

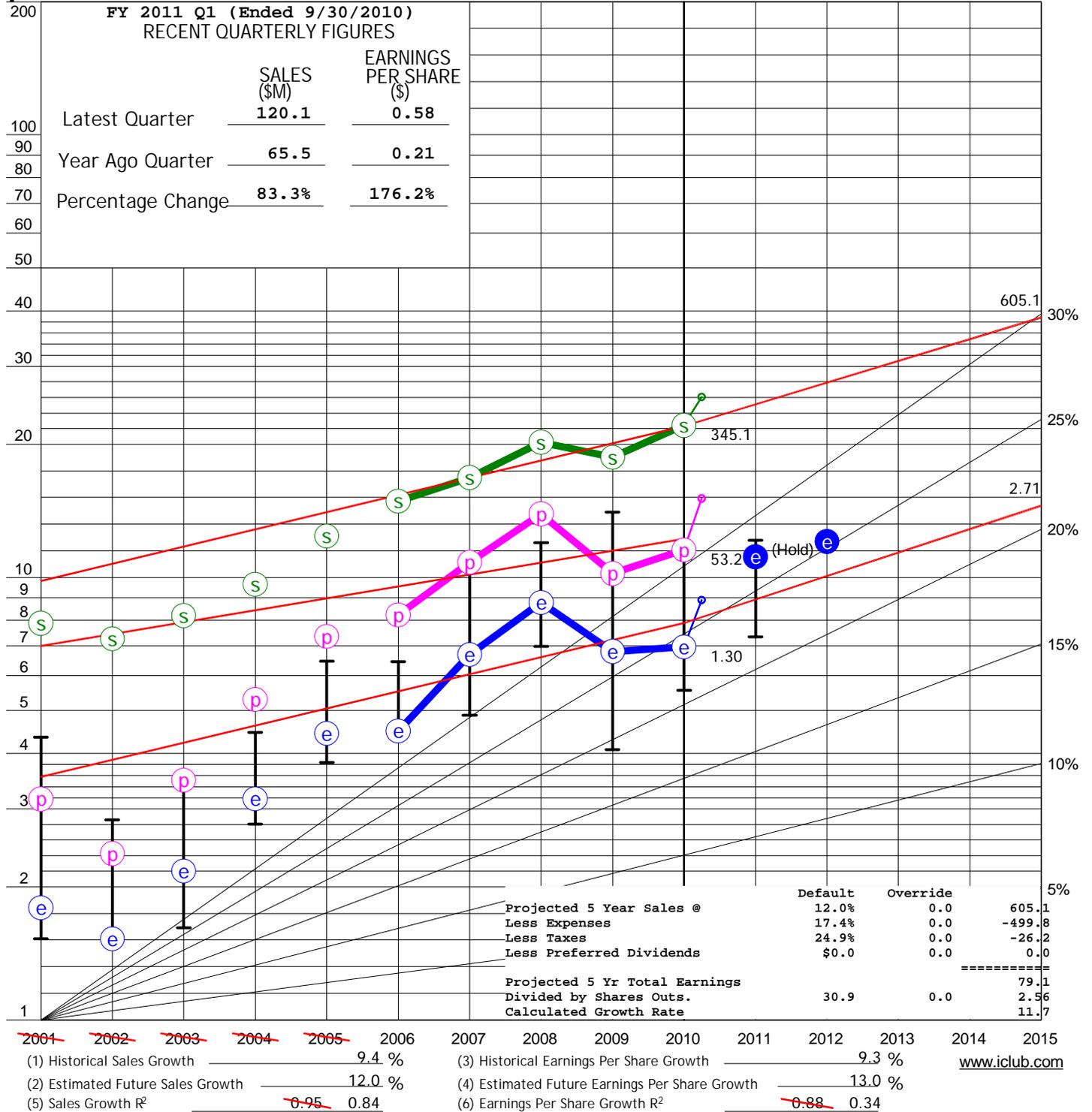


Stock Study

Company	II-VI INC		Price Date	11/16/10
Study by	cgjohnson		Data Date	11/16/10
Sector	Industrials		Data Source	NAIC Data
Industry	Electrical Components &		Reference	
Preferred(\$M)	0.0			
Common(M Shares)	30.9		% Insiders	0.0
Debt(\$M)	3.6		% Institutions	0.0
% Debt to Tot.Cap.	0.9		Quality	B (S&P)

1 Growth Analysis

NASDAQ: IIVI



2 QUALITY ANALYSIS

Company **II-VI INC (IIVI)**

11/16/10

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	5 YEAR AVG.	TREND UP / DOWN
A % Pre-tax Profit on Sales	11.8	9.6	12.5	16.2	17.5	16.3	19.0	20.3	16.1	15.4	17.4	DOWN
B % ROE (Avg.)	31.0	8.5	10.9	13.9	16.6	14.9	18.8	19.1	12.3	10.7	15.2	DOWN
C % Debt to Equity	37.1	30.1	15.0	6.1	25.9	13.8	6.8	1.3	1.1	0.8	4.8	DOWN

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE **40.130** 52-WEEK HIGH **41.680** 52-WEEK LOW **25.230**

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1 2006	22.2	14.9	0.84	26.4	17.7	0.000	0.0	0.0
2 2007	36.4	16.8	1.25	29.1	13.4	0.000	0.0	0.0
3 2008	41.2	24.0	1.64	25.1	14.6	0.000	0.0	0.0
4 2009	48.3	14.1	1.27	38.0	11.1	0.000	0.0	0.0
5 2010	37.9	19.1	1.30	29.2	14.7	0.000	0.0	0.0
6 AVERAGE (10 Years):		12.8		31.0	15.2		0.0	
AVERAGE P/E RATIO		23.1	PROJECTED P/E RATIO		21.4	TTM EPS		1.66
CURRENT P/E RATIO		24.2	PEG RATIO		1.6	FTM EPS		1.88
RELATIVE VALUE		104.7%	PROJ. RELATIVE VALUE		92.6%			

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS -- NEXT 5 YEARS

Selected High P/E ~~31.0~~ **25.0** X Estimated High Earnings/Share **2.71** = Forecast High Price \$ **67.8**

B FUTURE LOW PRICE ANALYSIS -- NEXT 5 YEARS

(a) Sel. Low P/E ~~15.2~~ **15.0** X Estimated Low Earnings/Share ~~1.30~~ **1.66** = \$ **24.9**

(b) Average 5-Year Low Price = **12.8**

(c) Recent Severe Low Price = **14.1**

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

Selected Estimated Low Price = \$ **24.9**

C PRICE RANGES

Forecast High Price **67.8** - Estimated Low Price **24.9** = Range **42.9** 25% of Range = **10.7**

BUY (Lower 25% of Range) = **24.9** to **35.6**

MAYBE (Middle 50% of Range) = **35.6** to **57.1**

SELL (Upper 25% of Range) = **57.1** to **67.8**

Current Price **40.130** is in the **Hold** Range

D REWARD/RISK ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price **67.8** - Current Price **40.130**) ÷ (Current Price **40.130** - Estimated Low Price **24.9**) = **1.8** To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD

Present Full Year's Dividend \$ **0.000** ÷ Current Price of Stock \$ **40.130** = **0.0** % Present Yield or % Returned on Purchase Price

B AVERAGE YIELD OVER NEXT 5 YEARS

(Avg. EPS Next 5 Years **2.12** X Avg. % Payout **0.0**) ÷ Current Price \$ **40.130** = **0.0** %

C % COMPOUND ANNUAL TOTAL RETURN

Average Yield **0.0** % + Annual Appreciation **11.1** % = Compound Annual Total Return **11.1** %

D % PROJECTED AVERAGE RETURN

Average Yield **0.0** % + Annual Appreciation **6.2** % = Projected Average Total Return **6.2** %