

Upside Potential: 65.2%

Assumptions	
10 Year T-Bill	4.50%
Risk Premium	4.00%
Beta	1.16
WACC	9.14%
Terminal Beta	1.00
Terminal WACC	8.50%
Tax Rate	35.00%

Scenario Selector

Declining Margins
 Stable Margins
 Improving Margins



Valuation by: Alina Costica & Evan Strain
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		Hyper-Growth Stage			Transitional Growth Stage				Terminal Year	
	LTM	2006E	2007E	2008E	2009E	2010E	2011E	2012E	2013E	2014E
Total Revenues	\$343,204.0	\$394,684.6	\$453,887.3	\$521,970.4	\$590,696.5	\$657,642.1	\$720,118.1	\$775,327.1	\$820,554.6	\$853,376.7
<i>Growth</i>		15.0%	15.0%	15.0%	13.2%	11.3%	9.5%	7.7%	5.8%	4.0%
less: COGS	156,842.0	180,368.3	207,423.5	238,537.1	269,944.5	300,538.2	329,089.3	354,319.5	374,988.1	389,987.6
<i>COGS Margin</i>	45.7%	45.7%	45.7%	45.7%	45.7%	45.7%	45.7%	45.7%	45.7%	45.7%
less: SG&A	132,761.0	152,675.2	175,576.4	201,912.9	228,498.1	254,394.5	278,562.0	299,918.4	317,413.7	330,110.2
<i>SG&A Margin</i>	38.7%	38.7%	38.7%	38.7%	38.7%	38.7%	38.7%	38.7%	38.7%	38.7%
EBITDA	53,601.0	61,641.2	70,887.3	81,520.4	92,253.9	102,709.4	112,466.8	121,089.2	128,152.8	133,278.9
<i>EBITDA Margin</i>	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%	15.6%
less: D&A	16,952.0	13,814.0	15,886.1	18,269.0	19,443.8	20,277.3	25,879.2	31,013.1	35,300.9	30,721.6
<i>D&A/CapEx</i>	52.6%	50.0%	50.0%	50.0%	50.0%	50.0%	62.5%	75.0%	87.5%	80.0%
EBIT	36,649.0	47,827.2	55,001.3	63,251.5	72,810.2	82,432.1	86,587.5	90,076.1	92,851.8	102,557.3
<i>EBIT Margin</i>	10.7%	12.1%	12.1%	12.1%	12.3%	12.5%	12.0%	11.6%	11.3%	12.0%
less: Taxes	14,810.0	16,739.5	19,250.4	22,138.0	25,483.6	28,851.2	30,305.6	31,526.7	32,498.1	35,895.1
<i>Tax Rate</i>	40.4%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%	35.0%
EBIT (1-L)	21,839.0	31,087.7	35,750.8	41,113.4	47,326.6	53,580.9	56,281.9	58,549.5	60,353.7	66,662.3
add: D&A	16,952.0	13,814.0	15,886.1	18,269.0	19,443.8	20,277.3	25,879.2	31,013.1	35,300.9	30,721.6
Operating Cash Flow (OCF)	38,791.0	44,901.6	51,636.9	59,382.4	66,770.4	73,858.2	82,161.1	89,562.6	95,654.6	97,383.8
less: ΔNWC		1,544.4	1,776.1	2,042.5	2,061.8	2,008.4	1,874.3	1,656.3	1,356.8	984.7
Net Working Capital	10,296.1	11,840.5	13,616.6	15,659.1	17,720.9	19,729.3	21,603.5	23,259.8	24,616.6	25,601.3
<i>% of sales</i>	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Capital Expenditures	32,256.3	27,627.9	31,772.1	36,537.9	38,887.5	40,554.6	41,406.8	41,350.8	40,343.9	38,402.0
<i>% of Sales</i>	9.4%	7.0%	7.0%	7.0%	6.6%	6.2%	5.8%	5.3%	4.9%	4.5%
Free Cash Flow to Firm (FCFF)	\$6,534.7	\$15,729.3	\$18,088.7	\$20,802.0	\$25,821.1	\$31,295.2	\$38,880.1	\$46,555.5	\$53,953.9	\$57,997.2

Present Value Factor	97.8%	89.6%	82.1%	75.3%	69.0%	63.2%	57.9%	53.0%	48.6%
PV of FCFF	\$15,389.1	\$16,215.4	\$17,086.0	\$19,432.4	\$21,579.7	\$24,564.7	\$26,950.8	\$28,618.0	\$28,186.4

PV of Hyper/Transitional Growth	\$169,836.1
PV of Terminal Growth	683,613.9
PV of Firm	853,450.0
plus: Cash and Equivalents	67,327.0
less: Debt	0.0
less: Options	0.0
Total Value	920,777.0
divided by: Diluted Shares Outstanding	19,558.0
Intrinsic Price per Share	\$47.08
Current Share Price	\$28.50
Upside Potential	65.2%