

STOCK RESEARCH FORM

0.0 CURRENT INFORMATION

| | | | |
|--------|----------|-------------|------------|
| DATE: | COMPANY: | TICKER: | |
| PRICE: | P/E: | QUARTER/FY: | DIV YIELD: |

1.0 SALES GROWTH

1.1 HISTORICAL SALES GROWTH (FROM SSG AND OTHER SOURCES)

| History | Most Recent Quarter | 1-year | 3-year | 5-year | 9-year | Other: |
|------------------|---------------------|--------|--------|--------|--------|--------|
| Historical sales | | | | | | |

1.2 HISTORICAL TRENDS AND GROWTH STRATEGY

Other Trends (Life cycle growth observations; Recessionary growth observations)

Growth Strategy (references: Annual Report/MD&A comments; Analysts' evaluation of growth strategies (S&P Business Summary); Morningstar summary of bulls & bears analysis)

Your evaluation of sales growth trend is ...
Select one: (mixed, increasing, stable, or declining)

Summary:

1.3 PROJECTED SALES GROWTH (FROM RESEARCH REPORTS)

| | Curr Qtr | Next Qtr | Curr Year | Next Year | 3-5 Year |
|-------------------------|----------|----------|-----------|-----------|----------|
| Analyst Sales Estimates | | | | | |

1.4 COMMENTS ABOUT FUTURE SALES GROWTH

Future Sales Growth (Geographic and Product-line growth vs. market share; Analysts' comments regarding future growth potential and rates)

Set Range: _____ Low% to High% Range _____
Estimated Sales growth rate

1.5 YOUR SALES GROWTH PROJECTION

| Projection and reason | | |
|-----------------------|--|--|
| | | |

STOCK RESEARCH FORM

| 2.0 EPS GROWTH | | | | | | |
|--|---------------------|----------|---------------------|-----------|----------|--|
| 2.1 HISTORICAL EPS GROWTH (FROM SSG AND OTHER SOURCES) | | | | | | |
| History | Most Recent Quarter | 1-year | 3-year | 5-year | 9-year | Other: <hr style="width: 50%; margin: 0;"/> |
| Historical EPS | | | | | | |
| 2.2 HISTORICAL TRENDS AND PROFITABILITY COMMENTS | | | | | | |
| Other Trends (Life cycle growth observations; Recessionary growth observations) | | | | | | |
| Notable Trends of Profit margins; shares outstanding (items that affect EPS growth rates) | | | | | | |
| | | | | | | |
| Your evaluation of EPS growth trend is ... Select one: (mixed, increasing, stable, or declining) Select one: (same as, faster than, slower than) sales growth rate | | | | | | |
| Summary: | | | | | | |
| | | | | | | |
| 2.3 PROJECTED EPS GROWTH (FROM RESEARCH REPORTS) | | | | | | |
| | Curr Qtr | Next Qtr | Curr Year | Next Year | 3-5 Year | |
| Analyst EPS Estimates | | | | | | |
| Analyst Consensus Estimates are (trending upward, trending downward, stable) | | | | | | |
| 2.4 COMMENTS ABOUT FUTURE EPS GROWTH | | | | | | |
| Future EPS Growth (Margin expansion/contraction, shares issued/bought back; change to more/less profitable product mix) | | | | | | |
| | | | | | | |
| Set Range: Estimated EPS growth rate | | | Low% to High% Range | | | |
| 2.5 YOUR EPS GROWTH PROJECTION | | | | | | |
| Projection and reason | | | | | | |

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3.0 P/E VALUES, LOW PRICE, PAYOUT RATIO

| 3.1 P/E HISTORY (FROM SSG) | High | Low | Average |
|----------------------------|------|-----|---------|
| Highest P/E and Lowest P/E | | | |
| Excluded years (Outliers) | | | |
| 5 Year High/Low ranges | | | |
| 5 Year Average | | | |
| Current P/E | | | |

3.2 P/E COMMENTARY AND PROJECTIONS

Notable Trends of P/E values (mixed, increasing, stable or decreasing) and other observations

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Average P/E Projection from Value Line

Set Range: Estimated average high P/E

Set Range: Estimated average low P/E

3.3 YOUR AVERAGE HIGH AND AVERAGE LOW P/E PROJECTIONS

| | | |
|----------|--|--|
| High P/E | | |
| Low P/E | | |

3.4 LOW PRICE DATA (FROM SSG)

| | | | |
|---------------------------|--|-------------------------|--|
| Low EPS (TTM rec.) | | 4B(a) Low P/E x Low EPS | |
| 52-week low price | | Date of 52-week low | |
| Current Price | | 80% of current price | |
| Estimated Low Price range | | | |

3.5 YOUR LOW PRICE PROJECTION

| | | |
|-----------------------|--|--|
| Projection and reason | | |
|-----------------------|--|--|

3.6 PAYOUT RATIO (% PAYOUT)

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|---|--|
| Historical 5-year average % Payout from SSG | |
| All Div'ds to Net Prof projection from Value Line | |

3.7 PAYOUT RATIO COMMENTS AND PROJECTIONS

Notable Trends of historical % payout (mixed, increasing, stable or decreasing)

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Other commentary regarding dividend policy (annual report, Morningstar, etc.)

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Set Range: Estimated average % Payout

3.8 YOUR AVERAGE % PAYOUT PROJECTION

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|-----------------------|--|--|
| Projection and reason | | |
|-----------------------|--|--|

STOCK RESEARCH FORM

4.0 CONCLUDING DIALOGUE (STOCK SELECTION REPORT)

To complete, make selections from choices presented in each statement below.

1. The company is *(well-established) (new)* and operates *(internationally) (nationally) (regionally)*.
2. The product line or service is *(diversified) (limited)* and sold to *(consumers) (manufacturers) (other companies) (government(s))*.
3. Business cycles affect sales and earnings *(minimally) (moderately) (severely)*.
4. Interest rates for T-bills are historically *(low) (average) (high)* and seem to be *(trending upward) (steady) (trending downward)*.
5. Current inflation rates are *(low) (average) (high)* and seem to be *(trending upward) (steady) (trending downward)*.
6. In its industry the company is the *(largest player) (in the top tier) (an average or smaller size company)*.
7. The company has a *(continuous dividend record for _____ years) (an inconsistent dividend record) (no dividend record)*.
8. The business cycle seems to be *(trending upward) (steady) (trending downward)*.
9. The current stage of the business cycle tends to *(help) (not effect) (hurt)* the profits of the company which suggests *(no concern) (caution) (optimism)* for the company under review.

4.1 YOUR PROJECTIONS ON THE SSG (SUMMARY)

| | <u>Projection</u> | <u>Rationale</u> |
|------------------------------|-------------------|------------------|
| Sales Growth Rate (%) | | |
| EPS Growth Rate (%) | | |
| High P/E | | |
| Low P/E | | |
| Low Price | | |
| % Payout | | |

4.2 YOUR FINAL RECOMMENDATION (BUY, SELL, HOLD)

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