

Potential Upside: 16.84%



Assumptions

10-year Treasury	4.31%
Risk Premium	4.70%
Beta	0.1
WACC	4.8268%
Terminal Beta	0.3
Terminal WACC	5.6838%
Terminal Growth Rate	2%
Tax Rate	35%

Year	2003	2004	2005	2006	2007e	2008e	2009e	Terminal		
Revenues	31,808,000	35,526,000	37,213,000	39,620,000	42,227,400	44,054,304	45,520,632	46,431,044		
<i>Growth</i>	19.7500%	11.6889%	4.7486%	6.4682%	6.5810%	4.3263%	3.3285%	2.0000%		
Aeronautics	10,202,000	11,785,000	11,672,000	11,401,000	11,971,050	12,449,892	12,823,389	13,079,857		
Electronic Systems	8,991,000	9,729,000	10,580,000	11,304,000	11,869,200	12,343,968	12,714,287	12,968,573		
Space Systems	6,021,000	6,359,000	6,820,000	7,923,000	8,715,300	9,151,065	9,517,108	9,707,450		
Info Technology	3,174,000	3,802,000	4,010,000	4,605,000	5,065,500	5,318,775	5,531,526	5,642,157		
Integrated Systems	3,420,000	3,851,000	4,131,000	4,387,000	4,606,350	4,790,604	4,934,322	5,033,009		
CoGS	29789000	32550000	33781000	35572000	38443754.25	40108034.51	41444132.13	43229604.57		
CoGS margin	0.936525402	0.916230366	0.907774165	0.897829379	0.910398325	0.910422612	0.910447214	0.931049589		
EBIT	2019000	2976000	3432000	4048000	3783645.75	3946269.495	4076499.391	3201439.583		
<i>EBIT Margin</i>	6.347%	8.377%	9.223%	10.217%	8.960%	8.958%	8.955%	6.895%		
Non-Operating Income		121000	449000	389000						
Interest Expense	487,000	425,000	370,000	361,000	361,000	361,000	361,000	361,000		
<i>Growth</i>	-16.323%	-12.731%	-12.941%	-2.432%						
Interest Income	75,000	104,000	143,000	199,000	238,800	262,680	288,948	288,948		
<i>Growth</i>	59.57%	38.67%	37.50%	39.16%	20.00%	10.00%	10.00%			
EBT	1532000	2672000	3511000	4076000	3661445.75	3847949.495	4004447.391	3129387.583		
Taxes	479,000	398,000	791,000	1,063,000	1,281,506	1,346,782	1,401,557	1,095,286		
<i>Tax Rate</i>	0.3	0.1	0.2	0.3	0.4	0.4	0.4	0.4		
Plus Interest	487,000	425,000	370,000	361,000	361,000	361,000	361,000	361,000		
Plus D&A	480,000	656,000	705,000	764,000	918,446	969,195	1,012,834	1,149,168		
<i>% of CapEX</i>	69.87%	85.31%	81.50%	85.55%	87.00%	88.00%	89.00%	99.00%		
Operating Cash Flow	1,533,000	2,930,000	3,425,000	3,777,000	3,659,386	3,831,362	3,976,725	3,544,270		
Less: CapEX	687000	769000	865000	893000	1055685	1101357.6	1138015.788	1160776.104		
<i>Growth</i>	0.03776435	0.119359534	0.124837451	0.032369942	0.182178052	0.043263473	0.033284546			
% of Revenue	2.160%	2.165%	2.324%	2.254%	2.500%	2.500%	2.500%	2.500%		
Less: Change NWC		789000	-430000	-969000						
FCFF	846000	1372000	2990000	3853000	2603700.688	2730004.26	2838709.067	2383494.168		
FCFF Margin	0.026597082	0.038619603	0.080348265	0.097248864	0.061659034	0.06196907	0.062360933	0.051334063		
PV FCFF					\$	2,603,700.69	\$	2,603,700.69	\$	2,604,300.36

PV FCFF	\$	63,960,748.69
Minus Debt	\$	4,405,000.00
Minus Goodwill	\$	9,250,000.00
Plus Cash	\$	1,912,000.00
Total Value Equity	\$	52,217,748.69
Shares Outstanding		413,500,000
True Value of Share	\$	126.28
Current Price	\$	108.08
Upside		16.84%