

AAll Stock Investor Pro

Andy Prophet

AAll Silicon Valley Chapter

December 2007

“Give an investor a fish and they will eat today

Teach an investor to fish and they will eat for a lifetime!”

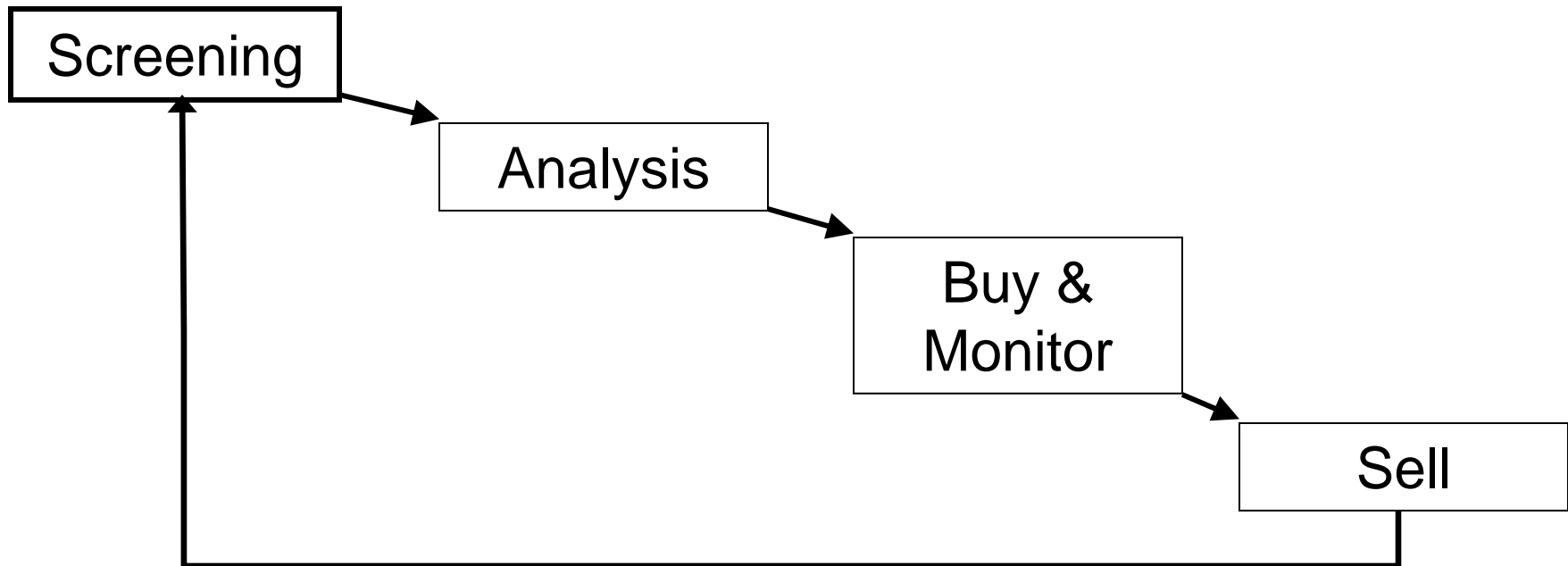




Presentation Overview

- Navigating SI-Pro
- Selecting a Company
- Screening Strategies
- Stock Notebook Tabs
- Valuation
- Custom Screening Strategies
- Summary & Closing Comments
- Resources & References

Investing Step-by-Step



Remember:

Screening is only the first step and should not be considered as “buy” recommendation

Using screeners assumes the investor is prepared to spend time following the steps outlined above



Stock Screeners: Key Characteristics

- Quantitative data: Company balance sheet, income statement, earnings etc.
- Updated on regular basis (week, monthly yearly)
- Many come with pre-defined screens such as:
 - Martin Zwieg
 - Graham
 - O'Shaughnessy
 - Buffet
 - Many others
- Screens can be customized



Stock Screeners

- AAll Stock Investor Professional (SI-Pro) (\$21.00/month)
- AOL Money and Finance (free)
- Marketwatch (Free)
- Morningstar (Free or \$15.95/month)
- MSN Money (Free)
- SmartMoney.com (\$15.95/month)
- Validea (\$29.95/month)
- Yahoo Finance (Free or \$13.95/month)
- Zacks Investment Research (Free or \$24.95)
- Most major brokerage houses offer screeners

Note: Jack Hough's favorite screeners highlighted in green



SI-Pro can help

- Screen stocks based upon their financial qualities
- Display and analyze screening results
 - Use organized program displays to study how a company stacks up to its competition and the market
 - Print standard or custom reports for a single company or a group of companies
 - Export data to spreadsheet or text file for additional study
 - NAIC SSG data files for analysis within BetterInvesting's Stock Investor's Toolkit program
- Learn about screening strategies and analysis through pre-programmed screens and articles
- Create tracking lists (portfolios) for further study



SI-Pro

- Powerful fundamental screening system providing detail company and industry data
 - 50+ preinstalled screening strategies
 - Ability to create your own screens
- Covers 8,900 companies
 - NYSE (2,148), Amex (597), NASDAQ National and SmallCap markets (3,123), and NASDAQ Bulletin Board stocks (2,733)
 - ADRs (520), REITs (255), Closed-end funds (193)
- Detailed sector (12) and industry (100) data
- Fundamental data supplied by Reuters and earnings estimates supplied by I/B/E/S (Institutional Brokers Estimate System)

Features	Stock Investor Pro
Pricing for annual Subscription	\$198 (\$247 non-members)
Platform	Windows
Update interval	monthly (CD), weekly (Web)
Pre-defined screening filters	56
Create personalized screens	yes, using any data field
Company coverage	8,600 stocks
Industry data	12 broad sectors and 100 industries
Depth of company data	2,200+ per company
Company Financials	7 years of detailed income and cash flow statements and balance sheets
Earnings Estimates	quarterly, annual, and long-term growth estimates along with recent surprise data
Price data	10 years of monthly h/l/c/v data
Charts & Graphs	6 charts
Stock ticker tracking	unlimited
Exporting data	yes, in 6 formats including Excel
Create custom fields	yes, 250 fields
Reports	7 standard plus custom reports
NAIC SSG Data files	yes, for all stocks

Financial Statement Data	SI Pro		SI Pro
Income Statement		Balance Sheet	
Sales	8Qs, 7Ys	Cash	8Qs, 7Ys
Cost of Sales	8Qs, 7Ys	Accounts Receivable	8Qs, 7Ys
Gross Income	8Qs, 7Ys	Inventory	8Qs, 7Ys
Depreciation, Amortization	8Qs, 7Ys	Short-Term Investments	8Qs, 7Ys
Research & Development Expenses	8Qs, 7Ys	Total Current Assets	8Qs, 7Ys
Unusual Expense/Income	8Qs, 7Ys	Net Plant & Equipment	8Qs, 7Ys
Total Operating Expenses	8Qs, 7Ys	Investments	8Qs, 7Ys
Operating Income	8Qs, 7Ys	Goodwill/Intangible Assets	8Qs, 7Ys
Non-Operating Income/Expenses	8Qs, 7Ys	Total Long-Term Assets	8Qs, 7Ys
Pretax Income	8Qs, 7Ys	Total Assets	8Qs, 7Ys
Income Taxes	8Qs, 7Ys	Accounts Payable	8Qs, 7Ys
Income After Taxes	8Qs, 7Ys	Short-Term Debt	8Qs, 7Ys
Nonrecurring Items	8Qs, 7Ys	Total Current Liabilities	8Qs, 7Ys
Net Income	8Qs, 7Ys	Long-Term Debt	8Qs, 7Ys
EPS (Basic, Continuing & Diluted)	8Qs, 7Ys	Total Liabilities	8Qs, 7Ys
Dividends	8Qs, 7Ys	Preferred Stock	8Qs, 7Ys
		Total Common Equity	8Qs, 7Ys
Statement of Cash Flows		Total Liabilities & Owner's Equity	8Qs, 7Ys
Net Cash from Operations	8Qs, 7Ys		
Net Cash from Investing Activities	8Qs, 7Ys		
Capital Expenditures	8Qs, 7Ys		
Net Cash From Financial Activities	8Qs, 7Ys		
Cash Flow	8Qs, 7Ys		
Free Cash Flow	8Qs, 7Ys		

Weekly Data Downloads

AAII Stock Investor Pro Weekly Data Updates - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Address http://www.aaii.com/stockinvestor/downloads/ Go

AAII American Association of Individual Investors

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PORTFOLIOS

- My Portfolio
- Intro to Portfolios
- Mutual Fund Portfolio
- Shadow Stock Portfolio
- AAII Stock Screens

PUBLICATIONS

- Free Content
- AAII Journal
- AAII Tax Guide
- Top Mutual Funds Guide
- Investing Pathways
- Computerized Investing
- Quarterly Mutual Fund Update
- Stock Investor Pro

STOCK INVESTOR

WeeklyDataUpdates

- FULL WEEKLY UPDATE (data as of 9/30/2005)
- PARTIAL WEEKLY UPDATE (data as of 9/30/2005)
- PAST UPDATES

- Instructions on loading the data to SI Pro
- Troubleshooting the weekly updates
- Differences between the data downloads

SI PRO DATA UPDATES

SI Pro subscribers... click here to download your

DATA UPDATES

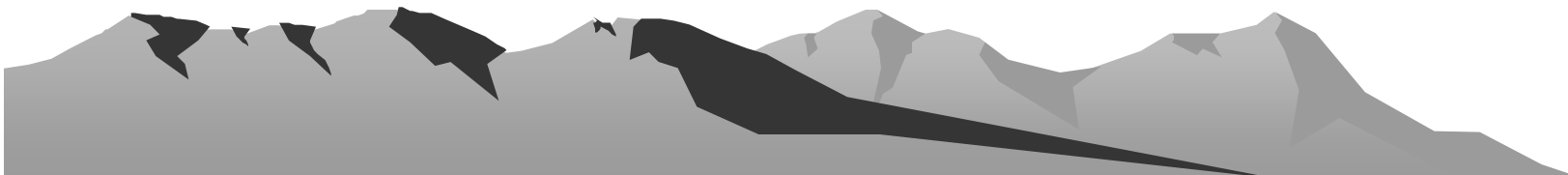
IMPORTANT LINKS

- Getting Started Guide
- Troubleshooting
- Program Info
- Data Updates

AAII Stock Screens

AAII Stock Screens provide you with valuable stock picking

Navigating SI-Pro



SI Stock Investor Professional

File Edit Tools Window Help

Portfolio: None Screen: None View: Standard

SI Stock Notebook #1 - Untitled

View Overview Multiples Growth Ratios Valuations Estimates Fin - Qtr Fin - Ann'l Custom Charts

Company name	Company name	Ticker	Exchange	Sector
1-800 CONTACTS, INC.	1-800 CONTACTS, INC.	CTAC	Nasdaq	Services
1-800-ATTORNEY, Inc.	1-800-ATTORNEY, Inc.	ATTY	Over the counter	Services
1-800-FLOWERS.COM	1-800-FLOWERS.COM	FLWS	Nasdaq	Services
1st Centennial Bancorp	1st Centennial Bancorp	FCEN	Over the counter	Financial
1st Constitution Bancorp	1st Constitution Bancorp	FCCY	Nasdaq	Financial
1st Independence Financial Gro	1st Independence Financial Gro	FIFG	Nasdaq	Financial
1st Source Corporation	1st Source Corporation	SRCE	Nasdaq	Financial
1st State Bancorp, Inc.	1st State Bancorp, Inc.	FSBC	Nasdaq	Financial
2-Infinity, Inc.	2-Infinity, Inc.	TWMC	Over the counter	Technology
21st Century Holding Co.	21st Century Holding Co.	TCHC	Nasdaq	Financial
21st Century Insurance Group	21st Century Insurance Group	TWV	New York	Financial
24/7 Real Media, Inc.	24/7 Real Media, Inc.	TFSM	Nasdaq	Services
24Holdings Inc.	24Holdings Inc.	TFHD	Over the counter	Technology
3CI Complete Compliance Corpor	3CI Complete Compliance Corpor	TCCC	Over the counter	Services
3Com Corporation	3Com Corporation	COMS	Nasdaq	Technology
3D Systems Corporation	3D Systems Corporation	TDSC	Nasdaq	Technology
3Dfx Interactive, Inc.	3Dfx Interactive, Inc.	TDFXQ	Over the counter	Technology

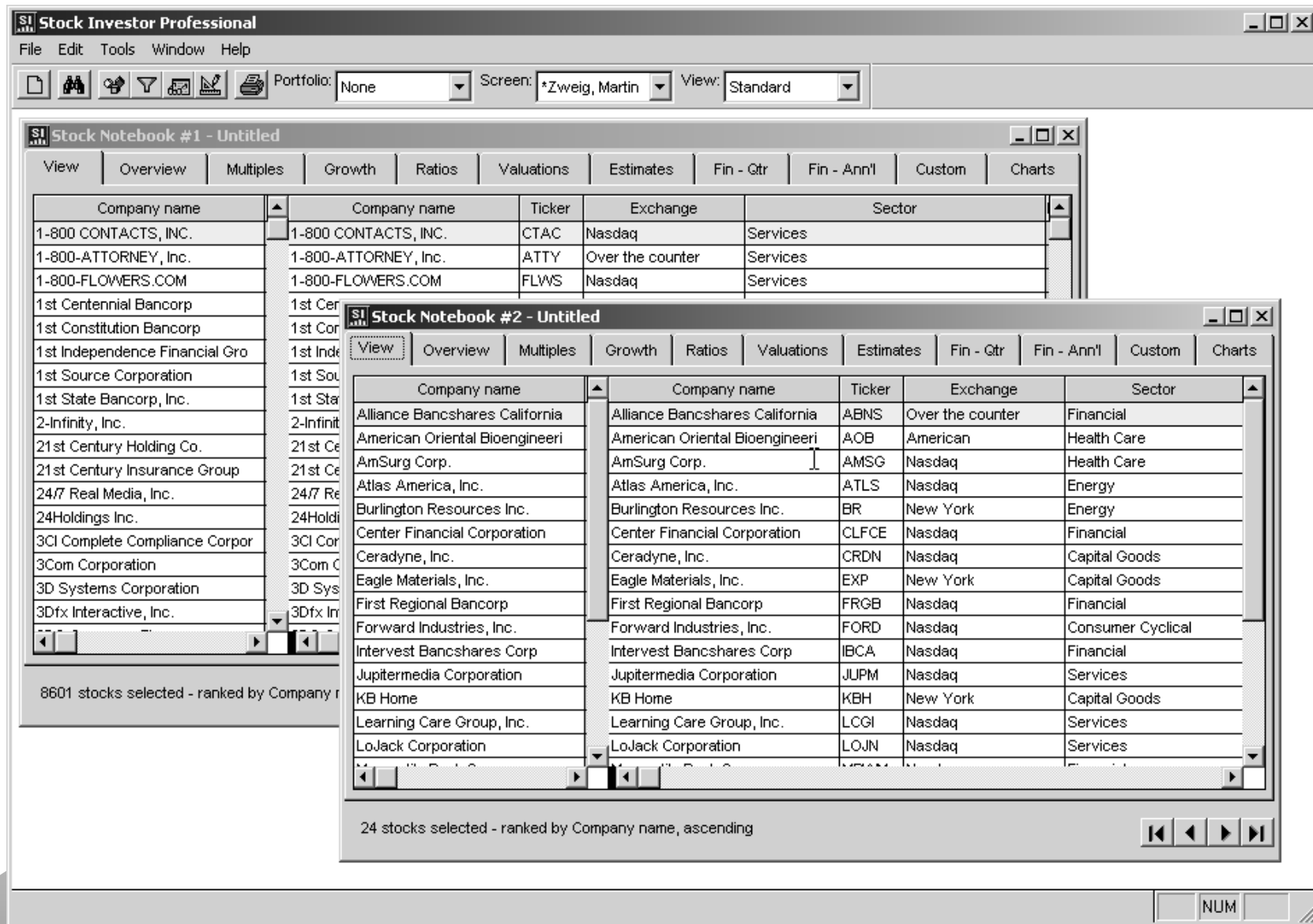
8601 stocks selected - ranked by Company name, ascending

NUM

The Stock Notebook

- Automatically opens with the program
 - Stock Notebook #1—Untitled
- Consists of 11 tabs
 - Each displays a related group of data
 - The View tab is the default tab
- Information about the notebook is displayed within the toolbar and lower portion of the notebook
- Multiple notebooks can be open at once

Multiple notebooks can be open at once



Selecting a Company



SI Stock Investor Professional

File Edit Tools Window Help

Portfolio: None Screen: None View: Standard

SI Stock Notebook #1 - Untitled

Overview Multiples Growth Ratios Valuations Estimates Fin - Qtr Fin - Ann'l Custom Charts

Company name	Industry	ADR/ADS Stock	Dow stock	Standard and Poor stock	Price	Price--high 52 week	Price--low
1-800 CONTACTS, INC.	Retail (Catalog & Mail Order)	No	None	None	18.750	24.750	14.960
1-800-AIRWAYS, Inc.	Printing & Publishing	No	None	None	0.550	0.000	0.000
1-800-FLORIDA.COM	Retail (Specialty Non-Apparel)	No	None	None	7.010	8.950	6.450
1st Century Bancorp	Regional Banks	No	None	None	35.000	38.250	24.766
1st Constitution Bancorp	Regional Banks				19.500	21.900	15.305
1st Independence Financial Group	S&Ls/Savings Bank				19.000	23.050	17.410
1st Interstate Bancorp	Regional Banks				23.150	28.090	19.410
1st National Bancorp	Regional Banks				36.100	36.500	24.250
2-1-1	Computer Services				0.000	0.000	0.000
21st Century Insurance Group	Insurance (Property)				13.490	15.270	9.910
21st Century Insurance Group	Insurance (Property)				15.950	16.300	12.390
24/7 Real Media, Inc.	Advertising				7.040	7.230	2.760
24Holdings Inc.	Computer Hardware				0.037	0.070	0.011
3CI Complete Compliance Corpor	Waste Management				0.400	1.850	0.300
3Com Corporation	Computer Networks				4.080	4.930	2.960
3D Systems Corporation	Software & Program				22.230	26.490	10.890
3Dfx Interactive, Inc.	Software & Program				0.080	0.000	0.000
3DO Company, The	Software & Program				0.002	0.000	0.000
3DShopping.com	Advertising	No	None	None	0.006	0.000	0.000
3M Company	Conglomerates	No	Industrial	500	73.360	87.450	70.410
3Si Holdings, Inc.	Software & Programming	No	None	None	0.015	0.070	0.010
4 Kids Entertainment Inc.	Recreational Products	No	None	SmallCap 600	17.390	23.000	16.000
4-D Neuroimaging	Medical Equipment & Supplies	No	None	None	70.000	0.000	0.000

Find window shortcut

SI Find Stock Issue

Ticker	Company Name
MSEV	Micron Enviro Systems, Inc.
MSEX	Middlesex Water Company
MSFG	MainSource Financial Group
MSFT	Microsoft Corporation
MSGI	MSGI Security Solutions, Inc.

☒ By Ticker Find: msft

☐ By Company Name

Ok Cancel

8601 stocks selected - ranked by Company name, ascending

NUM

SI Stock Investor Professional

File Edit Tools Window Help

Portfolio: None Screen: None View: Standard

SI Stock Notebook #1 - Untitled

View Overview Multiples Growth Ratios Valuations Estimates Fin - Qtr Fin - Ann'l Custom Charts

Company name	Ticker	Exchange	Sector	Industry	ADR/ADS Stock	Dow stock
Microsoft Corporation	MSFT	Nasdaq	Technology	Software & Programming	No	Industrial
MicroStrategy Incorporated	MSTR	Nasdaq	Technology	Software & Programming	No	None
Microtek Medical Holdings	MTMD	Nasdaq	Health Care	Medical Equipment & Supplies	No	None
Microtune, Inc.	TUNE	Nasdaq	Technology	Semiconductors	No	None
Microvision, Inc.	MVIS	Nasdaq	Technology	Scientific & Technical Instruments	No	None
Microwave Filter Co., Inc	MFCO	Nasdaq	Technology	Electronic Instruments & Controls	No	None
Micrus Endovascular Corporation	MEND	Nasdaq	Health Care	Medical Equipment & Supplies	No	None
Mid Penn Bancorp, Inc.	MP			Regional Banks	No	None
Mid-America Apartment				Real Estate Operations	No	None
Mid-State Bancshares	MST			Regional Banks	No	None
Midas, Inc.	MDS			Business Services	No	None
Middleburg Financial Corp.	MBRG	Nasdaq	Financial	Regional Banks	No	None
Middleby Corporation, The	MIDD	Nasdaq	Capital Goods	Misc. Capital Goods	No	None
Middlesex Water Company	MSEX	Nasdaq	Utilities	Water Utilities	No	None
Middleton Doll Company, The	DOLL	Over the counter	Services	Real Estate Operations	No	None
Midland Capital Holdings	MCPH	Over the counter	Financial	S&Ls/Savings Banks	No	None
Midland Company, The	MLAN	Nasdaq	Financial	Insurance (Property & Casualty)	No	None
MidSouth Bancorp, Inc.	MSL	American	Financial	Regional Banks	No	None
Midway Airlines Corp.	MDVYQ	Over the counter	Transportation	Airline	No	None
Midway Games Inc.	MVY	New York	Technology	Software & Programming	No	None
Midwest Air Group, Inc.	MEH	American	Transportation	Airline	No	None
Midwest Banc Holdings, Inc.	MBHI	Nasdaq	Financial	Regional Banks	No	None
MidWestOne Financial Group, Inc.	OSKY	Nasdaq	Financial	Regional Banks	No	None

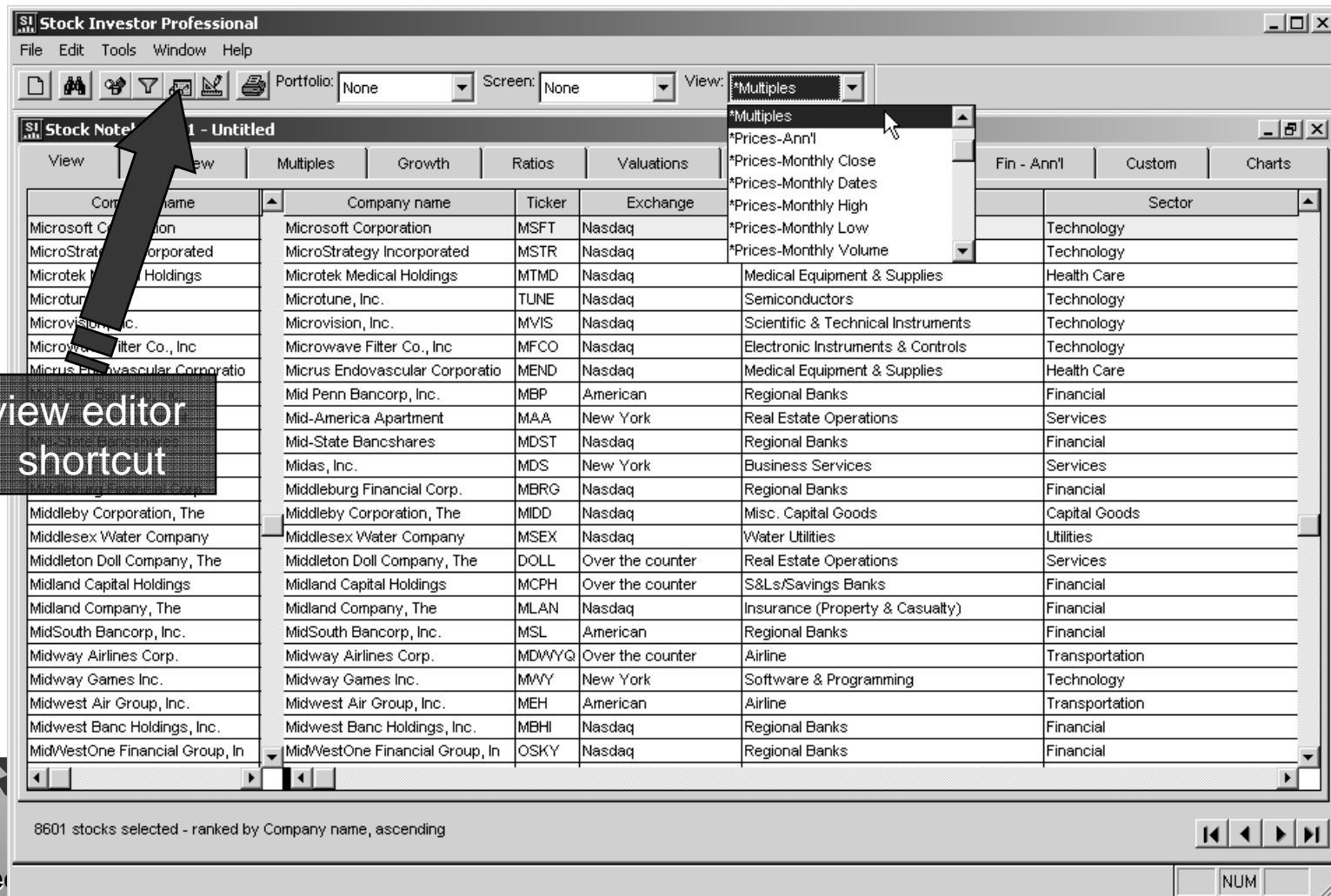
8601 stocks selected - ranked by Company name, ascending

NUM

“Active” company highlighted in yellow

Views Are Displayed Within Notebook

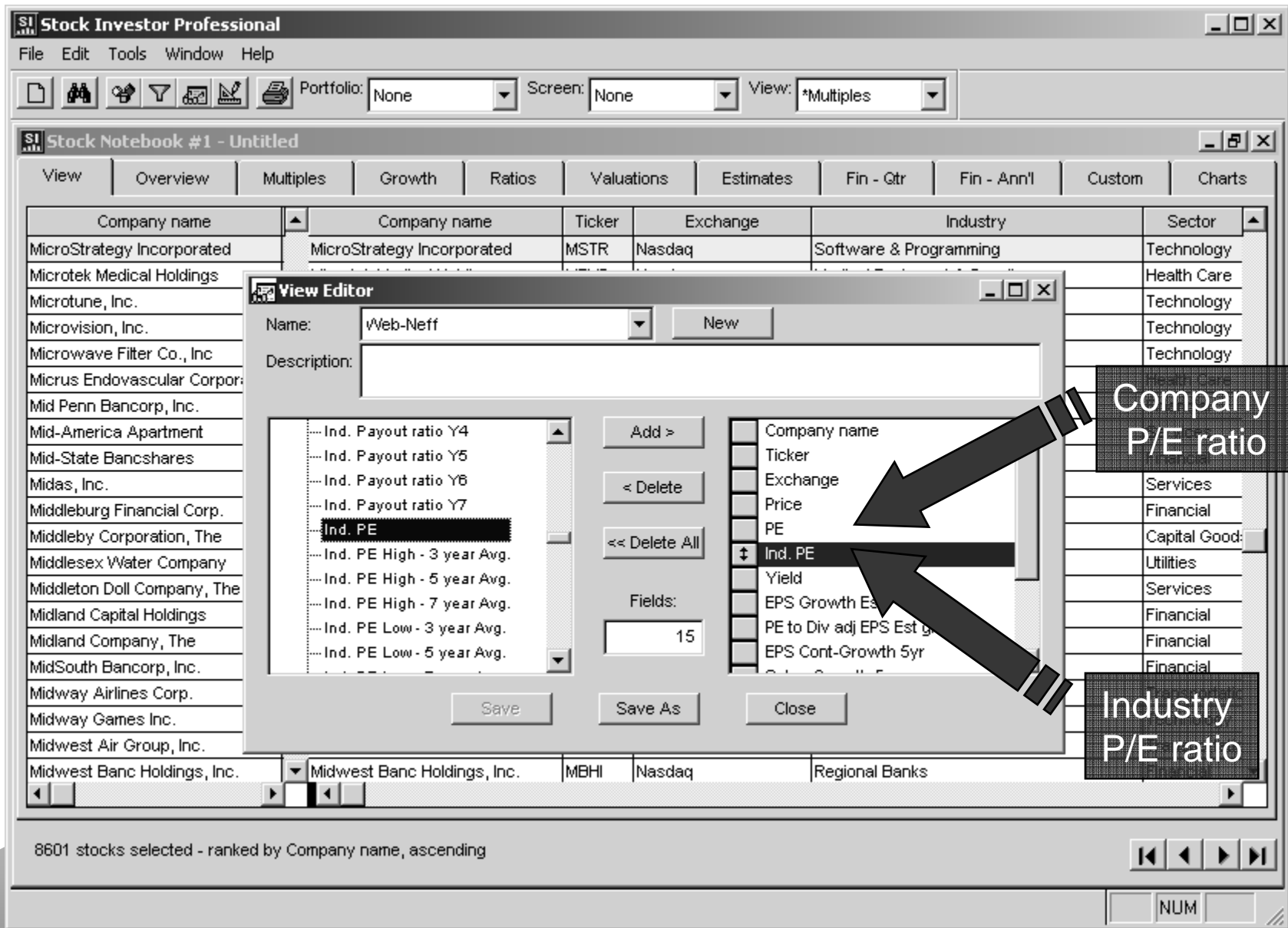
- Program starts up with “Standard” view
- Views are selected from the View menu on toolbar



View Editor

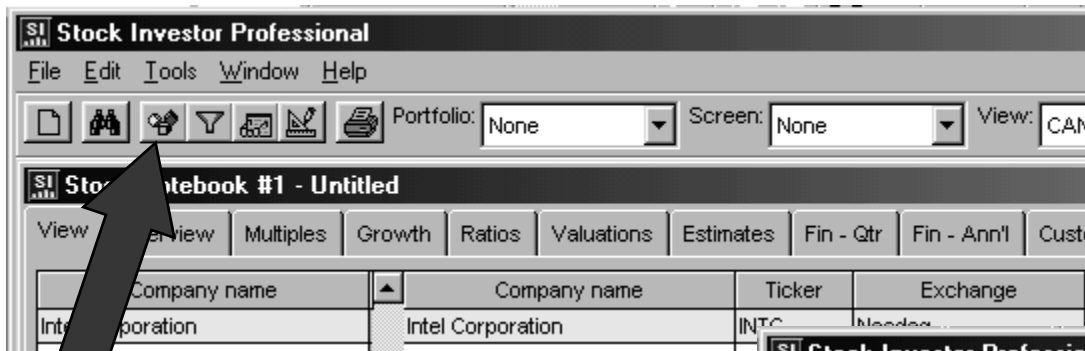
- Views contain company and industry data
- Standard field picker on the left side of the window
- Running count of fields is kept in lower box
- Fields are added by double-clicking or selecting field and clicking on Add >
- Double-clicking a field group will add all elements to the view
- Duplicate entries are not allowed
- Order can be changed by dragging the box in front of field name

View Editor

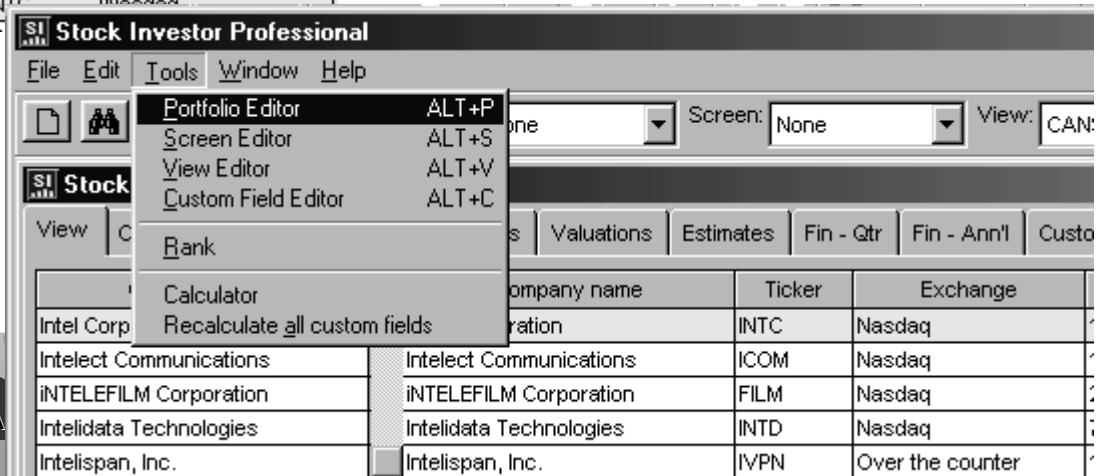


Portfolios

- A portfolio allows you to create a select group of securities and give it a name
 - Stocks that you own, a hypothetical portfolio, or securities that have passed a screen you created
 - Allows you to follow group from update to update



Portfolio editor shortcut



Portfolios continued

- Portfolio creation
 - Manually using Portfolio Editor
 - Import from text file
 - Save the results of a screen as a portfolio
- A screen can be executed against a portfolio
- Reports can be run on these specific securities

Portfolio Editor

- Enter by hand using company ticker or name
- Running count is kept within portfolio
- List is sorted by name
- Duplicate entries are not allowed

The screenshot shows the 'Portfolio Editor' application window. At the top, there's a title bar with the application name and standard window controls. Below the title bar, there's a 'Name:' field with a dropdown menu showing 'Untitled' and a 'New' button. A 'Description:' text area is located below the name field. The main area is divided into two panes. The left pane contains a table with two columns: 'Ticker' and 'Company'. The right pane contains a table with two columns: 'Company' and 'Ticker'. Below the tables, there are radio buttons for 'By Ticker' (selected) and 'By Name'. A 'Find:' text box contains the text 'SHFL'. At the bottom, there are buttons for 'Add', 'Import', 'Delete', 'Delete All', 'Save', 'Save As', and 'Close'. A 'Companies:' label is followed by a text box showing the number '3'.

Ticker	Company
SHDB	Sherwood Brands, Inc.
SHEN	Shenandoah Telecommunications
SHFK	Schuff International, Inc
SHFL	Shuffle Master, Inc.
SHG	Shinhan Financial Group Co., L

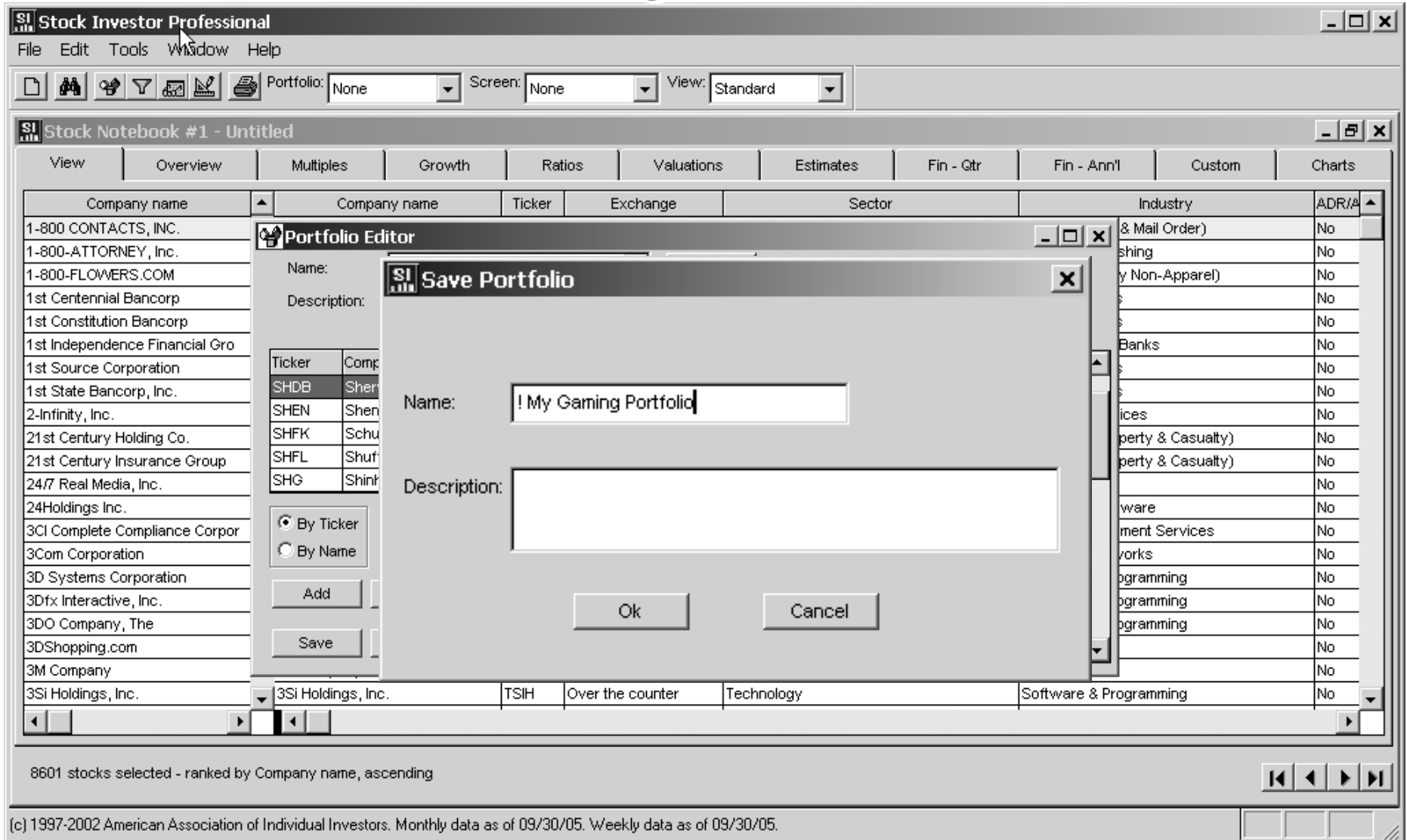
Company	Ticker
Alliance Gaming Corp.	AGI
International Game Technology	IGT
Progressive Gaming Internation	PGIC

By Ticker ☒ Find: SHFL
By Name ☐

Add Import Delete Delete All

Save Save As Close Companies: 3

Saving Portfolio



Portfolios Are Loaded From Toolbar

Stock Investor Professional

File Edit Tools Window Help

Portfolio: None Screen: None View: Standard

Stock Notebook #1 - Untitled

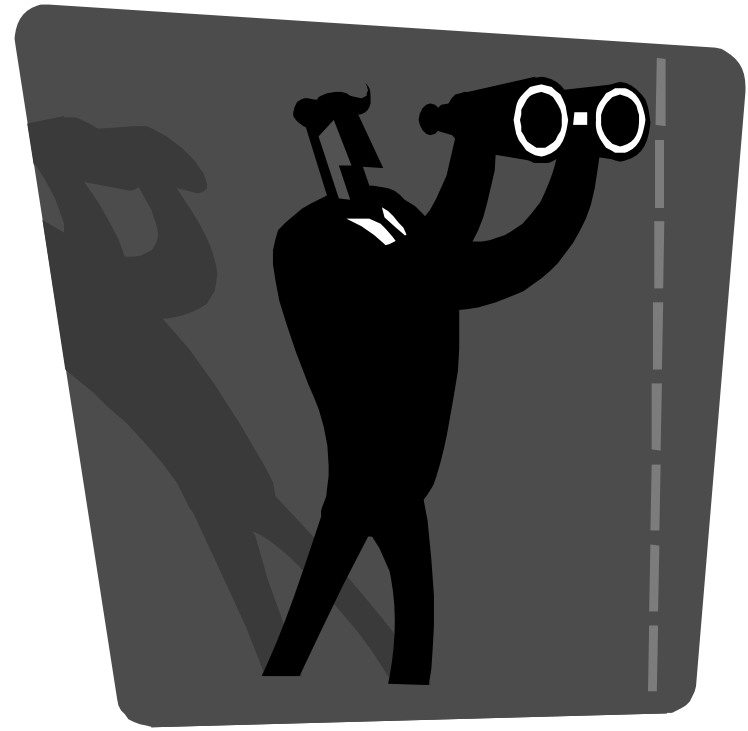
View Overview Multiple Valuations Estimates Fin - Qtr Fin - Ann'l Custom Charts

Company name	Exchange	Sector	Industry	ADR/A
1-800 CONTACTS, INC.	Nasdaq	Services	Retail (Catalog & Mail Order)	No
1-800-ATTORNEY, Inc.	Over the counter	Services	Printing & Publishing	No
1-800-FLOWERS.COM	Nasdaq	Services	Retail (Specialty Non-Apparel)	No
1st Centennial Bancorp	Over the counter	Financial	Regional Banks	No
1st Constitution Bancorp	Nasdaq	Financial	Regional Banks	No
1st Independence Financial Gro	Nasdaq	Financial	S&Ls/Savings Banks	No
1st Source Corporation	Nasdaq	Financial	Regional Banks	No
1st State Bancorp, Inc.	Nasdaq	Financial	Regional Banks	No
2-Infinity, Inc.	Over the counter	Technology	Computer Services	No
21st Century Holding Co.	Nasdaq	Financial	Insurance (Property & Casualty)	No
21st Century Insurance Group	New York	Financial	Insurance (Property & Casualty)	No
24/7 Real Media, Inc.	Nasdaq	Services	Advertising	No
24Holdings Inc.	Over the counter	Technology	Computer Hardware	No
3CI Complete Compliance Corpor	Over the counter	Services	Waste Management Services	No
3Com Corporation	Nasdaq	Technology	Computer Networks	No
3D Systems Corporation	Nasdaq	Technology	Software & Programming	No
3Dfx Interactive, Inc.	Over the counter	Technology	Software & Programming	No
3DO Company, The	Over the counter	Technology	Software & Programming	No
3DShopping.com	Over the counter	Services	Advertising	No
3M Company	New York	Conglomerates	Conglomerates	No
3Si Holdings, Inc.	Over the counter	Technology	Software & Programming	No
4 Kids Entertainment Inc.	New York	Consumer Cyclical	Recreational Products	No
4-D Neuroimaging	Over the counter	Health Care	Medical Equipment & Supplies	No
4net Software Inc.	Over the counter	Services	Business Services	No

8601 stocks selected - ranked by Company name, ascending

(c) 1997-2002 American Association of Individual Investors. Monthly data as of 09/30/05. Weekly data as of 09/30/05.

Screening Strategies



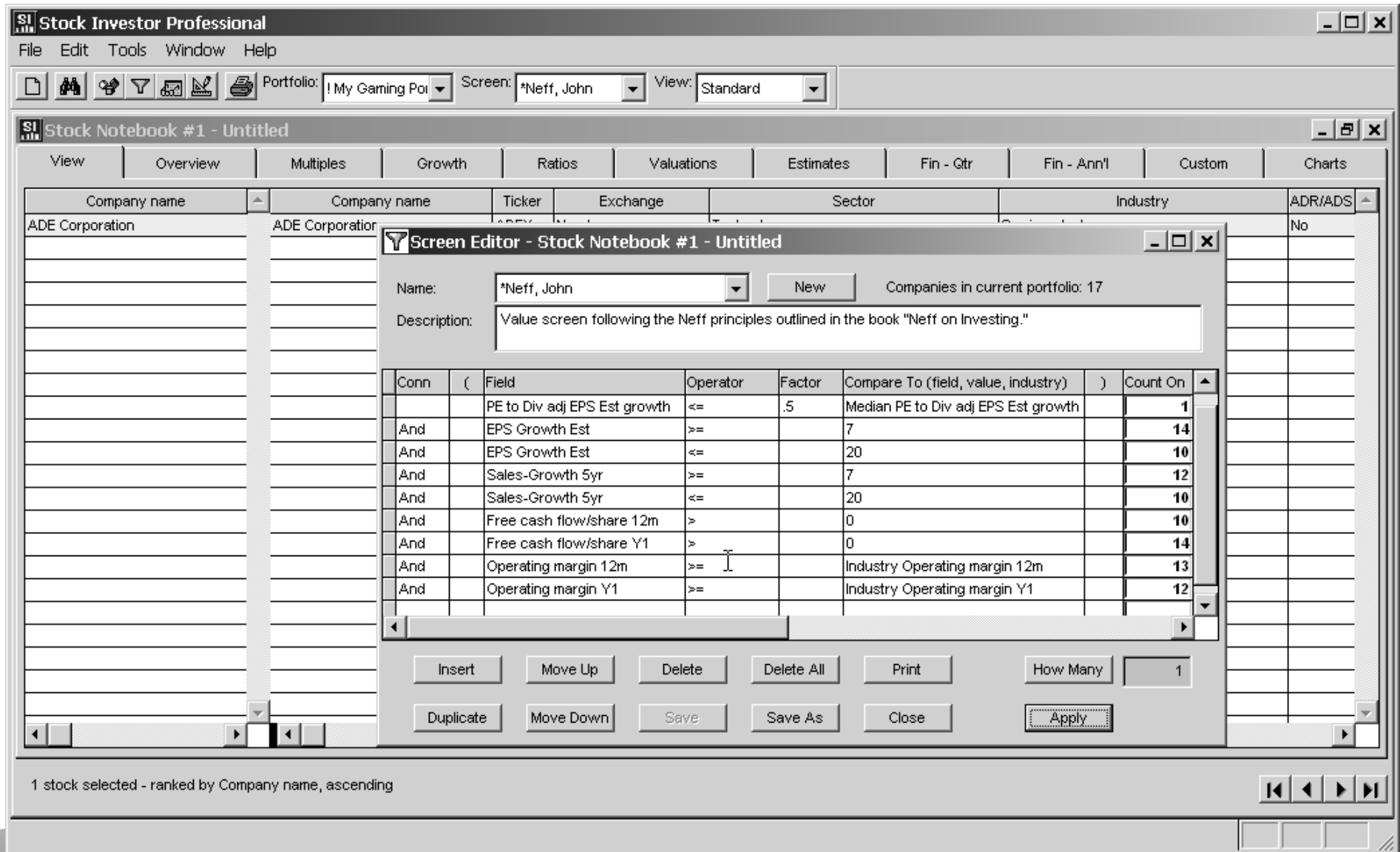
Building a Screening Strategy

- Variables, Relationships, and values
 - For example: Market cap > 150 (O'Shaughnessy Growth Screen)
- Comparative relationships
 - $\text{EPS (Y1)} > \text{EPS (Y2)}$ (O'Shaughnessy Growth Screen)
- Formula Builder i.e. add (+), subtract (-), multiply (*), divide (/)
 - Sustainable growth = $(\text{ROE 12m}) * (1 - (\text{payout ratio 12m})) / 100$
(custom formula)
 - Sustainable growth ≥ 15
- The order of the relationships or formulas is important:
 - Start with the basic criteria...i.e. minimum capitalizations or minimum sales
 - Next: insert key criteria such as “Free cash flow/share (12m) > 0” and “Sales-growth 5yr ≥ 7 ” etc.
 - End with criteria that may help narrow screening but not mandatory: % Rank-Rel Strength 52-week ≥ 65 (O'Shaughnessy Growth Screen)

Screening

- You can either select a screen from the pull-down menu on the toolbar or through the Screen Editor
- By selecting a Screen from the toolbar, it runs and loads the passing companies automatically
- The Screen Editor allows you to edit screens, run them, and see how many companies pass each individual criteria

Use Screens to Filter Portfolios

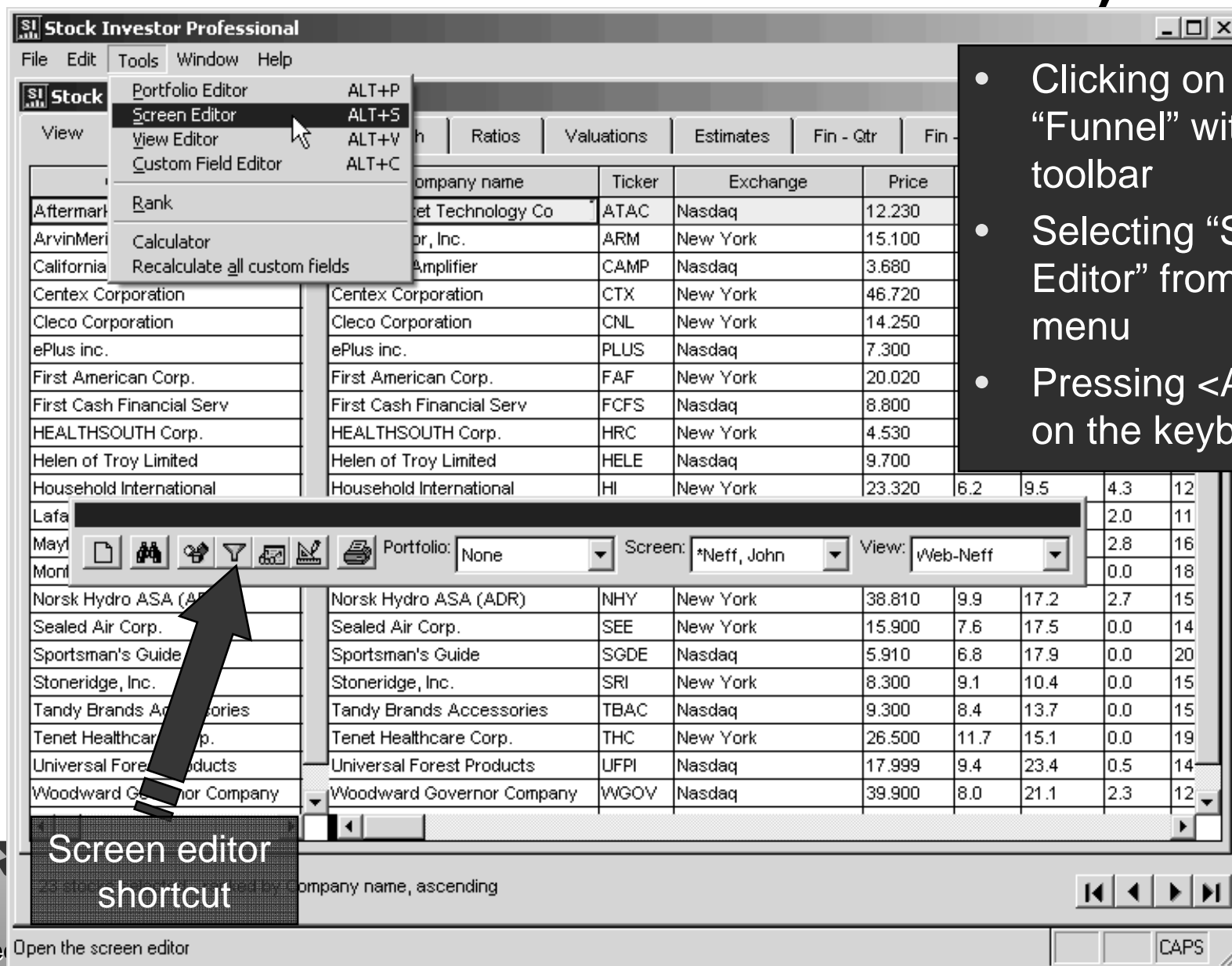


Screen Pull-Down Menu

The screenshot shows the 'Stock Investor Professional' application window. The 'Screen' dropdown menu is open, displaying a list of screens including '*Neff, John', '*O'Neil (CAN SLIM Revised)', '*O'Neil (CANSLIM)', '*O'Shaughnessy Growth', '*O'Shaughnessy Growth II', '*O'Shaughnessy Value', and '*Oberweis'. A large black arrow points from the text 'Screen editor shortcut' to the 'Screen' dropdown menu. The main window displays a table of 15 stocks, ranked by company name, ascending. The table has columns for Company name, Ticker, Location, Sector, Industry, and ADR/ADS. The status bar at the bottom indicates '15 stocks selected - ranked by Company name, ascending'.

Company name	Ticker	Location	Sector	Industry	ADR/ADS
ADE Corporation	AD	New York	Technology	Semiconductors	No
Alliance Resource Partners, L.	AR	New York	Capital Goods	Coal	No
Deere & Company	DE	New York	Capital Goods	Construction & Agricultural Machinery	No
Dow Chemical Company, The	DOW	New York	Basic Materials	Chemicals - Plastics and Rubbers	No
ExpressJet Holdings, Inc.	XJT	New York	Transportation	Airline	No
Lan Airlines S.A. (ADR)	LFL	New York	Transportation	Airline	Yes
MicroStrategy Incorporated	MSTR	Nasdaq	Technology	Software & Programming	No
MIND C.T.I. Ltd.	MIND	Nasdaq	Technology	Software & Programming	No
Nicholas Financial Inc.	NICK	Nasdaq	Financial	Consumer Financial Services	No
NovAtel Inc.	NGPS	Nasdaq	Technology	Electronic Instruments & Controls	No
Olympic Steel, Inc.	ZEUS	Nasdaq	Basic Materials	Misc. Fabricated Products	No
Orbital Sciences Corp.	ORB	New York	Capital Goods	Aerospace and Defense	No
TTM Technologies, Inc.	TTMI	Nasdaq	Technology	Electronic Instruments & Controls	No
Westell Technologies Inc.	WSTL	Nasdaq	Technology	Communications Equipment	No
Yellow Roadway Corp.	YELL	Nasdaq	Transportation	Trucking	No

Screen Editor Activated By:



- Clicking on “Funnel” within toolbar
- Selecting “Screen Editor” from Tools menu
- Pressing <Alt> S on the keyboard

Screens Are Run Against Portfolios

SI Stock Investor Professional

File Edit Tools Window Help

Portfolio: ! My Gaming Poi Screen: *Neff, John View: Standard

SI Stock Notebook #1 - Untitled

View Overview Multiples Growth Ratios Valuations Estimates Fin - Gtr Fin - Ann'l Custom Charts

Company name	Company name	Ticker	Exchange	Sector	Industry	ADR/ADS
ADE Corporation	ADE Corporation					No

Screen Editor - Stock Notebook #1 - Untitled

Name: *Neff, John New Companies in current portfolio: 17

Description: Value screen following the Neff principles outlined in the book "Neff on Investing."

Conn	(	Field	Operator	Factor	Compare To (field, value, industry)	)	Count On
		PE to Div adj EPS Est growth	<=	.5	Median PE to Div adj EPS Est growth		1
And		EPS Growth Est	>=	7			14
And		EPS Growth Est	<=	20			10
And		Sales-Growth 5yr	>=	7			12
And		Sales-Growth 5yr	<=	20			10
And		Free cash flow/share 12m	>	0			10
And		Free cash flow/share Y1	>	0			14
And		Operating margin 12m	>=		Industry Operating margin 12m		13
And		Operating margin Y1	>=		Industry Operating margin Y1		12

Insert Move Up Delete Delete All Print How Many 1

Duplicate Move Down Save Save As Close Apply

1 stock selected - ranked by Company name, ascending

Saved Screen Selection

- Selected from drop-down menu
- Over 50 preinstalled (predefined) screens identified with asterisk (*) in front of name (brings them to the top of the list)

Screen Editor - Stock Notebook #1 - Untitled

Name: *Neff, John New Portfolio none: 8601 companies active

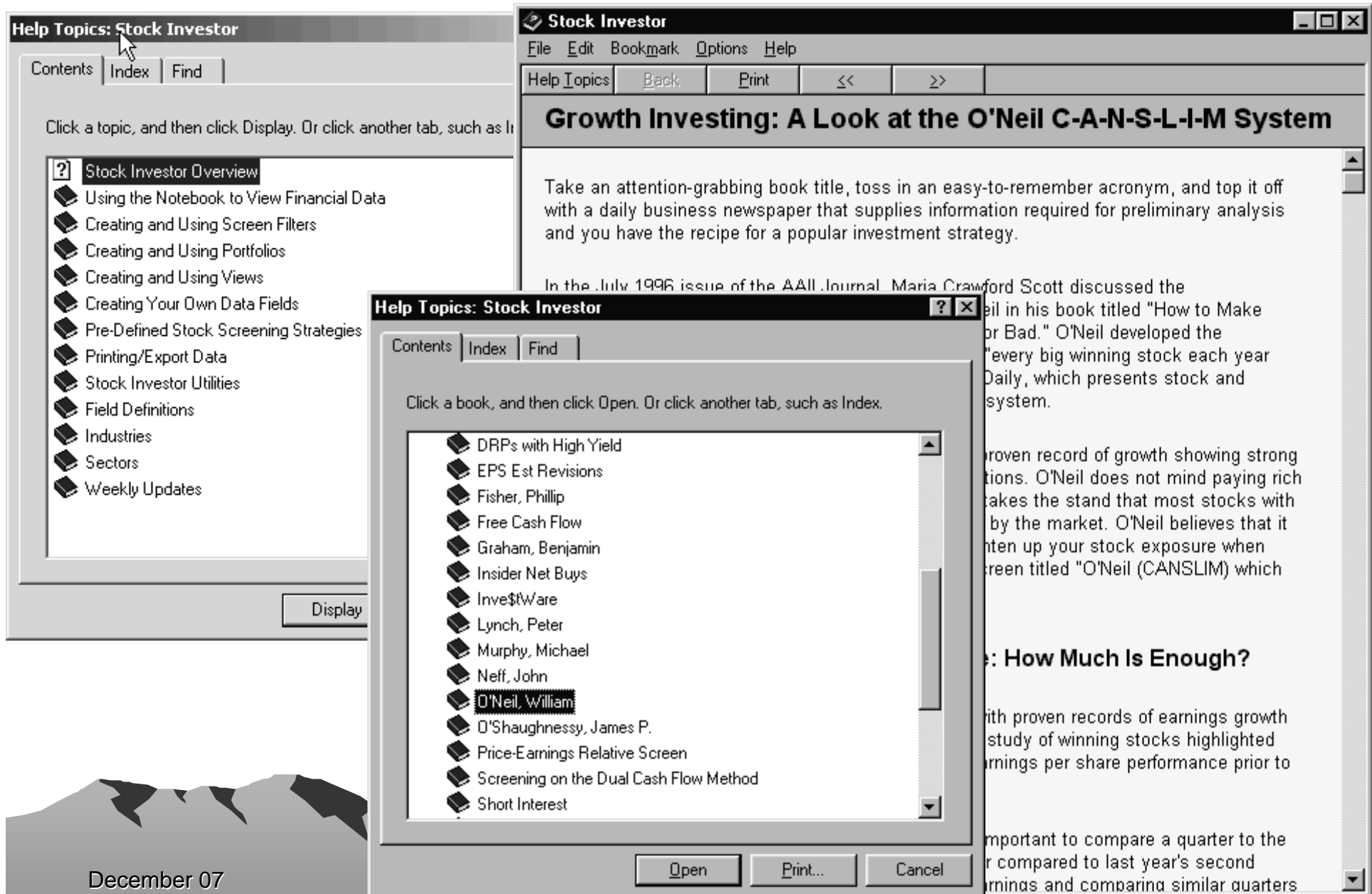
Description: *Neff, John
 *O'Neil (CAN SLIM Revised)
 *O'Neil (CANSLIM)
 *O'Shaughnessy Growth
 *O'Shaughnessy Growth II
 *O'Shaughnessy Value
 *Oberweis

Conn	(	F	or	Factor	Compare To (field, value, industry)	)	Count On
				.5	Median PE to Div adj EPS Est growth		249
And					7		2858
And					20		2544
And		Sales-Growth 5yr	>=		7		3455
And		Sales-Growth 5yr	<=		20		5210
And		Free cash flow/share 12m	>		0		4013
And		Free cash flow/share Y1	>		0		4165
And		Operating margin 12m	>=		Industry Operating margin 12m		3882
And		Operating margin Y1	>=		Industry Operating margin Y1		3921

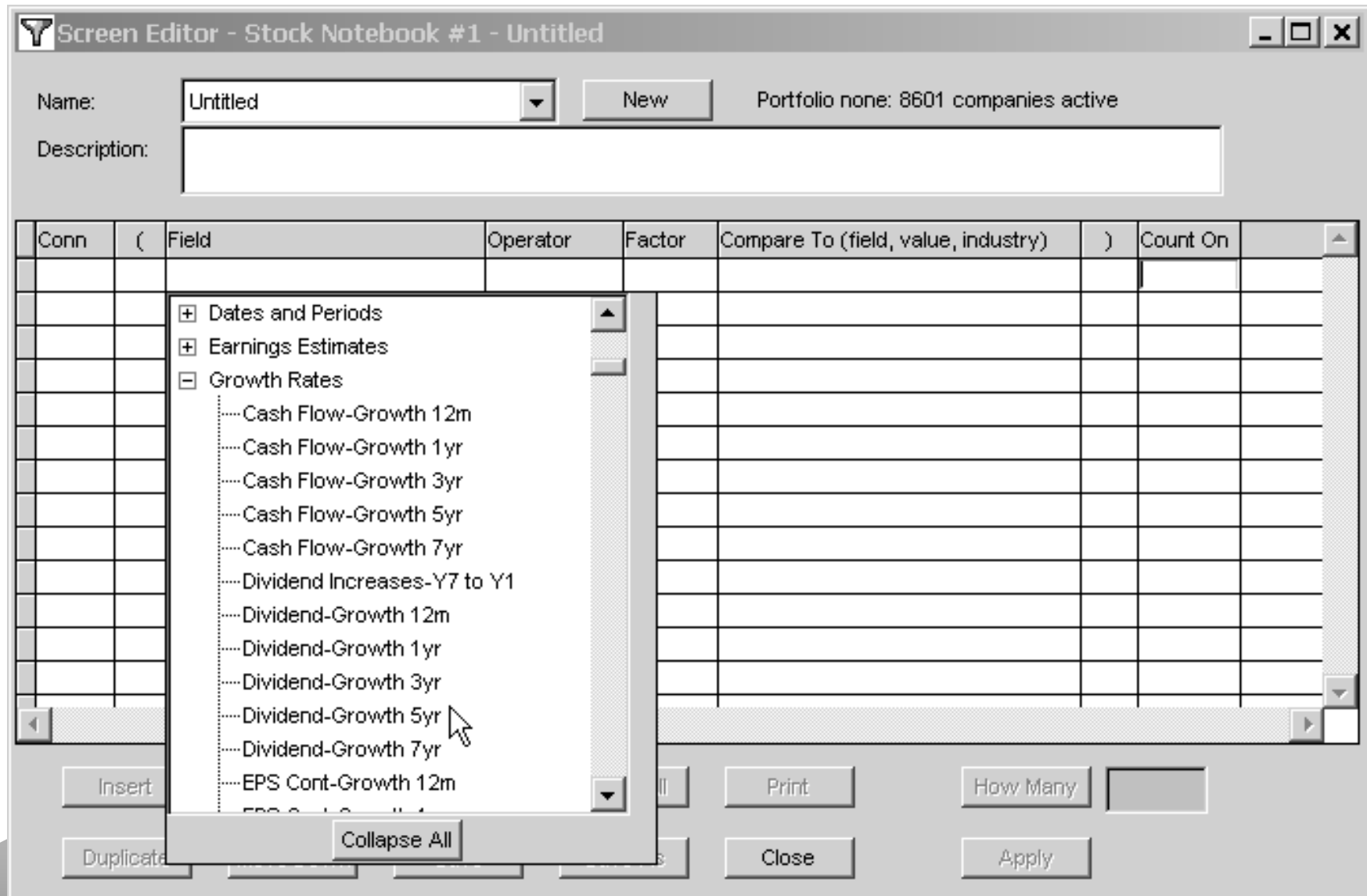
Insert Move Up Delete Delete All Print How Many 15

Duplicate Move Down Save Save As Close Apply

Predefined Screens in Help System



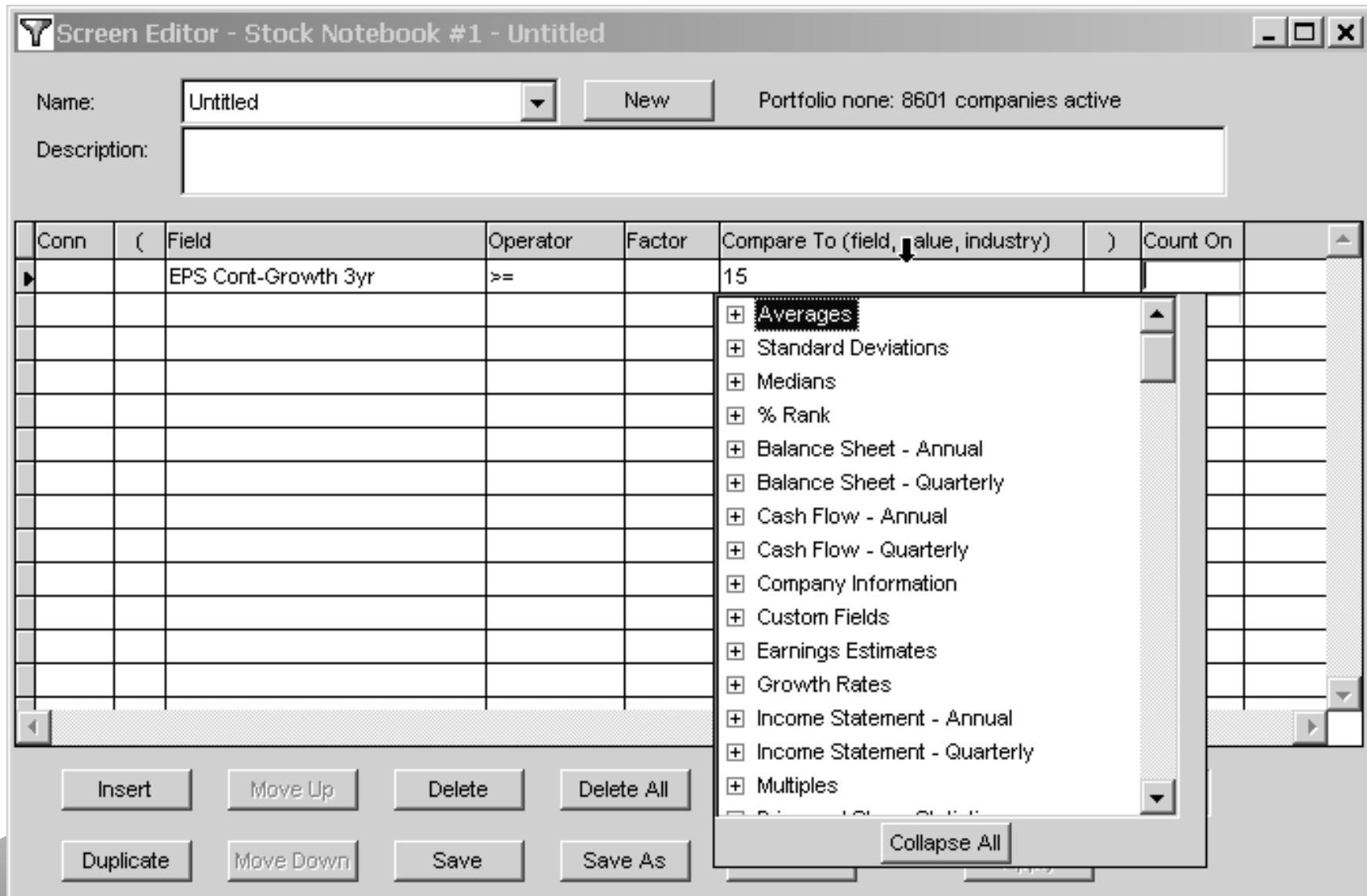
Select Items From Tree Menu



Operator Varies With Field Type

[illegible]

Compare to Field, Value, Norm



Count On/Off Toggle With Click

Screen Editor - Stock Notebook #1 - Untitled

Name: Untitled Portfolio none: 8601 companies active

Description:

Conn	(	Field	Operator	Factor	Compare To (field, value, industry)	)	Count On	
		EPS Cont-Growth 3yr	>=		15		4358	

Insert Move Up Delete Delete All Print How Many 4358

Duplicate Move Down Save Save As Close Apply

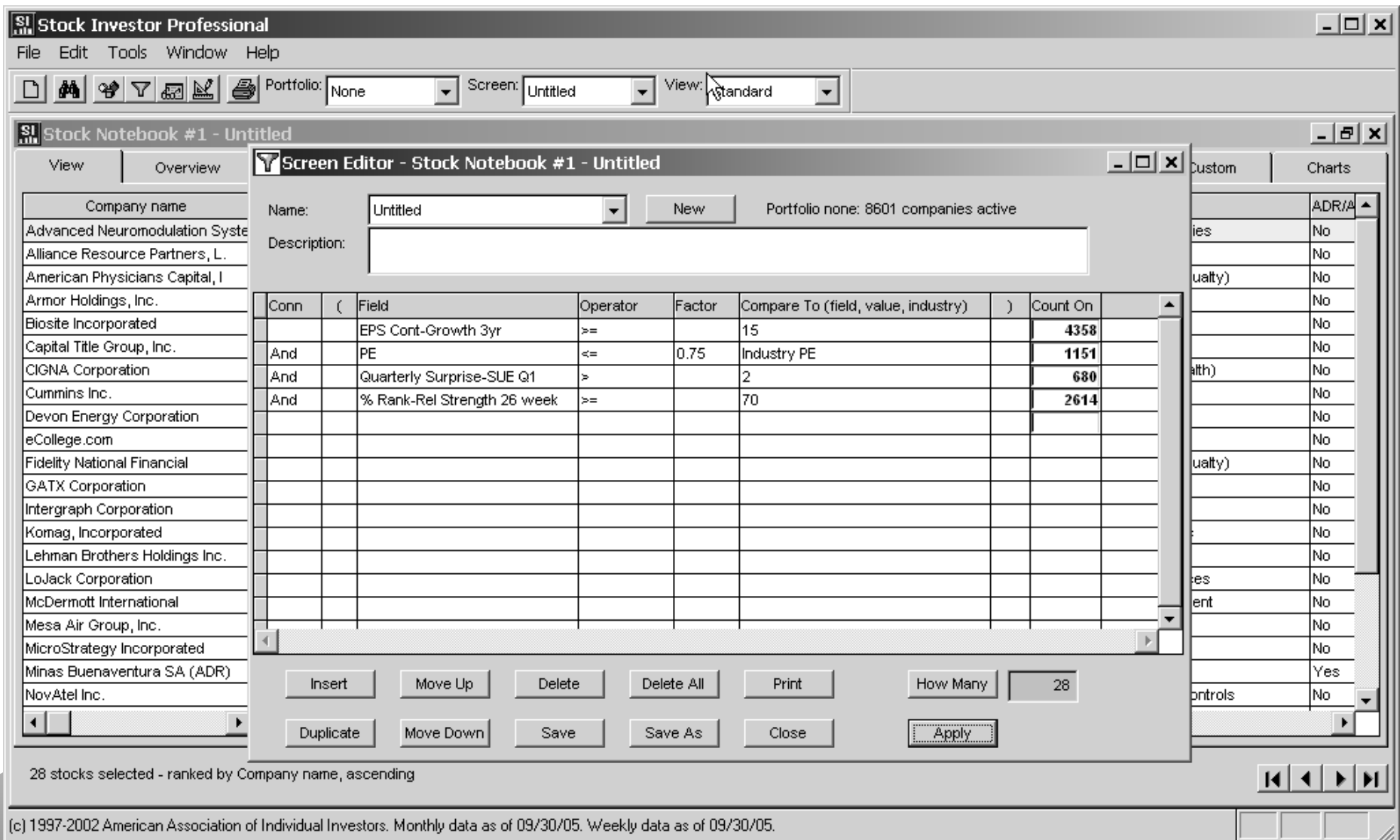
Link Criteria With And/Or Conn

[illegible]

Factor Is a Multiplier for the “Compare To” Element

[illegible]

Apply Button Runs Screen Against Notebook



Saving Results as a Portfolio

Stock Investor Professional

File Edit Tools Window Help

New Notebook Ctrl+N
Open Notebook Ctrl+O
Save Notebook
Save As Notebook
Save Notebook As Portfolio
Close Notebook
Export Data...
Printer Setup...
Print...
Exit

Portfolio: None Screen: Untitled View: Standard

Screen Editor - Stock Notebook #1 - Untitled

Name: Untitled New Portfolio none: 8601 companies active

Description:

Field	Operator	Factor	Compare To (field, value, industry)	Count On
EPS Cont-Growth 3yr	>=		15	4358
And PE	<=	0.75	Industry PE	1151
And Quarterly Surprise-SUE Q1	>		2	680
And % Rank-Rel Strength 26 week	>=		70	2614

Buttons: Insert, Move Up, Delete, Delete All, Print, How Many (28), Duplicate, Move Down, Save, Save As, Close, Apply

28 stocks selected - ranked by Company name, ascending

Creates new portfolio from active notebook

"If we take a late retirement and an early death, we'll just squeak by."

Overview Tab

- Consists of 4 sub-tabs
 - Description
 - Prices
 - Share Statistics
 - DRPs
- An introduction to the company, what it does, an idea of how it has been performing, and investment information

Company Description

SI Stock Investor Professional

File Edit Tools Window Help

Portfolio: None Screen: Untitled View: Standard

SI Stock Notebook #1 - Untitled

View Overview Multiples Growth Ratios Valuations Estimates Fin

LoJack Corporation (LOJN) Price \$21.140 (\$22.700-\$10.110)

Description	Prices	Share Statistics
200 Lowder Brook Drive Suite 1000 Westwood, MA 02090 Web: http://www.lojack.com Phone: 1-781-251-4700 Sector: 09 - Services Industry: 0972 - Security Systems & Services	Exchange: Nasdaq Dow: None S & P: None SIC: 3669 Employees: 805 Market Guide Average Senior Debt Rating: NA	<input type="checkbox"/> Shadow Stock <input type="checkbox"/> Optionable <input type="checkbox"/> ADR

LoJack Corporation (LoJack) is a provider of technology products and services for tracking and recovering valuable mobile assets. LoJack offers two principal types of systems: the LoJack System, which is based on radio frequency technology, and the Boomerang System, which is based on cellular technology and utilizes wireless networks. LoJack products are sold in 22 states and the District of Columbia in the United States, and in 25 countries internationally. At December 31, 2004, the Company's technology has led to the recovery of more than 150,000 vehicles globally. In

Monthly and Annual Price Data

SI Stock Investor Professional
File Edit Tools Window Help

Portfolio: None Screen: Untitled View: Standard

SI Stock Notebook #1 - Untitled

View Overview Multiples Growth Ratios Valuations Estimates Fin - Qtr

LoJack Corporation (LOJN) Price \$21.140 (\$22.700-\$10.110)

Description		Prices			Share Statistics	
Last Split Date: NA Factor						
Date	High	Low	Close	Volume (K)		
Annual Prices						
12/31/2004	12.850	6.920	12.090	24,366		
12/31/2003	9.900	4.490	8.060	8,831		
12/31/2002	5.650	3.350	4.940	12,046		
12/31/2001	7.969	4.650	5.450	9,539		
12/29/2000	8.875	6.500	7.563	13,903		
12/31/1999	12.750	6.250	6.750	23,896		
12/31/1998	15.625	8.000	11.875	17,845		
Monthly Prices						
09/30/2005	22.144	18.170	21.140	4,447		
08/31/2005	22.700	16.710	21.090	6,130		
07/29/2005	19.180	17.140	19.120	2,457		
06/30/2005	18.000	14.200	17.560	5,002		
05/31/2005	15.500	13.880	14.740	2,683		
04/29/2005	15.150	12.780	14.450	1,947		
03/31/2005	15.390	12.710	13.770	2,467		
02/28/2005	14.960	12.300	12.900	1,701		

Share Statistics

SI

Stock Investor Professional

File

Edit

Tools

Window

Help

File

Print

Print Screen

Find

Find Next

Find Previous

Find All

Find Close

Portfolio:

None

Screen:

Untitled

View:

Standard

SI

Stock Notebook #1 - Untitled

View

Overview

Multiples

Growth

Ratios

Valuations

Estimates

LoJack Corporation (LOJN)

Price

\$21.140 (\$22.700-\$10.110)

Description

Prices

Share Statistics

Share Info

Index

Rank

Activity

Purchases

Sales

% Owned

Number

Shares Out. (M)

17.8308

Institutions - Shares (K)

3224

2522

64.6

116

Float (M)

16.900

48

Insiders - Shares (K)

0

222

2.4

Market Cap (\$M)

365.9

63

- Transactions

0

20

Beta

0.45

Relative Strength

(S & P 500)

Rank

Price Change (%)

Shares Per ADR

NA

4 Week

2

67

3

Split Date

NA

13 Week

12

75

15

Split Factor

26 Week

40

89

47

52 Week

75

91

90

Volume

Avg. Shares (K)

Rank

Short Interest

Date

Shares (K)

Short Ratio (days)

% of Out.

% of Float

Daily

140

64

09/08/2005

483

1.789

2.791

2.858

Monthly

4281

69

08/08/2005

484

2.933

2.796

2.864

Multiples Tab

- Collection of financial multiples
 - Yearly averages for each of the last 7 years
 - Historical perspective of the company's valuation level
 - Price/earnings ratios based upon estimates for the current year and the next 2 years
- Able to see how company ranks against companies in its Industry and Sector as well as in the overall Universe

Multiples

Stock Investor Professional

File Edit Tools Window Help

Portfolio: None Screen: Untitled View: Standard

Stock Notebook #1 - Untitled

View Overview **Multiples** Growth Ratios Valuations Estimates Fin - Qtr Fin - Ann'l Custom Charts

LoJack Corporation (LOJN) Price \$21.140 (\$22.700-\$10.110)

Sector 09 - Services Industry 0972 - Security Systems & Services

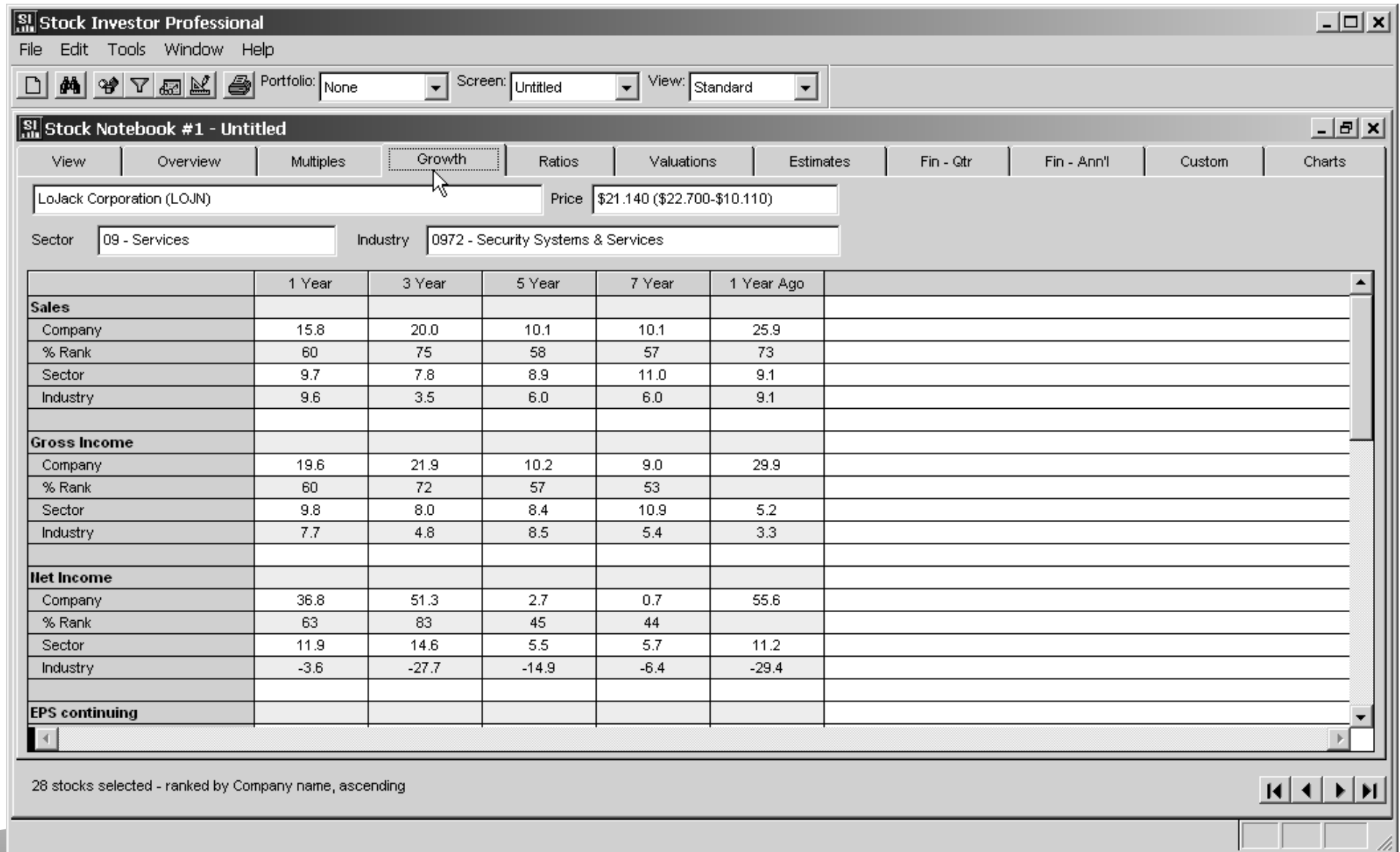
	Current	1 Year Ago	3 Year Average	5 Year Average	7 Year Average	2004 Average	2003 Average	2002 Average	2001 Average	2001 Average	2001 Average
Price/Earnings per Share											
Company	26.8	19.3	22.3	23.5	22.3	15.4	14.1	37.5	33.2	17.1	18.3
% Rank	69	54	68	72	68	34	37	86	80	55	56
Sector	21.4	19.3	19.4	19.8	20.7	20.8	17.7	17.9	18.2	16.8	18.2
Industry	39.2	31.3	25.8	40.0	32.6	22.6	20.7	26.7	21.4	19.8	13.4
Price/Book Value per Share											
Company	4.72	4.79	3.11	3.96	5.10	2.41	3.67	3.24	4.89	5.61	7.42
% Rank	82	85	75	80	88						
Sector	2.1	1.9	1.8	1.8	1.8						
Industry	2.3	2.3	2.4	1.9	1.8						
Price/Sales per Share											
Company	2.22	1.28	0.83	0.98	1.31	1.06	0.85	0.57	1.14	1.28	1.76
% Rank	59	45	32	35	45						
Sector	1.2	1.1	1.1	1.4	1.3						
Industry	1.0	1.0	0.8	0.7	0.6						
Price/Cash Flow per Share											

28 stocks selected - ranked by Company name, ascending

Growth Rates Tab

- Growth rates for selected Income Statement and Statement of Cash Flow items
- 1-, 3-, 5-, and 7-year growth rates as well as growth rate 1 year ago
- Able to see whether growth rates are slowing or increasing
- Universe, Sector and Industry comparisons

Growth Rates



Ratios Tab

- Profitability, Liquidity, Debt Management, and Asset Management ratios
- Current (last 12 months) and each of the last 7 years
- Universe, Sector and Industry comparisons
 - Many ratios are industry specific

Ratios

SI Stock Investor Professional

File Edit Tools Window Help

Portfolio: None Screen: Untitled View: Standard

SI Stock Notebook #1 - Untitled

View Overview Multiples Growth **Ratios** Valuations Estimates Fin - Qtr Fin - Ann'l Custom Charts

LoJack Corporation (LOJN) Price \$21.140 (\$22.700-\$10.110)

Sector 09 - Services Industry 0972 - Security Systems & Services

	Current	12/31/2004	12/31/2003	12/31/2002	12/31/2001	02/28/2001	02/29/2000	02/28/1999
PROFITABILITY								
Gross Profit Margin								
Company	53.0	52.4	50.8	49.1	50.0	50.6	52.2	53.7
% Rank	66	71	69	68	70	71	73	75
Sector	40.1	39.3	39.3	39.4	38.9	38.5	38.7	38.8
Industry	36.4	36.8	35.7	34.5	35.3	34.1	35.0	34.6
Operating Margin								
Company	12.7	11.1	9.9	2.6	5.5	11.9	15.7	19.8
% Rank	71	65	64	45	55	67	74	79
Sector	1.6	3.9	3.8	3.9	3.1	4.0	5.2	5.7
Industry	-7.9	-5.9	-5.3	-3.2	0.9	-1.4	0.5	1.5
Net Profit Margin								
Company	8.2	7.1	6.0	1.5	3.6	4.7	10.1	13.2
% Rank	66	65	64	50	60	59	75	83
Sector	1.8	1.6	1.4	0.9	0.6	1.6	2.5	2.9
Industry	-14.1	-10.3	-10.9	-3.1	1.0	-8.2	0.0	-0.9

28 stocks selected - ranked by Company name, ascending

Estimates Tab

- Estimates are provided by I/B/E/S
- Earnings Surprise for past quarter
- Quarterly estimates given for the current and next quarter
 - Range for current estimate
 - Recent trend in estimates
- Annual estimates given for each of the next 3 years
- A long-term (5-year) growth rate in estimated earnings is also provided

Earnings Estimates

SI

Stock Investor Professional

File

Edit

Tools

Window

Help

Portfolio:

None

Screen:

Untitled

View:

Standard

SI

Stock Notebook #1 - Untitled

View

Overview

Multiples

Growth

Ratios

Valuations

Estimates

LoJack Corporation (LOJN)

Price \$21.140 (\$22.700-\$10.110)

Quarterly Earnings Surprise: Quarter Ending 6/2005

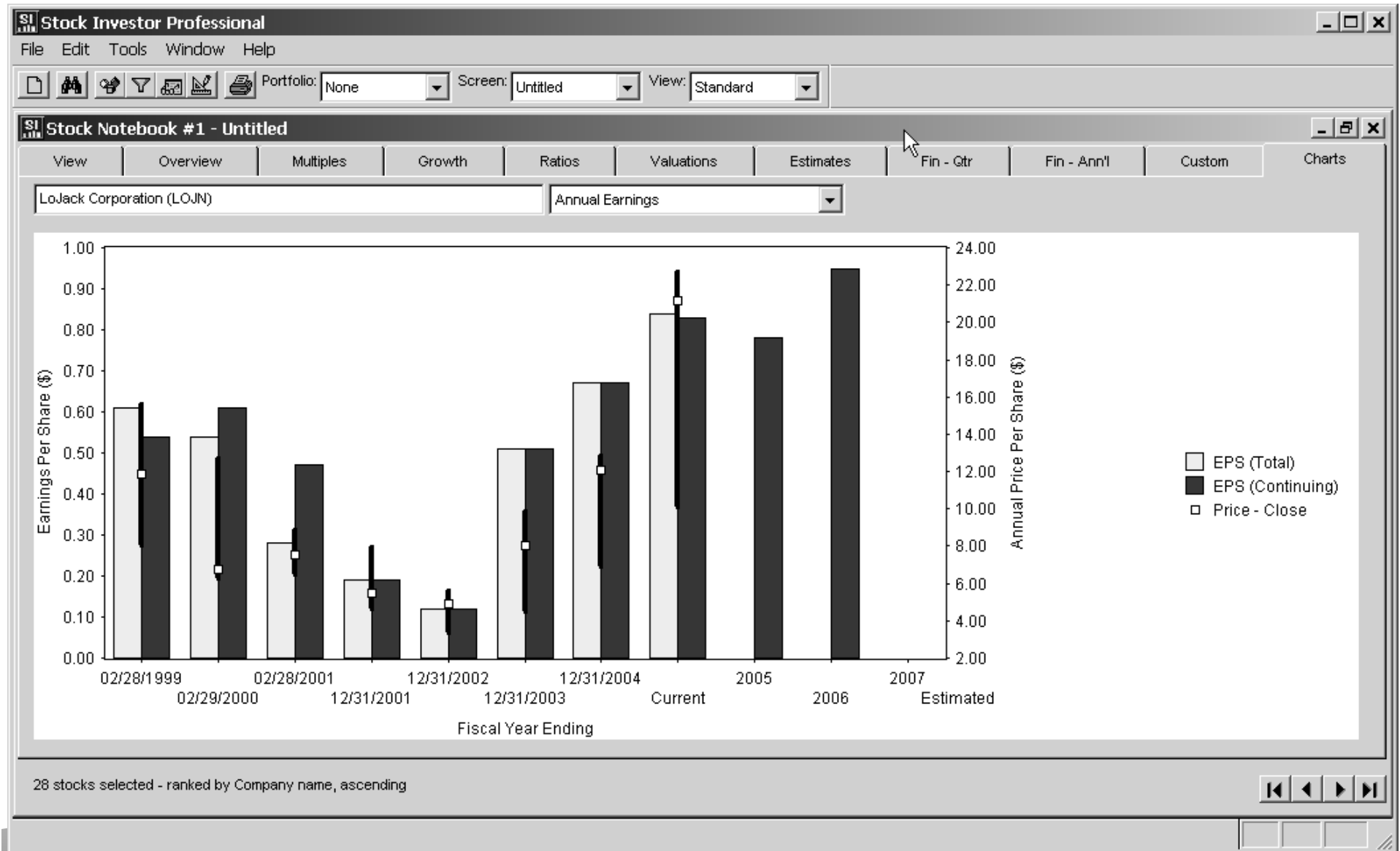
Announced	Estimate	Actual	Difference	% Surprise	Std. Dev.	SUE Score
08/09/2005	\$.19	\$.26	\$0.07	36.8%	\$.01	7.00

Sue Score (Standardized Unanticipated Earnings): Measures the number of deviations from actual announced earnings and differs from the estimated earnings

	Qtr (9/2005)	Qtr (12/2005)	FY (12/2005)	FY (12/2006)	FY (12/2007)	Growth Rate	%
Current Est.	\$.21	\$.17	\$.78	\$.95	NA	NA	
High Est.	\$.23	\$.19	\$.78	\$.96	NA	NA	
Low Est.	\$.18	\$.15	\$.78	\$.94	NA	NA	
Std. Dev.	.04	.03	.00	.01	NA	NA	
# of Estimates	2	2	2	2	0	0	
Current Est.	\$.21	\$.17	\$.78	\$.95	NA	NA	NA
Week Ago Est.	\$.21	\$.17	\$.78	\$.95	NA		
Month Ago Est.	\$.21	\$.18	\$.77	\$.96	NA	NA	
# Revisions Up	0	0	0	0	0	0	
# Revisions Down	0	0	0	0	0	0	

Sue Score
(Standardized
Unanticipated
Earnings): Measures
the number of standard
deviations from the
actual announced
earnings and how it
differs from the
estimated earnings

Annual Earnings and Prices



Quarterly Financials

- Selected Income Statement, Balance Sheet, and Statement of Cash Flow items for each of the last 8 fiscal quarters
- Where “Flash” results are also posted
 - Quarterly sales and EPS figures that have been announced but not yet filed
- Sub-tab shows the percent change in the financial data from quarter to quarter

Quarterly Financials

SI

Stock Notebook #1 - Untitled

View

Overview

Multiples

Growth

Ratios

Valuations

Estimates

Fin - Qtr

Fin - Ann'l

Custom

LoJack Corporation (LOJN)

Price \$21.140 (\$22.700-\$10.110)

FY' 01 Summ Q's reflect the restatement. FY'88 - '90 financials are restated due to merger. FY'87 Q's are reclassified. FYE changed from Feb. to Dec. in 2001.

Financial Information

Percent Change One Year Ago

			06/30/2005	03/31/2005	12/31/2004	09/30/2004	06/30/2004	03/31/2004	12/31/2003	09/30/2003
SHARES OUTSTANDING	M		17.8308	17.3914	16.5375	15.5010	15.3544	15.0277	15.3108	14.8364
INCOME STATEMENT										
Sales	\$M		49.2	43.0	39.6	38.0	35.9	32.1	33.0	33.8
Cost of Goods Sold	\$M		22.3	20.9	18.7	17.8	17.0	15.7	16.9	15.9
Gross Income	\$M		26.9	22.1	20.9	20.2	18.9	16.4	16.1	17.9
Depreciation and Amortization	\$M		1.5	1.3	1.3	0.8	0.6	0.6	0.6	0.6
Research/Development	\$M		1.0	1.4	0.5	1.3	1.4	1.5	1.2	0.7
Interest Expense	\$M		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Unusual Expenses/(Income)	\$M		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Operating Expenses	\$M		41.8	38.6	34.5	33.3	32.1	29.6	29.0	29.7
Operating Income	\$M		7.4	4.4	5.1	4.7	3.8	2.5	4.0	4.1
Interest Expense - non-operating	\$M		0.2	0.2	0.2	0.0	0.0	0.0	0.0	0.0
Other Expenses/(Income)	\$M		-0.8	0.0	-0.2	-0.8	-0.1	-0.1	0.0	0.0
Pretax Income	\$M		8.0	4.2	5.1	5.5	3.9	2.6	4.0	4.1
Income Taxes	\$M		3.0	1.6	2.0	2.1	1.5	1.0	1.6	1.6
Income After Taxes	\$M		5.0	2.6	3.1	3.3	2.4	1.6	2.5	2.5
Adjustments to Income	\$M		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income for Primary EPS	\$M		5.0	2.6	3.1	3.3	2.4	1.6	2.5	2.5
Nonrecurring Items	\$M		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net Income	\$M		5.0	2.6	3.1	3.3	2.4	1.6	2.5	2.5
EPS (Basic)	\$/Shr		0.28	0.15	0.19	0.22	0.16	0.11	0.16	0.17
EPS (Basic) - Continuing	\$/Shr		0.28	0.15	0.19	0.22	0.16	0.11	0.16	0.17
EPS - Diluted	\$/Shr		0.26	0.14	0.18	0.21	0.15	0.10	0.16	0.17
EPS - Diluted Continuing	\$/Shr		0.26	0.14	0.18	0.21	0.15	0.10	0.16	0.17

Percent Change From One Year Ago

SI Stock Notebook #1 - Untitled

View Overview Multiples Growth Ratios Valuations Estimates Fin - Gtr Fin - Ann'l Custom Charts

LoJack Corporation (LOJN) Price \$21.140 (\$22.700-\$10.110)

FY' 01 Summ Q's reflect the restatement. FY'88 - '90 financials are restated due to merger. FY'87 Q's are reclassified. FYE changed from Feb. to Dec. in 2001.

Financial Information		Percent Change One Year Ago			
		06/30/2005	03/31/2005	12/31/2004	09/30/2004
INCOME STATEMENT					
Sales	%	37.0	34.0	20.0	12.4
Cost of Goods Sold	%	31.2	33.1	10.7	11.9
Gross Income	%	42.3	34.8	29.8	12.8
Depreciation and Amortization	%	150.0	116.7	116.7	33.3
Research/Development	%	-28.6	-6.7	-58.3	85.7
Interest Expense	%	0.0	0.0	0.0	0.0
Unusual Expenses/(Income)	%	0.0	0.0	0.0	0.0
Total Expenses	%	30.2	30.4	19.0	12.1
Gross Operating Income	%	94.7	76.0	27.5	14.6
Interest Expense - non-operating	%	NA	NA	NA	0.0
Other Expenses/(Income)	%	-700.0	100.0	NA	NA
Pretax Income	%	105.1	61.5	27.5	34.1
Income Taxes	%	100.0	60.0	25.0	31.3
Income After Taxes	%	108.3	62.5	24.0	32.0
Adjustments to Income	%	0.0	0.0	0.0	0.0
Income for Primary EPS	%	108.3	62.5	24.0	32.0
Nonrecurring Items	%	0.0	0.0	0.0	0.0

28 stocks selected - ranked by Company name, ascending

Financial Statements—Income

Stock Notebook #1 - Untitled										
View	Overview	Multiples	Growth	Ratios	Valuations	Estimates	Fin - Qtr	Fin - Ann'l	Custom	Charts
LoJack Corporation (LOJN)				Price	\$21.140 (\$22.700-\$10.110)					
Total		Per Share		Percent Change				Common Size		
		Current	12/31/2004	12/31/2003	12/31/2002	12/31/2001	02/28/2001	02/29/2000	02/28/1999	
SHARES OUTSTANDING	M	17.8308	15.6052	14.9132	14.6922	15.2723	15.9101	16.6651	17.9199	
INCOME STATEMENT										
Sales	\$M	169.7	145.7	125.8	116.4	84.4	95.9	90.2	83.2	
Cost of Goods Sold	\$M	79.7	69.3	61.9	59.2	42.2	47.4	43.1	38.5	
Gross Income	\$M	90.0	76.4	63.9	57.2	42.2	48.5	47.1	44.7	
Depreciation and Amortization	\$M	4.9	3.4	2.3	2.3	1.6	1.9	1.9	1.8	
Research/Development	\$M	4.3	4.7	3.5	2.3	2.6	1.2	1.1	0.4	
Interest Expense	\$M	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Unusual Expenses/(Income)	\$M	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Total Operating Expenses	\$M	148.2	129.5	113.4	113.4	79.8	84.5	76.0	66.7	
Operating Income	\$M	21.5	16.2	12.4	3.0	4.6	11.4	14.2	16.5	
Interest Expense - non-operating	\$M	0.6	0.2	0.1	0.2	0.2	0.3	0.3	0.3	
Other Expenses/(Income)	\$M	-1.8	-1.1	-0.2	-0.2	-0.3	-0.8	-1.0	-1.9	
Pretax Income	\$M	22.8	17.1	12.5	3.0	4.7	11.9	14.9	18.1	
Income Taxes	\$M	8.7	6.7	4.9	1.2	1.7	4.4	5.8	7.0	
Income After Taxes	\$M	14.1	10.4	7.6	1.8	3.0	7.5	9.1	11.0	
Adjustments to Income	\$M	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Income for Primary EPS	\$M	14.1	10.4	7.6	1.8	3.0	7.5	9.1	11.0	
Nonrecurring Items	\$M	0.0	0.0	0.0	0.0	0.0	-3.0	0.0	0.0	
Net Income	\$M	14.0	10.4	7.6	1.8	3.0	4.5	9.1	11.0	
EPS (Basic)	\$/Shr	0.84	0.67	0.51	0.12	0.19	0.28	0.54	0.61	
EPS (Basic) - Continuing	\$/Shr	0.83	0.67	0.51	0.12	0.19	0.47	0.54	0.61	
EPS - Diluted	\$/Shr	0.79	0.64	0.51	0.12	0.19	0.27	0.52	0.57	
EPS - Diluted Continuing	\$/Shr	0.79	0.64	0.51	0.12	0.19	0.45	0.52	0.57	
Dividends per Share	\$/Shr	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

28 stocks selected - ranked by Company name, ascending

Cash Flow & Balance Sheet

SI Stock Notebook #1 - Untitled										
View	Overview	Multiples	Growth	Ratios	Valuations	Estimates	Fin - Qtr	Fin - Ann'l	Custom	Charts
LoJack Corporation (LOJN)				Price \$21.140 (\$22.700-\$10.110)						
Total		Per Share		Percent Change				Common Size		
		Current	12/31/2004	12/31/2003	12/31/2002	12/31/2001	02/28/2001	02/29/2000	02/28/1999	
CASH FLOW STATEMENT										
Total Cash from Operations	\$M	26.0	11.5	8.8	2.5	9.8	11.1	11.9	12.9	
Total Cash from Investing	\$M	-38.5	-29.7	-5.1	-3.1	-4.9	-3.2	-1.6	1.2	
Total Cash from Financing	\$M	28.2	29.1	-0.4	-4.0	-7.0	-5.9	-14.5	-9.4	
Net Change in Cash	\$M	15.8	11.1	3.4	-4.5	-2.1	2.0	-4.2	4.7	
Capital Expenditures	\$M	6.0	3.4	4.3	3.1	4.1	3.2	2.7	0.7	
Exchange Rate Effects	\$M	0.1	0.3	0.0	0.0	0.0	0.0	0.0	0.0	
Cash Flow per Share	\$/Shr	1.06	0.85	0.66	0.28	0.29	0.56	0.63	0.67	
Free Cash Flow per Share	\$/Shr	1.10	0.50	0.30	-0.04	0.36	0.48	0.53	0.64	
BALANCE SHEET										
Assets										
Cash	\$M	23.8	15.9	4.7	1.4	5.9	8.0	6.0	10.2	
Short-Term Investments	\$M	11.8	5.6	0.0	0.0	0.0	0.0	0.0	0.0	
Accounts Receivable	\$M	36.1	29.7	23.2	19.2	16.2	12.9	12.1	9.7	
Inventory	\$M	10.0	12.6	10.0	8.0	5.9	4.6	3.6	5.7	
Other Current Assets	\$M	7.4	7.0	4.3	5.8	2.5	3.1	2.8	1.8	
Total Current Assets	\$M	89.1	70.7	42.3	34.2	30.4	28.7	24.5	27.4	
Net Property, Plant, Equipment	\$M	16.4	15.6	14.5	13.4	12.8	10.5	9.8	9.9	
Long-Term Investments	\$M	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	
Goodwill/Intangibles	\$M	51.6	53.0	0.0	0.0	0.0	0.0	0.0	0.0	
Other Long-Term Assets	\$M	11.3	10.2	7.8	7.4	5.0	3.0	0.9	0.2	
Total Assets	\$M	168.4	149.5	64.6	55.0	48.2	42.2	35.2	38.5	
Liabilities										

Balance Sheet

SI Stock Notebook #1 - Untitled										
View	Overview	Multiples	Growth	Ratios	Valuations	Estimates	Fin - Qtr	Fin - Ann'l	Custom	Charts
LoJack Corporation (LOJN)				Price \$21.140 (\$22.700-\$10.110)						
Total	Per Share			Percent Change				Common Size		
		Current	12/31/2004	12/31/2003	12/31/2002	12/31/2001	02/28/2001	02/29/2000	02/28/1999	
BALANCE SHEET										
Assets										
Cash	\$M	23.8	15.9	4.7	1.4	5.9	8.0	6.0	10.2	
Short-Term Investments	\$M	11.8	5.6	0.0	0.0	0.0	0.0	0.0	0.0	
Accounts Receivable	\$M	36.1	29.7	23.2	19.2	16.2	12.9	12.1	9.7	
Inventory	\$M	10.0	12.6	10.0	8.0	5.9	4.6	3.6	5.7	
Other Current Assets	\$M	7.4	7.0	4.3	5.8	2.5	3.1	2.8	1.8	
Total Current Assets	\$M	89.1	70.7	42.3	34.2	30.4	28.7	24.5	27.4	
Net Property, Plant, Equipment	\$M	16.4	15.6	14.5	13.4	12.8	10.5	9.8	9.9	
Long-Term Investments	\$M	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	
Goodwill/Intangibles	\$M	51.6	53.0	0.0	0.0	0.0	0.0	0.0	0.0	
Other Long-Term Assets	\$M	11.3	10.2	7.8	7.4	5.0	3.0	0.9	0.2	
Total Assets	\$M	168.4	149.5	64.6	55.0	48.2	42.2	35.2	38.5	
Liabilities										
Accounts Payable	\$M	9.6	9.2	9.0	11.0	6.7	2.1	3.0	3.4	
Short-Term Debt	\$M	4.5	4.2	0.9	1.5	1.5	1.5	1.6	1.3	
Other Current Liabilities	\$M	31.5	26.7	10.9	8.9	7.8	6.3	4.5	3.9	
Total Current Liabilities	\$M	45.6	40.2	20.8	21.4	16.1	9.9	9.0	8.6	
Long-Term Debt	\$M	16.3	20.9	0.2	1.1	1.0	1.1	1.2	1.4	
Other Long-Term Liabilities	\$M	26.8	24.5	14.5	12.2	11.4	9.3	3.7	3.4	
Total Liabilities	\$M	88.6	85.6	35.4	34.6	28.5	20.3	13.9	13.4	
Preferred Stock	\$M	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Common Stock Equity	\$M	79.8	64.0	29.2	20.4	19.7	21.8	21.3	25.1	
Total Liabilities & Equity	\$M	168.4	149.6	64.6	55.0	48.2	42.1	35.2	38.5	
Book Value Per Share	\$/Shr	4.48	4.10	1.96	1.39	1.29	1.37	1.28	1.40	

Percent Change Year to Year

SI Stock Notebook #1 - Untitled

View Overview Multiples Growth Ratios Valuations Estimates Fin - Qtr Fin - Ann'l Custom Charts

LoJack Corporation (LOJN) Price \$21.140 (\$22.700-\$10.110)

Total		Per Share	Percent Change						Common Size
		Current	12/31/2004	12/31/2003	12/31/2002	12/31/2001	02/28/2001	02/29/2000	
INCOME STATEMENT									
Sales	%	16.5	15.8	8.1	37.9	-12.0	6.3	8.4	
Cost of Goods Sold	%	15.0	12.0	4.6	40.3	-11.0	10.0	11.9	
Gross Income	%	17.8	19.6	11.7	35.5	-13.0	3.0	5.4	
Depreciation and Amortization	%	44.1	47.8	0.0	43.8	-15.8	0.0	5.6	
Research/Development	%	-8.5	34.3	52.2	-11.5	116.7	9.1	175.0	
Interest Expense	%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Unusual Expenses/(Income)	%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Total Operating Expenses	%	14.4	14.2	0.0	42.1	-5.6	11.2	13.9	
Operating Income	%	32.7	30.6	313.3	-34.8	-59.6	-19.7	-13.9	
Interest Expense - non-operating	%	200.0	100.0	-50.0	0.0	-33.3	0.0	0.0	
Other Expenses/(Income)	%	-63.6	-450.0	0.0	33.3	62.5	20.0	47.4	
Pretax Income	%	33.3	36.8	316.7	-36.2	-60.5	-20.1	-17.7	
Income Taxes	%	29.9	36.7	308.3	-29.4	-61.4	-24.1	-17.1	
Income After Taxes	%	35.6	36.8	322.2	-40.0	-60.0	-17.6	-17.3	
Adjustments to Income	%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Income for Primary EPS	%	35.6	36.8	322.2	-40.0	-60.0	-17.6	-17.3	
Nonrecurring Items	%	0.0	0.0	0.0	0.0	100.0	NA	0.0	
Net Income	%	34.6	36.8	322.2	-40.0	-33.3	-50.5	-17.3	
EPS (Basic)	%	25.4	31.4	325.0	-36.8	-32.1	-48.1	-11.5	
EPS (Basic) - Continuing	%	23.9	31.4	325.0	-36.8	-59.6	-13.0	-11.5	
EPS - Diluted	%	23.4	25.5	325.0	-36.8	-29.6	-48.1	-8.8	
EPS - Diluted Continuing	%	23.4	25.5	325.0	-36.8	-57.8	-13.5	-8.8	
Dividends per Share	%	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

28 stocks selected - ranked by Company name, ascending

Common Size

SI Stock Notebook #1 - Untitled										
View	Overview	Multiples	Growth	Ratios	Valuations	Estimates	Fin - Qtr	Fin - Ann'l	Custom	Charts
LoJack Corporation (LOJN)					Price \$21.140 (\$22.700-\$10.110)					
Total	Per Share	Percent Change				Common Size				
		Current	12/31/2004	12/31/2003	12/31/2002	12/31/2001	02/28/2001	02/29/2000	02/28/1999	
INCOME STATEMENT										
Sales		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
Cost of Goods Sold		47.0	47.6	49.2	50.9	50.0	49.4	47.8	46.3	
Gross Income		53.0	52.4	50.8	49.1	50.0	50.6	52.2	53.7	
Depreciation and Amortization		2.9	2.3	1.8	2.0	1.9	2.0	2.1	2.2	
Research/Development		2.5	3.2	2.8	2.0	3.1	1.3	1.2	0.5	
Interest Expense		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Unusual Expenses/(Income)		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Total Operating Expenses		87.3	88.9	90.1	97.4	94.5	88.1	84.3	80.2	
Operating Income		12.7	11.1	9.9	2.6	5.5	11.9	15.7	19.8	
Interest Expense - non-operating		0.4	0.1	0.1	0.2	0.2	0.3	0.3	0.4	
Other Expenses/(Income)		-1.1	-0.8	-0.2	-0.2	-0.4	-0.8	-1.1	-2.3	
Pretax Income		13.4	11.7	9.9	2.6	5.6	12.4	16.5	21.8	
Income Taxes		5.1	4.6	3.9	1.0	2.0	4.6	6.4	8.4	
Income After Taxes		8.3	7.1	6.0	1.5	3.6	7.8	10.1	13.2	
Adjustments to Income		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Income for Primary EPS		8.3	7.1	6.0	1.5	3.6	7.8	10.1	13.2	
Nonrecurring Items		0.0	0.0	0.0	0.0	0.0	-3.1	0.0	0.0	
Net Income		8.2	7.1	6.0	1.5	3.6	4.7	10.1	13.2	
CASH FLOW STATEMENT										
Total Cash From Operations		15.3	7.9	7.0	2.1	11.6	11.6	13.2	15.5	
Total Cash From Investing		-22.7	-20.4	-4.1	-2.7	-5.8	-3.3	-1.8	1.4	
Total Cash From Financing		16.6	20.0	-0.3	-3.4	-8.3	-6.2	-16.1	-11.3	
Net Change in Cash		9.3	7.6	2.7	-3.9	-2.5	2.1	-4.7	5.6	

28 stocks selected - ranked by Company name, ascending

Valuation



Valuations Tab

- Two common methods for valuations
 - Discounted cash flow:
 - Usually company-by-company
 - Based on the present value of future stream of earnings or dividends.
 - Not used in screening programs (formulas get too complex)
 - Best done elsewhere such as in a spreadsheet
 - Comparative:
 - Measures how cheap or expensive a company is to its peers. Common measures found in screening programs are:
 - Price/earnings
 - Dividends
 - Cash-flow
 - Free cash-flow
 - Sales

Using Valuations

- Valuations provide a quick feel as to whether the current price is fair relative to past valuation levels and growth rates
- Using the multiples, assumes trends in behavior will continue into the near future
- Using the 5-year average smoothes and normalizes the data

Valuations Tab (continued)

- 12-month price projections based on Price-Earnings Ratio, Dividends, Cash Flow and Free Cash Flow, and Sales
- SI-Pro finds the “trend” in the value by taking current value and extending it by its 5-year growth rate
- The trend value is multiplied by the current multiple (to find the valuation) or the 5-year average multiple (to find the average valuation)

Valuations

SI Stock Notebook #1 - Untitled

View Overview Multiples Growth Ratios **Valuations** Estimates Fin - Qtr Fin - Ann'l Custom Charts

LoJack Corporation (LOJN) Price \$21.140 (\$22.700-\$10.110)

		EPS	Dividend	Cashflow	Free Cashflow	Sales	Formulas	
Latest Reported	\$/Shr	0.84	0.00	1.06	1.10	9.52	L	
MB/E/S EPS Estimate	\$/Shr	.78					EE	
5 year Annual Growth Rate	%	4.4	0.0	6.2	-1.2	10.1	AGR	
Trend	\$/Shr	0.88	NA	1.13	1.09	10.48	$T = L * (1 + AGR / 100)$	
Current Multiple	X	26.8	NA	19.9	19.2	2.22	CM	
5 year Average Multiple	X	23.5	NA	14.8	NA	0.98	AM	
VALUATION	\$	23.50	NA	22.40	20.87	23.26	$= CM * T$	
AVERAGE VALUATION	\$	20.61	NA	16.66	NA	10.27	$= AM * T$	
PE VALUATION	\$	20.90					$= CM * EE$	
AVERAGE PE VALUATION	\$	18.33					$= AM * EE$	

28 stocks selected - ranked by Company name, ascending

Custom Screening Strategies



Custom Fields

- Custom fields can be used to create a new financial ratio, percent change, etc., by creating an algebraic formula that uses fields that already exist in the program
- Custom fields can be used in all program elements such as screens, views, other custom fields, etc.
- Limitations
 - 250 custom fields

Sample Formula

Sustainable Growth Rate (SGR)

- The maximum growth rate that a firm can sustain without having to increase financial leverage.
 - Calculated as:
 - $ROE \times (1 - \text{dividend-payout ratio})$
- SGR: A measure of how much a firm can grow without borrowing more money. After the firm has passed this rate, it must borrow funds from another source to facilitate growth.

250 Custom Fields

[illegible]

250 Custom Fields

ties - Long term debt)/Share outstanding

DE 12

Custom Field Editor

Name: Sustainable Growth Rate

Description: Sustainable Growth Rate = ROE 12 month X (1 - payout ratio 12 month)

Expression: [Return on equity 12m]*(1-([Payout ratio 12m]/100))

- ☐ % Rank
- ☐ Balance Sheet - Annual
- ☐ Balance Sheet - Quarterly
- ☐ Cash Flow - Annual
- ☐ Cash Flow - Quarterly
- ☐ Company Information
- ☐ Custom Fields
- ☐ Earnings Estimates
- ☐ Growth Rates

Summary & Closing Comments

- Download the trial version and get familiar with the tabs
- Weekly updates for SI Pro users
- Start by using a pre-set screening strategies
 - There is wide range of strategies... chose one or two that are compatible with your investment goals
 - Remember: Pre-set screening strategies will often result in high turnover in the lists of stocks, so please do you due diligence
- Do your analysis!
 - Buying stocks solely on screening strategies is not recommended
- As you become familiar with SI-Pro, try developing some custom criteria
- Feel free to tinker!!

SI-Pro Resources

www.aaii.com

- Weekly updates for SI Pro users
- Archive of past updates
- Access archived issues of *Stock Investor News* at the Stock Investor section of the AAI Web site
 - Tips on how to better use SI Pro
 - Published quarterly
- Troubleshooting guide
- Join the Silicon Valley SI-Pro User's Group

References

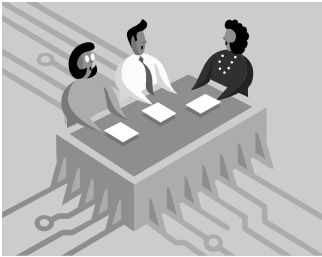


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SI-Pro User's Group

- Exchange knowledge on how to use SIPro
- Meet on regular basis... once a quarter or more frequently if needed
- Moderated listserver, where group members exchange ideas and share files:
 - Subscribe: SV-SI-Pro-subscribe@yahoogroups.com
- Discuss new and innovative screens
- Presentation topics could include:
 - Review popular screens and the underlining criteria
 - How to modify screens to suit ones own needs
 - How to use the list of stocks for further analysis
 - Educate group members on how to use pre-defined screens
 - Invite guest speakers from other regional user groups or the national office to present how they are utilizing SIPro
 - Discussion techniques for back testing screens
 - Provide feedback to SIPro developers for future features
- User's group is open to AAll members and users of SIPro

End

Questions

