



# Stock Selection Guide®

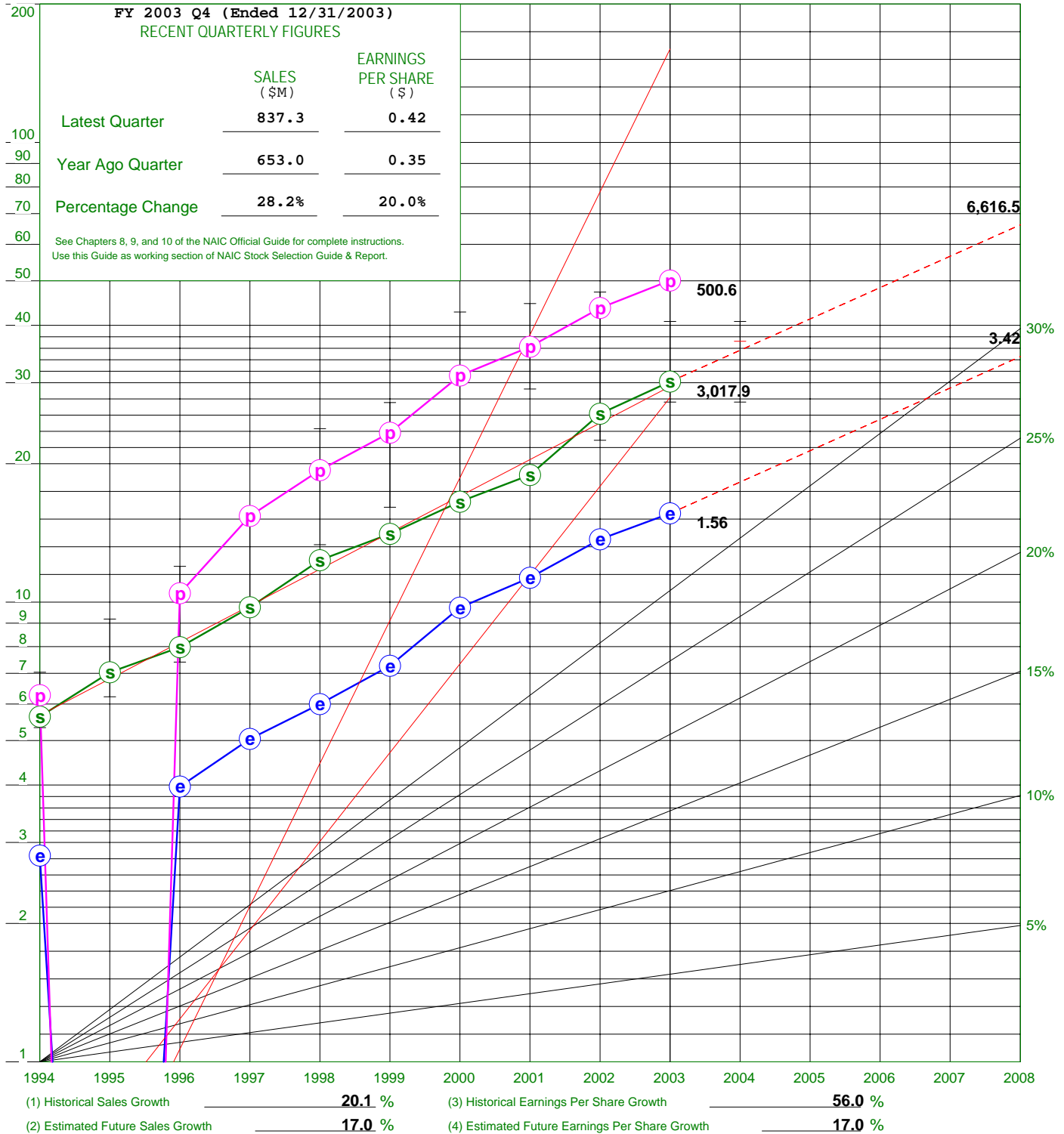
The most widely used aid to good investment judgment

Company FISERV INC Date 03/12/04  
 Prepared by jah Data taken from NAIC Data  
 Where traded NASDAQ Major product/service Data Proces

CAPITALIZATION --- Outstanding Amounts		Reference	
Preferred (\$M)	0.0	% Insiders	% Institution
Common (M Shares)	193.8	0.0	0.0
Debt (\$M)	838.1	% to Tot.Cap.	0.0
		% Potential Dil.	None

## 1 VISUAL ANALYSIS of Sales, Earnings and Price

FISV



	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	LAST 5 YEAR AVG.	TREND	
												UP	DOWN
<b>A</b> % Pre-tax Profit on Sales (Net Before Taxes ÷ Sales)	11.1	-14.0	13.1	15.8	15.7	16.6	18.8	19.0	17.0	16.6	17.6		DOWN
<b>B</b> % Earned on Equity (E/S ÷ Book Value)	10.6	-14.1	12.0	11.9	12.5	12.3	14.4	13.4	14.4		13.6		NMF

3 PRICE-EARNINGS HISTORY as an indicator of the future

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

Year	PRESENT PRICE		36.940	HIGH THIS YEAR		40.770	LOW THIS YEAR		27.230
	A	B	C	D		E	F	G	H
	HIGH	LOW	Earnings Per Share	Price Earnings Ratio			Dividend Per Share	% Payout	% High Yield
1 1999	27.2	16.1	0.73	37.4	22.1	0.000	0.0	0.0	
2 2000	42.8	16.2	0.97	44.0	16.6	0.000	0.0	0.0	
3 2001	44.6	29.1	1.13	39.5	25.8	0.000	0.0	0.0	
4 2002	47.2	22.5	1.37	34.5	16.4	0.000	0.0	0.0	
5 2003	40.8	27.2	1.56	26.2	17.4	0.000	0.0	0.0	
6 TOTAL		111.1		60.7	50.4		0.0		
7 AVERAGE		22.2		30.4	16.8		0.0		
8 AVERAGE PRICE EARNINGS RATIO			23.6	9 CURRENT PRICE EARNINGS RATIO				23.7	

4 Proj. P/E [20.24] Based on Next 4 qtr. EPS [1.83] Current P/E Based on Last 4 qtr. EPS [1.56] 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 30.4 X Estimate High Earnings/Share 3.42 = Forecast High Price \$ 104.0  
(3D7 as adj.) (4A1)

B LOW PRICE -- NEXT 5 YEARS

(a) Avg. Low P/E 16.8 X Estimated Low Earnings/Share 1.56 = \$ 26.2  
(3E7 as adj.)  
 (b) Avg. Low Price of Last 5 Years = 22.2  
(3B7)  
 (c) Recent Severe Market Low Price = 22.5  
 (d) Price Dividend Will Support  $\frac{\text{Present Divd.}}{\text{High Yield (H)}} = \frac{0.000}{0.000} = 0.0$   
 Selected Estimate Low Price = \$ 21.8  
(4B1)

C ZONING

104.0 High Forecast Price Minus 21.8 Low Forecast Price Equals 82.2 Range. 1/3 of Range = 20.5  
(4A1) (4B1) (C) (4CD)  
 (4C2) Lower 1/3 = 21.8 to 42.3 (Buy) Note: Ranges changed to 25%/50%/25%  
 (4C3) Middle 1/3 = 42.3 to 83.5 (Maybe)  
 (4C4) Upper 1/3 = 83.5 to 104.0 (4A1) (Sell)

Present Market Price of 36.940 is in the Buy Range  
(4C5)

D UP-SIDE DOWN-SIDE RATIO (Potential Gain vs. Risk of Loss)

High Price 104.0 Minus Present Price 36.940 = 67.1 = 4.4 To 1  
 Present Price 36.940 Minus Low Price 21.8 = 15.1 (4D)

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

High Price 104.0 = ( 2.815 ) X 100 = ( 281.5 ) - 100 = 181.5 % Appreciation  
 Present Market Price 36.940 (4E)

Relative Value: 100.4% Proj. Relative Value: 85.8%

5 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 Present Full Year's Dividend \$** 0.000 Note: Results are expressed as a simple rate; use the table below to convert to a compound rate.  
 Present Price of Stock \$ 36.940 = 0.000 X 100 = 0.0 Present Yield or % Returned on Purchase Price  
(5A)

**B AVERAGE YIELD OVER NEXT 5 YEARS**  
 Avg. Earnings Per Share Next 5 Years 2.50 X Avg. % Payout 0.0 = 0.0 = 0.0 %  
(3G7) (5B)

C ESTIMATED AVERAGE ANNUAL RETURN OVER NEXT FIVE YEARS		Present Price \$	P.A.R.	Tot. Ret.
5 Year Appreciation Potential <u>181.5</u>		<u>36.940</u>	<u>0.0%</u>	<u>0.0%</u>
Average Yield <u>0.0</u>	<u>36.3</u> %		<u>0.0%</u>	<u>0.0%</u>
Average Total Annual Return Over the Next 5 Years <u>36.3</u>	<u>0.0</u> %		<u>16.9%</u>	<u>23.0%</u>
	<u>36.3</u> %		<u>16.9%</u>	<u>23.0%</u>