-state lighting, wireless infrastructure, radio frequency electronics, and power switching industries. In addition, II-VI Incorporated provides X-ray and gamma-ray sensors based on the semiconductor material, cadmium zinc telluride. It sells its products to original equipment manufacturers, system integrators, laser end users, and military and aerospace customers. The company markets its products through a direct sales force in the United States, Japan, Singapore, the Peoples Republic of China, the Philippines, Germany, Belgium, Switzerland, and the United Kingdom, as well as through representatives and distributors to the rest of the world. II-VI Incorporated was founded in 1971 and is headquartered in Saxonburg, Pennsylvania.

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