

Uniform Industry: CTAS, UNF, GK

The industry has great economics, with stable cash flow and earnings, 30-40% Gross margin, 10% EBIT margin. We assume the services provided will entail repeat customers.

The 4 largest companies that we saw had total revenues of about \$10 Billion, so this is not a small business. Think about all the businesses that require uniforms and along with the manufacturing of the uniforms comes the dry cleaning, and attached accessories. This may not be a glamorous business, but it is a sustainable business.

So, we ran valuations for Cintas, G&K Services, and Unifirst. They are all selling at a premium above our liking. We will keep our eye out for these stocks to drop along with the market and pick them up later on.

June 24, 2013

SN VALUATION [Stocks, Real Estate, Bonds]

Unifirst Co (UNF)

Price:	\$94.70	Net Tang. Bk Value Incl. Cash, Excl.	\$621,120,000.00	Net Tang. Book Yr. 5 (Inc. Cash):	\$1,058,112,725.00
Market Cap:	\$1,894,947,000	Goodwill (NTBVIC):		Avg. Year FCF/Share:	\$84,433,792.62
Cash:	\$163,280,000	NTBVIC/Market Downside Recovery:	32.78%	Year 5 Disposition FCF Multiple:	3.0
Debt:	\$110,690,000	Op. Cash Flow:	\$154,473,346	Year 5 Disposition Price:	\$1,311,414,102.86
Net Cash:	\$52,590,000	Implied Years to Fill Gap:	8.25		
Enterprise Value:	\$1,842,357,000	Today's Equity if 5x Op. CF:	\$1,084,540,039		
		Net Tang. Book+ Gain Disposition:			\$1,311,414,102.86
Shares Outstanding:	20,010,000	IRR:			-7.10%
				Price:	\$65.54
				Target Market Cap:	\$1,311,414,103
				Target Enterprise Value:	\$1,258,824,103

* Our future intrinsic value measures the total return, which includes both capital appreciation and dividend income.

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Year	Present Value	Holding Period					Terminal Value			Sale Price
	0	1	2	3	4	5	6	7	8	TBV at Year 5 + 3 Years FCF
Tangible Book Value	621.12	708.52	795.92	883.32	970.71	1,058.11				1,058.11
Annual Change		87.40	87.40	87.40	87.40	87.40				
Annual FCF	87.17	84.47	84.50	84.44	84.31	84.43	84.43	84.43	84.43	253.30
Annual Op. Cash Flow	161.72	154.47	154.50	154.44	154.31	154.43	154.43	154.43	154.43	
Annual PP&E Investment	(74.55)	(70.00)	(70.00)	(70.00)	(70.00)	(70.00)	(70.00)	(70.00)	(70.00)	
Today's Tangible Book Value	621.12	690.95	768.63	855.05	951.18	1,058.11				1,311.41
Intrinsic Value IRR	11.24%									
Market Price	1,894.95	1,760.46	1,635.51	1,519.44	1,411.60	1,311.41				1,311.41
Market Price IRR	-7.10%									

Debt	0.00%	0.00
Equity	100.00%	1,894.95
Total	100.00%	1,894.95

	Present Value	Holding Period					Terminal Value			Sale Price	
	Historic	ProForma	1	2	3	4	5	6	7	8	
Book Equity	909.26	1,894.95	1,982.35	2,069.74	2,157.14	2,244.54	2,331.94				
Goodwill	288.14	1,273.83	1,273.83	1,273.83	1,273.83	1,273.83	1,273.83				
Debt	0	0.00	0.00	0.00	0.00	0.00	0.00				
Debt Interest Rate		7.00%	7.00%	7.00%	7.00%	7.00%	7.00%				
Additional Interest Expense		0.00	0.00	0.00	0.00	0.00	0.00				
Tangible Book Value	621.12	621.12	708.52	795.92	883.32	970.71	1,058.11				1,058.11
Annual Change			87.40	87.40	87.40	87.40	87.40				
Annual FCF	87.17		84.47	84.50	84.44	84.31	84.43	84.43	84.43	84.43	253.30
Annual Net Income	94.99		87.40	87.40	87.40	87.40	87.40	87.40	87.40	87.40	
Annual Op. Cash Flow	161.72		154.47	154.50	154.44	154.31	154.43	154.43	154.43	154.43	
Dividend Payments											
Annual PP&E Investment	(74.55)		(70.00)	(70.00)	(70.00)	(70.00)	(70.00)	(70.00)	(70.00)	(70.00)	
Debt Paydown	0.00							0.00	0.00	0.00	
Sale Price in Year 5											1,311.41
Remaining Debt Balance											0.00
Capital Left for Equity Investor											1,311.41
Dividend Payments											0.00
Total Cash In Flow											1,311.41
Invested Equity	1,894.95	1,760.46	1,635.51	1,519.44	1,411.60	1,311.41					
IRR	-7.10%										

<u>Value Creation</u>	
TBV Growth (equals sum of NI Year 1-5)	436.99
Cash Flow (Year 6-8)	253.30
Total	690.29

<u>Value Dilution</u>	
Debt	0.00
Goodwill	985.69
Additional Interest	0.00
Total	985.69

UniFirst Corporation, a corporation organized under the laws of the Commonwealth of Massachusetts in 1950. The Company together with its subsidiaries is a provider of workplace uniforms and protective work wear clothing in the United States. It has operating segments: US and Canadian Rental and Cleaning, Manufacturing (MFG), Specialty Garments Rental and Cleaning (Specialty Garments), First Aid and Corporate. The US and Canadian Rental and Cleaning reporting segment purchases, rents, cleans, delivers and sells, uniforms and protective clothing and non-garment items in the United States and Canada. The Corporate operating segment consists of costs associated with its distribution center, sales and marketing, information systems, engineering, materials management, manufacturing planning, finance, budgeting, human resources, other general and administrative costs and interest expense. The MFG operating segment designs and manufactures uniforms and non-garment items solely for the purpose of providing these goods to the US and Canadian Rental and Cleaning reporting segment. The Specialty Garments operating segment purchases, rents, cleans, delivers and sells, specialty garments and non-garment items mainly for nuclear and cleanroom applications. The First Aid operating segment sells first aid cabinet services and other safety supplies. It provides its customers with personalized workplace uniforms and protective work clothing in a broad range of styles, colors, sizes and fabrics. The Company's uniform products include shirts, pants, jackets, coveralls, lab coats, smocks, aprons and specialized protective wear, such as flame resistant and high visibility garments. The Company's typical customers include automobile service centers and dealers, delivery services, food and general merchandise retailers, food processors and service operations, light manufacturers, maintenance facilities, restaurants, service companies, soft and durable goods wholesalers, transportation companies, and others who require employee clothing for image, identification, protection or utility purposes. Marketing contact is made through print advertising, direct mail, publicity, trade shows, catalogs, telemarketing, multiple web sites and direct field sales representation. The Company's competitors include Cintas Corporation, Aramark Corporation and G&K Services, Inc. It is subject to various federal, state and local laws and regulations governing, among other things, the generation, handling, storage, transportation, treatment and disposal of hazardous wastes and other substances.

Company Name:		Unifirst Co			Income Statement	
Ticker Symbol:	UNF	Market Capitalization:	\$1,894,947,000.00	Revenue:	\$1,300,000,000.00	100.0%
Last Price:	\$94.70	Total Debt:	\$110,690,000.00	Cost of Goods Sold:	\$841,650,000.00	64.7%
Net Cash/Share:	\$2.63	Total Cash:	\$163,280,000.00	Gross Profit:	\$458,350,000.00	35.3%
Net Cash to Last Price:	2.78%	Net Cash/(Debt):	\$52,590,000.00	EBITDA:	\$232,210,000.00	17.9%
Shares Outstanding:	20,010,000	Enterprise Value:	\$1,842,357,000.00	Net Income:	\$105,490,000.00	8.1%
Industry:	Apparel Manufacturing	Current EV/Share:	\$92.07			
Sector:	Consumer Cyclical	EBITDA:	\$283,990,000.00	Balance Sheet		
Institutional Ownership:	69.79%	EV/EBITDA Multiple:	6.49	Cash:	\$163,280,000.00	
Mutual Fund Ownership:	44.74%	EV/EBITDA Multiple Average Year 1-5:	9.36	Short Term Investment:	\$0.00	
Insider Ownership:	13.94%	EV/FCF Multiple (excluding acquisition):	21.14	A/R:	\$140,000,000.00	
Retail Ownership:	-127.50%	EV/FCF Multiple Average Year 1-5 (excluding acquisition):	21.82	PP&E:	\$430,000,000.00	
Float:	0.97%	Upper Range			Assets:	\$1,298,850,000.00
		DCF: EV/EBITDA Terminal Value			A/P:	\$55,000,000.00
		Implied TV from 3 X EV/EBITDA Multiple	\$603,019,200.00	Deferred Tax:	\$0.00	
		Enterprise Value	\$603,019,200.00	Other Liabilities:	\$183,030,000.00	
		Cash at Year 5:	\$585,448,963.09	Short term Debt:	\$110,690,000.00	
		Debt at Year 5:	\$110,690,000.00	Long Term Debt:	\$0.00	
		Equity Value Year 5:	\$1,077,778,163.09	Liabilities:	\$348,720,000.00	
		Equity/Share at Year 5:	\$53.86	Retained Earnings:	\$855,000,000.00	
		Annualized Return:	-10.67%	Paid-In Capital:	\$46,990,000.00	
		Lower Range			Treasury Stock:	\$0.00
		DCF: Net Tangible Asset excluding Cash/Debt Terminal Value			Stockholder's Equity:	\$909,260,000.00
		Year 5 Net Tangible Assets excluding cash and debt	\$563,800,000.00	Cash Flow		
		Enterprise Value	\$563,800,000.00	Net Income:	94,990,000.00	
		Cash at Year 5:	\$585,448,963.09	Depreciation/Amortization:	66,440,000.00	
		Debt at Year 5:	\$110,690,000.00	Change in Working capital:	-7,590,000.00	
		Equity Value Year 5:	\$1,038,558,963.09	Cash from Operating Activities:	161,720,000.00	
		Equity/Share at Year 5:	\$51.90	Capital Expenditures:	-74,550,000.00	
		Annualized Return:	-11.33%	Cash from Investing Activities:	-75,060,000.00	
		EVA			Total Cash Dividends Paid:	-2,840,000.00
		EVA today:	\$937,796,573.88	Issuance (Retirement) of Stock:	2,410,000.00	
		EVA in 5 Years:	\$1,125,519,203.22	Issuance (Retirement) of Debt:	-15,440,000.00	
		EVA/Share:	\$56.25	Cash from Financing Activities:	-15,870,000.00	
		Cash at Year 5:	\$585,448,963.09	Profitability Margins		
		Debt at Year 5:	\$110,690,000.00	Debt to Equity:	12.17%	
		Equity Value Year 5:	\$1,600,278,166.31	Return on Assets:	7.31%	
		Equity/Share at Year 5:	\$79.97	Return on Capital:	9.31%	
		Annualized return	3.72%	Return on Equity:	10.45%	
		Current Net Tangible Asset				
		Net Tangible Asset/Share:	\$30.58			
		Net Tangible Asset/Share in Year 5:	\$55.21			
		Annualized return	12.54%			
		Current Equity Price:	\$94.70			
		Selling at Discount?	Premium			
		Appreciation Potential:	-67.70%			
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Technicals

52 week low:	\$56.93
Today from 52 week low:	66.34%
52 week high:	\$100.07
Today from 52 week high:	5.67%
50 day Moving Average:	Error
200 day Moving Average:	Error

Analyst/Consensus

Analyst Sales Growth FY1:	7.60%
Analyst Sales Growth FY2:	4.80%
SN Valuation Estimate FY1:	0.00%
SN Valuation Estimate FY2:	0.00%

Analyst Earnings Estimate FY1:	\$5.69
Analyst Earnings Estimate FY2:	\$5.97
SN Valuation Earnings Est. FY1:	\$4.37
SN Valuation Earnings Est. FY2:	\$4.37

Multiples

Market Value to Book:	2.08
EV to Book:	2.03
Market Value to Tangible Net Assets:	4.13
P/E Ratio:	17.96
Trailing P/E Ratio:	17.77
Forward P/E Ratio:	15.96
Beta:	1.18
Dividend:	0.15
Dividend Yield:	0.16%
Dividend Date:	Jul 1, 2013
Ex-Dividend Date:	Jun 7, 2013

Competitors

Average EV to EBITDA:	N/A
Company EV to EBITDA:	6.49
Average EV to EBIT:	N/A
Company EV to EBITA:	12.19

SN VALUATION

LBO Pro Forma Income Statement

Name:

Unifirst Co

Ticker:

UNF

	Historical				Forecasted				
	52 weeks ending 2009-08-29	52 weeks ending 2010-08-28	52 weeks ending 2011-08-27	52 weeks ending 2012-08-25	2013	2014	2015	2016	2017
Revenue	1,013.42	1,025.94	1,134.13	1,256.29	1,256.29	1,256.29	1,256.29	1,256.29	1,256.29
COGS	609.63	620.73	712.31	797.94	804.03	804.03	804.03	804.03	804.03
Gross margin	403.79	405.21	421.82	458.35	452.26	452.26	452.26	452.26	452.26
SG&A	211.96	213.46	233.11	249.80	251.26	251.26	251.26	251.26	251.26
R&D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unusual expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other operating expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation is: Excluded from COGS					60.00	60.00	60.00	60.00	60.00
Operating Income (EBITA)	191.83	191.75	188.71	217.55	141.01	141.01	141.01	141.01	141.01
Interest income/(expense)	-7.57	-7.42	-3.40	-0.38	-6.55	-6.55	-6.55	-6.55	-6.55
Gain (loss) on sale of asset	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income before tax	126.47	122.85	120.57	150.73	134.46	134.46	134.46	134.46	134.46
Tax	50.62	46.44	44.08	55.74	47.06	47.06	47.06	47.06	47.06
Income after tax	75.85	76.41	76.49	94.99	87.40	87.40	87.40	87.40	87.40
Minority Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equity in affiliates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	75.85	76.41	76.49	94.99	87.40	87.40	87.40	87.40	87.40
*Figures are in millions (\$)									
EPS (based off today's share count)	\$3.79	\$3.82	\$3.82	\$4.75	\$4.37	\$4.37	\$4.37	\$4.37	\$4.37
P/E (historical today's price; forecasted intrinsic price)	24.98	24.80	24.77	19.95	20.14	18.71	17.39	16.15	15.00
Revenue Growth	N/A	1.24%	10.55%	10.77%	0.00%	0.00%	0.00%	0.00%	0.00%
Tax Rate	40.03%	37.80%	36.98%	36.98%	35.00%	35.00%	35.00%	35.00%	35.00%
Implied Debt Interest Rate	-4.16%	-4.09%	-2.83%	-0.36%	NA	NA	NA	NA	NA
Margins									
COGS	60.16%	60.50%	62.81%	63.52%	64.00%	64.00%	64.00%	64.00%	64.00%
Gross margin	39.84%	39.50%	37.19%	36.48%	36.00%	36.00%	36.00%	36.00%	36.00%
SG&A	20.92%	20.81%	20.55%	19.17%	20.00%	20.00%	20.00%	20.00%	20.00%
R&D	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Unusual expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other operating expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation is: Excluded from COGS	0.00%	0.00%	0.00%	0.00%	4.78%	4.78%	4.78%	4.78%	4.78%
Operating Income (EBITA)	18.93%	18.69%	16.64%	17.32%	11.22%	11.22%	11.22%	11.22%	11.22%
Interest income/(expense)	-0.75%	-0.72%	-0.30%	-0.03%	-0.52%	-0.52%	-0.52%	-0.52%	-0.52%
Gain (loss) on sale of asset	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Income before tax	12.48%	11.97%	10.63%	12.00%	10.70%	10.70%	10.70%	10.70%	10.70%
Tax	4.99%	4.53%	3.89%	4.44%	3.75%	3.75%	3.75%	3.75%	3.75%
Income after tax	7.48%	7.45%	6.74%	7.56%	6.96%	6.96%	6.96%	6.96%	6.96%
Minority Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Equity in affiliates	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Net income	7.48%	7.45%	6.74%	7.56%	6.96%	6.96%	6.96%	6.96%	6.96%

	As of					Adjustment		Adjusted Proforma	2011	2012	2013	2014	2015
	2009-08-29	2010-08-28	2011-08-27	2012-08-25	2013-02-23	+	-						
Cash	60.15	121.26	48.81	120.12	163.28			163.28	247.75	332.26	416.70	501.02	585.45
Short term investment	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Cash and Short term	60.15	121.26	48.81	120.12	163.28			163.28	247.75	332.26	416.70	501.02	585.45
Accounts Receivable	97.78	105.25	128.38	135.33	140.00			140.00	140.00	140.00	140.00	140.00	140.00
Other receivables	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Receivables	97.78	105.25	128.38	135.33	140.00			140.00	140.00	140.00	140.00	140.00	140.00
Total Inventory	43.59	47.63	76.46	75.42	74.39			74.39	74.39	74.39	74.39	74.39	74.39
Prepaid Expenses	21.10	17.26	15.01	18.53	20.93			20.93	20.93	20.93	20.93	20.93	20.93
Other Current Assets	73.06	86.63	126.54	138.28	129.70			129.70	129.70	129.70	129.70	129.70	129.70
Current Assets	295.68	378.03	395.20	487.68	528.30	0.00	0.00	528.30	612.77	697.28	781.72	866.04	950.47
PP&E, Gross	790.59	825.26	870.03	965.68	970.00			970.00	1,040.00	1,110.00	1,180.00	1,250.00	1,320.00
Change in Depreciation	48.85	52.11	54.19	55.88	55.88			55.88	55.88	55.88	55.88	55.88	55.88
Accumulated Depreciation	407.82	444.06	474.96	532.50	540.00			540.00	595.88	651.76	707.64	763.52	819.40
PP&E, Net	382.77	381.20	395.07	433.18	430.00			430.00	444.12	458.24	472.36	486.48	500.60
Goodwill	261.17	271.86	288.25	288.14	288.14	0.00		288.14	288.14	288.14	288.14	288.14	288.14
Intangibles	60.05	59.04	60.91	50.53	50.00			50.00	38.81	27.58	16.42	5.38	-5.78
Long term investments	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other long term assets	2.42	2.18	2.11	1.98	2.41			2.41	2.41	2.41	2.41	2.41	2.41
Long Term Assets	706.41	714.28	746.34	773.83	770.55			770.55	773.48	776.37	779.33	782.41	785.37
Total Assets	1,002.09	1,092.31	1,141.54	1,261.51	1,298.85	0.00	0.00	1,298.85	1,386.25	1,473.65	1,561.05	1,648.44	1,735.84
Accounts Payable	41.18	45.93	56.06	52.34	55.00			55.00	55.00	55.00	55.00	55.00	55.00
Accrued Expense	76.89	74.91	76.63	80.47	80.00			80.00	80.00	80.00	80.00	80.00	80.00
Other current Liabilities	2.44	0.00	0.00	8.18	5.62			5.62	5.62	5.62	5.62	5.62	5.62
Total Current Liabilities	120.51	120.84	132.69	140.99	140.62	0.00	0.00	140.62	140.62	140.62	140.62	140.62	140.62
Notes Payables/Short Term Debt	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Current port. Of LT Debt/Capital Leases	6.45	81.16	20.13	4.53	110.69			110.69	110.69	110.69	110.69	110.69	110.69
Long term Debt	175.57	100.30	100.16	100.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital Lease Obligations	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Interest Earning Debt	182.02	181.46	120.29	104.69	110.69	0.00	0.00	110.69	110.69	110.69	110.69	110.69	110.69
Deferred Income tax	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Minority Interest	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other liabilities	72.55	81.94	90.59	97.93	97.41			97.41	97.41	97.41	97.41	97.41	97.41
Total Liabilities	375.08	384.24	343.57	343.61	348.72	0.00	0.00	348.72	348.72	348.72	348.72	348.72	348.72
Redeemable Preferred Stock	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Non-redeemable Preferred Stock	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Common Stock	1.94	1.98	1.99	1.99	1.99		0.00	1.99	1.99	1.99	1.99	1.99	1.99
Additional Paid-in capital	20.14	25.33	33.59	42.98	45.00	0.00	0.00	45.00	45.00	45.00	45.00	45.00	45.00
Dividends Paid	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Retained Earnings	605.26	678.88	752.53	844.68	855.00		0.00	855.00	942.40	1,029.80	1,117.20	1,204.59	1,291.99
Treasury Stock	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Equity	-0.30	1.86	9.84	7.27	7.27		0.00	7.27	7.27	7.27	7.27	7.27	7.27
Total Equity	627.04	708.05	797.95	896.92	909.26	0.00	0.00	909.26	996.66	1,084.06	1,171.46	1,258.85	1,346.25
Liability + Equity	1,002.12	1,092.29	1,141.52	1,240.53	1,257.98	0.00	0.00	1,257.98	1,345.38	1,432.78	1,520.18	1,607.57	1,694.97
Variance	-0.03	0.02	0.02	20.98	40.87			40.87	40.87	40.87	40.87	40.87	40.87
Debt/Equity	0.29	0.26	0.15	0.12	0.12			0.12	0.11	0.10	0.09	0.09	0.08
Inventory Turnover	23.25	21.54	14.83	16.66	16.89			16.89	16.89	16.89	16.89	16.89	16.89
Inventory Turnover Days	15.70	16.95	24.61	21.91	21.61			21.61	21.61	21.61	21.61	21.61	21.61
Days Inventory Outstanding	26.10	28.01	39.18	34.50	33.77			34.03	33.77	33.77	33.77	33.77	33.77
Accounts Receivable Turnover	10.36	9.75	8.83	9.28	8.97			8.97	8.97	8.97	8.97	8.97	8.97
Accounts Receivable Turnover Days	35.22	37.44	41.32	39.32	40.68			40.68	40.68	40.68	40.68	40.68	40.68
Days Payable Outstanding	24.66	27.01	28.73	23.94	24.97			25.16	24.97	24.97	24.97	24.97	24.97
Days Sales Outstanding	35.22	37.44	41.32	39.32	40.68			39.32	40.68	40.68	40.68	40.68	40.68
Cash Conversion Cycle	36.66	38.44	51.77	49.88	49.48			48.19	49.48	49.48	49.48	49.48	49.48
Net tangible assets/share	\$15.28	\$18.85	\$22.43	\$27.90	\$28.54			\$33.47	\$38.40	\$43.32	\$48.24	\$53.17	

	52 weeks ending 2009-08-29	52 weeks ending 2010-08-28	52 weeks ending 2011-08-27	52 weeks ending 2012-08-25	2011	2012	2013	2014	2015
Net Income	75.85	76.41	76.49	94.99	87.40	87.40	87.40	87.40	87.40
Depreciation	48.85	52.11	54.19	55.88	55.88	55.88	55.88	55.88	55.88
Net Income + Depreciation	124.70	128.52	130.68	150.87	143.28	143.28	143.28	143.28	143.28
Amortization	8.93	9.37	10.54	10.56	11.19	11.23	11.16	11.04	11.16
Deferred Taxes	1.33	0.70	13.32	-0.33	0.00	0.00	0.00	0.00	0.00
Non Cash Items	1.81	5.29	8.26	8.21	0.00	0.00	0.00	0.00	0.00
Change in Working capital	22.42	-9.91	-76.61	-7.59	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	0.00	-7.47	-23.13	-6.95	0.00	0.00	0.00	0.00	0.00
Other Receivables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inventory	0.00	-4.04	-28.83	1.04	0.00	0.00	0.00	0.00	0.00
Prepaid Expenses	0.00	3.84	2.25	-3.52	0.00	0.00	0.00	0.00	0.00
Accounts Payable	0.00	4.75	10.13	-3.72	0.00	0.00	0.00	0.00	0.00
Cash from Operating Activities	159.19	133.97	86.19	161.72	154.47	154.50	154.44	154.31	154.43
Capital Expenditures Expenditures	-65.32	-50.02	-63.85	-74.55	-70.00	-70.00	-70.00	-70.00	-70.00
Long term investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Investing Activities	-4.43	-22.70	-32.95	-0.51	0.00	0.00	0.00	0.00	0.00
Cash from Investing Activities	-69.75	-72.72	-96.80	-75.06	-70.00	-70.00	-70.00	-70.00	-70.00
Financing Cash flow items	0.00	0.00	-0.97	0.00	0.00	0.00	0.00	0.00	0.00
Total Cash Dividends Paid	-2.75	-2.78	-2.83	-2.84	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Stock	0.69	1.18	1.36	2.41	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Current Portion Debt	-	-	-	-	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Long Term Debt	-53.13	-0.26	-61.46	-15.44	0.00	0.00	0.00	0.00	0.00
Cash from Financing Activities	-55.19	-1.86	-63.90	-15.87	0.00	0.00	0.00	0.00	0.00
Foreign Exchange effect	0.25	1.71	2.07	0.52	0.00	0.00	0.00	0.00	0.00
Beginning Cash Balance	25.65	60.15	121.26	48.81	163.28	247.75	332.26	416.70	501.02
Net Change in Cash	34.50	61.11	-72.45	71.31	84.47	84.50	84.44	84.31	84.43
Ending Cash Balance	60.15	121.26	48.81	120.12	247.75	332.26	416.70	501.02	585.45
Capex to Revenue	6.45%	4.88%	5.63%	5.93%	5.57%	5.57%	5.57%	5.57%	5.57%
Depreciation to Sales	4.82%	5.08%	4.78%	4.45%	4.45%	4.45%	4.45%	4.45%	4.45%
Amortization to Sales	0.88%	0.91%	0.93%	0.84%	0.89%	0.89%	0.89%	0.88%	0.89%
A/R to Sales	9.65%	10.26%	11.32%	10.77%	10.77%	10.77%	10.77%	10.77%	10.77%
Distributable FCF/EV Yield	4.85%	3.32%	-0.58%	4.70%	4.59%	4.59%	4.58%	4.58%	4.58%
Dividend Yield	-0.15%	-0.15%	-0.15%	-0.15%	0.00%	0.00%	0.00%	0.00%	0.00%
FCF (Ops-Investing)	96.62	86.73	25.17	90.01	84.47	84.50	84.44	84.31	84.43

SN VALUATION

LBO Debt Schedule

Ticker:

UNF

	Proforma	2013	2014	2015	2016	2017
Net Change in Cash	71.31	84.47	84.50	84.44	84.31	84.43
Current Portion Debt Repayment						
Long Term Debt Repayment						
Outstanding Debt	110.69	110.69	110.69	110.69	110.69	110.69
Current Portion Debt Balance	110.69	110.69	110.69	110.69	110.69	110.69
Long Term Debt Balance	0.00	0.00	0.00	0.00	0.00	0.00
Forward Libor Curve		3.00%	3.00%	3.00%	3.00%	3.00%
Spread		4.00%	4.00%	4.00%	4.00%	4.00%
Interest Rate		7.00%	7.00%	7.00%	7.00%	7.00%
Interest Expense		7.75	7.75	7.75	7.75	7.75
Cash Balance		120.12				
Interest @ 1.0%		1.20	1.20	1.20	1.20	1.20
Net Interest Expense/(Income)		6.55	6.55	6.55	6.55	6.55
Net Interest Rate		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
EBITDA		141.01	141.01	141.01	141.01	141.01
EBITDA/Interest Expense Coverage		18.20	18.20	18.20	18.20	18.20

Interest Rate Coverage Table

Debt Rating					
AAA	AAA	AAA	AAA	AAA	AAA
AA					
A+					
A					
A-					
BBB					
BB+					
BB					
B+					
B					
B-					
CCC					
CC					
C					
D					

*Source: NYU; Professor Damodaran

Altman Z Score

Company Name:

Unifirst Co

Ticker:

UNF

Period	2009	2010	2011	2012	2013	2014	2015	2016	2017
Working Capital	175.17	257.19	262.51	387.68	472.15	556.66	641.10	725.42	809.85
Total Assets	1,002.09	1,092.31	1,141.54	1,298.85	1,386.25	1,473.65	1,561.05	1,648.44	1,735.84
X1	0.17	0.24	0.23	0.30	0.34	0.38	0.41	0.44	0.47
Retained Earnings	605.26	678.88	752.53	855.00	942.40	1,029.80	1,117.20	1,204.59	1,291.99
Total Assets	1,002.09	1,092.31	1,141.54	1,298.85	1,386.25	1,473.65	1,561.05	1,648.44	1,735.84
X2	0.60	0.62	0.66	0.66	0.68	0.70	0.72	0.73	0.74
EBITDA	191.83	191.75	188.71	217.55	201.01	201.01	201.01	201.01	201.01
Total Assets	1,002.09	1,092.31	1,141.54	1,298.85	1,386.25	1,473.65	1,561.05	1,648.44	1,735.84
X3	0.19	0.18	0.17	0.17	0.15	0.14	0.13	0.12	0.12
Market Value of Equity	1,894.95	1,894.95	1,894.95	1,894.95	1,760.46	1,635.51	1,519.44	1,411.60	1,311.41
Total Liabilities	375.08	384.24	343.57	348.72	348.72	348.72	348.72	348.72	348.72
X4	5.05	4.93	5.52	5.43	5.05	4.69	4.36	4.05	3.76
Net Sales	1,013.42	1,025.94	1,134.13	1,256.29	1,256.29	1,256.29	1,256.29	1,256.29	1,256.29
Total Assets	1,002.09	1,092.31	1,141.54	1,298.85	1,386.25	1,473.65	1,561.05	1,648.44	1,735.84
X5	1.01	0.94	0.99	0.97	0.91	0.85	0.80	0.76	0.72
Altman Z Score	5.73	5.63	6.05	6.06	5.77	5.55	5.34	5.14	4.96

$$Z = 1.2 \times X1 + 1.4 \times X2 + 3.3 \times X3 + 0.6 \times X4 + 1.0 \times X5$$

Z-SCORE ABOVE 3.0 –The company is considered 'Safe' based on the financial figures only.

Blue

Z-SCORE BETWEEN 2.7 and 2.99 – 'On Alert'. This zone is an area where one should 'Exercise Caution'.

Green

Z-SCORE BETWEEN 1.8 and 2.7 – Good chance of the company going bankrupt within 2 years.

Yellow

Z-SCORE BELOW 1.80- Probability of Financial Catastrophe is Very High.

Red

June 24, 2013

SN VALUATION [Stocks, Real Estate, Bonds]

G&K Services (GK)

Price:	\$47.08	Net Tang. Bk Value Incl. Cash, Excl.	\$78,010,000.00	Net Tang. Book Yr. 5 (Inc. Cash):	\$136,729,700.00
Market Cap:	\$920,414,000	Goodwill (NTBVIC):		Avg. Year FCF/Share:	\$15,723,940.00
Cash:	\$28,910,000	NTBVIC/Market Downside Recovery:	8.48%	Year 5 Disposition FCF Multiple:	3.0
Debt:	\$241,800,000	Op. Cash Flow:	\$45,723,940	Year 5 Disposition Price:	\$183,901,520.00
Net Cash:	-\$212,890,000	Implied Years to Fill Gap:	18.42		
Enterprise Value:	\$1,133,304,000	Today's Equity if 5x Op. CF:	\$215,181,820		
		Net Tang. Book+ Gain Disposition:			\$183,901,520.00
Shares Outstanding:	19,550,000	IRR:			-27.54%
		Price:			\$9.41
		Target Market Cap:			\$183,901,520
		Target Enterprise Value:			\$396,791,520

* Our future intrinsic value measures the total return, which includes both capital appreciation and dividend income.

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Year	Present Value	Holding Period					Terminal Value			Sale Price
	0	1	2	3	4	5	6	7	8	TBV at Year 5 + 3 Years FCF
Tangible Book Value	78.01	89.75	101.50	113.24	124.99	136.73				136.73
Annual Change		11.74	11.74	11.74	11.74	11.74				
Annual FCF	38.94	15.72	15.72	15.72	15.72	15.72	15.72	15.72	15.72	47.17
Annual Op. Cash Flow	72.97	45.72	45.72	45.72	45.72	45.72	45.72	45.72	45.72	
Annual PP&E Investment	(34.03)	(30.00)	(30.00)	(30.00)	(30.00)	(30.00)	(30.00)	(30.00)	(30.00)	
Today's Tangible Book Value	78.01	87.28	97.64	109.24	122.21	136.73				183.90
Intrinsic Value IRR	11.88%									
Market Price	920.41	666.97	483.31	350.22	253.78	183.90				183.90
Market Price IRR	-27.54%									

Debt	0.00%	0.00
Equity	100.00%	920.41
Total	100.00%	920.41

	Present Value	Holding Period					Terminal Value			Sale Price
	Historic	ProForma	1	2	3	4	5	6	7	8
Book Equity	403.35	920.41	933.11	945.81	958.51	971.21	983.91			
Goodwill	325.34	842.40	842.40	842.40	842.40	842.40	842.40			
Debt	218	218.00	218.00	218.00	218.00	218.00	218.00			
Debt Interest Rate		7.00%	7.00%	7.00%	7.00%	7.00%	7.00%			
Additional Interest Expense		-1.47	-1.47	-1.47	-1.47	-1.47				
Tangible Book Value	78.01	78.01	90.71	103.41	116.11	128.81	141.51			141.51
Annual Change			12.70	12.70	12.70	12.70	12.70			
Annual FCF	38.94	16.68	16.68	16.68	16.68	16.68	16.68	16.68	16.68	50.04
Annual Net Income	24.15		12.70	12.70	12.70	12.70	12.70	12.70	12.70	
Annual Op. Cash Flow	72.97	46.68	46.68	46.68	46.68	46.68	46.68	46.68	46.68	
Dividend Payments										
Annual PP&E Investment	(34.03)	(30.00)	(30.00)	(30.00)	(30.00)	(30.00)	(30.00)	(30.00)	(30.00)	
Debt Paydown	0.00						0.00	0.00	0.00	
Sale Price in Year 5										191.55
Remaining Debt Balance										0.00
Capital Left for Equity Investor										191.55
Dividend Payments										0.00
Total Cash In Flow										191.55
Invested Equity	920.41	672.42	491.25	358.89	262.19	191.55				
IRR	-26.94%									

<u>Value Creation</u>	
TBV Growth (equals sum of NI Year 1-5)	63.50
Cash Flow (Year 6-8)	50.04
Total	113.54

<u>Value Dilution</u>	
Debt	0.00
Goodwill	517.06
Additional Interest	-7.35
Total	509.71

G&K Services, Inc., is a Minnesota Corporation founded in 1902. The Company is engaged in offering branded uniform and facility services programs. It delivers value to its customers by enhancing their image and brand, and by promoting workplace safety, security and cleanliness. The Company accomplish this by providing high quality branded work apparel programs, and a variety of facility products and services including floor mats, towels, mops and restroom hygiene products. The Company operates from approximately 160 locations. These locations serve customers in 85 of the top 100 metropolitan markets across the United States and Canada. The Company serves a base of approximately 165,000 customers. It serves customers in virtually all industries, including automotive, warehousing, distribution, transportation, energy, manufacturing, food processing, pharmaceutical, retail, restaurants, hospitality, government, healthcare and many others. It provides service to customers of almost every size, from Fortune 100 companies to small and midsize firms. The Company also offers facility services programs that provide a range of dust control, maintenance, hand care and hygiene products and services. They include floor mat offerings (traction control, logo, message, scraper, anti-fatigue), towel products (shop, kitchen, bar, bath, dish, continuous roll, microfiber), mop offerings (dust, microfiber, wet), fender covers, selected linen items and restroom hygiene products. The Company's operating facilities are subject to stringent environmental laws, rules and regulations relating to the protection of the environment and health and safety matters, including those governing the potential discharges of pollutants to the air and water, the management and disposal of hazardous substances and wastes and the clean-up of contaminated sites.

Company Name:	G&K Services	Market Capitalization:	\$920,414,000.00	Revenue:	\$902,570,000.00	100.0%
Ticker Symbol:	GK	Total Debt:	\$241,800,000.00	Cost of Goods Sold:	\$640,190,000.00	70.9%
Last Price:	\$47.08	Total Cash:	\$28,910,000.00	Gross Profit:	\$262,380,000.00	29.1%
Net Cash/Share:	-\$10.89	Net Cash/(Debt):	-\$212,890,000.00	EBITDA:	\$115,650,000.00	12.8%
Net Cash to Last Price:	-23.13%	Enterprise Value:	\$1,133,304,000.00	Net Income:	\$49,280,000.00	5.5%
Shares Outstanding:	19,550,000	Current EV/Share:	\$57.97			
Industry:	Business Services	EBITDA:	\$76,250,000.00			
Sector:	Industrials	EV/EBITDA Multiple:	14.86	Balance Sheet		
Institutional Ownership:	83.60%	EV/EBITDA Multiple Average Year 1-5:	16.48	Cash:	\$28,910,000.00	
Mutual Fund Ownership:	53.96%	EV/FCF Multiple (excluding acquisition):	29.10	Short Term Investment:	\$0.00	
Insider Ownership:	8.19%	EV/FCF Multiple Average Year 1-5 (excluding acquisition):	72.08	A/R:	\$95,000,000.00	
Retail Ownership:	-144.77%			PP&E:	\$188,000,000.00	
Float:	0.98%			Assets:	\$883,960,000.00	
		Upper Range		A/P:	\$42,000,000.00	
		DCF: EV/EBITDA Terminal Value		Deferred Tax:	\$18,440,000.00	
				Other Liabilities:	\$144,970,000.00	
Technicals		Implied TV from 3 X EV/EBITDA Multiple	\$104,392,800.00	Short term Debt:	\$23,800,000.00	
52 week low:	\$28.38			Long Term Debt:	\$218,000,000.00	
Today from 52 week low:	65.89%	Enterprise Value	\$104,392,800.00	Liabilities:	\$447,210,000.00	
52 week high:	\$50.02	Cash at Year 5:	\$107,529,700.00	Retained Earnings:	\$371,000,000.00	
Today from 52 week high:	6.24%	Debt at Year 5:	\$241,800,000.00	Paid-In Capital:	\$30,450,000.00	
50 day Moving Average:	Error	Equity Value Year 5:	-\$29,877,500.00	Treasury Stock:	\$0.00	
200 day Moving Average:	Error	Equity/Share at Year 5:	-\$1.53	Stockholder's Equity:	\$403,350,000.00	
		Annualized Return:	-150.38%			
Analyst/Consensus		Lower Range		Cash Flow		
Analyst Sales Growth FY1:	4.60%	DCF: Net Tangible Asset excluding Cash/Debt Terminal Value		Net Income:	24,150,000.00	
Analyst Sales Growth FY2:	4.70%			Depreciation/Amortization:	33,980,000.00	
SN Valuation Estimate FY1:	0.00%	Year 5 Net Tangible Assets excluding cash and debt	\$75,960,000.00	Change in Working capital:	6,030,000.00	
SN Valuation Estimate FY2:	0.00%			Cash from Operating Activities:	72,970,000.00	
Analyst Earnings Estimate FY1:	\$2.64	Enterprise Value	\$75,960,000.00	Capital Expenditures:	-34,030,000.00	
Analyst Earnings Estimate FY2:	\$2.88	Cash at Year 5:	\$107,529,700.00	Cash from Investing Activities:	-35,110,000.00	
SN Valuation Earnings Est. FY1:	\$0.60	Debt at Year 5:	\$241,800,000.00	Total Cash Dividends Paid:	-123,920,000.00	
SN Valuation Earnings Est. FY2:	\$0.60	Equity Value Year 5:	-\$58,310,300.00	Issuance (Retirement) of Stock:	2,040,000.00	
		Equity/Share at Year 5:	-\$2.98	Issuance (Retirement) of Debt:	81,220,000.00	
		Annualized Return:	-157.59%	Cash from Financing Activities:	-40,660,000.00	
Multiples		EVA				
Market Value to Book:	2.28	EVA today:	\$368,998,819.25	Profitability Margins		
EV to Book:	2.81	EVA in 5 Years:	\$459,973,782.82	Debt to Equity:	59.95%	
Market Value to Tangible Net Assets:	-6.47	EVA/Share:	\$23.53	Return on Assets:	2.73%	
P/E Ratio:	18.68	Cash at Year 5:	\$107,529,700.00	Return on Capital:	3.74%	
Trailing P/E Ratio:	18.21	Debt at Year 5:	\$241,800,000.00	Return on Equity:	5.99%	
Forward P/E Ratio:	16.36	Equity Value Year 5:	\$325,703,482.82			
Beta:	1.32	Equity/Share at Year 5:	\$16.66			
Dividend:	0.78	Annualized return	4.51%			
Dividend Yield:	1.66%					
Dividend Date:	Jun 13, 2013	Current Net Tangible Asset				
Ex-Dividend Date:	May 29, 2013	Net Tangible Asset/Share:	\$4.93			
		Net Tangible Asset/Share in Year 5:	\$7.94			
Competitors		Annualized return	9.98%			
Average EV to EBITDA:	N/A					
Company EV to EBITDA:	14.86	Current Equity Price:	\$47.08			
		Selling at Discount?	Premium			
Average EV to EBIT:	N/A	Appreciation Potential:	-89.53%			
Company EV to EBITA:	26.81					

SN VALUATION

LBO Pro Forma Income Statement

Name:

G&K Services

Ticker:

GK

	Historical				Forecasted				
	12 months ending 2009-06-27	12 months ending 2010-07-03	12 months ending 2011-07-02	12 months ending 2012-06-30	2013	2014	2015	2016	2017
Revenue	935.97	833.59	828.86	869.94	869.94	869.94	869.94	869.94	869.94
COGS	659.17	582.27	567.41	607.56	608.96	608.96	608.96	608.96	608.96
Gross margin	276.80	251.32	261.45	262.38	260.98	260.98	260.98	260.98	260.98
SG&A	226.12	191.71	196.08	220.11	226.18	226.18	226.18	226.18	226.18
R&D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unusual expense	126.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other operating expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation is: Excluded from COGS					0.00	0.00	0.00	0.00	0.00
Operating Income (EBITA)	-76.04	59.61	65.37	42.27	34.80	34.80	34.80	34.80	34.80
Interest income/(expense)	-14.00	-13.85	-10.25	-6.08	-16.73	-16.73	-16.73	-16.73	-16.73
Gain (loss) on sale of asset	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income before tax	-90.04	45.77	55.13	36.19	18.07	18.07	18.07	18.07	18.07
Tax	-17.58	17.16	21.97	12.04	6.32	6.32	6.32	6.32	6.32
Income after tax	-72.46	28.61	33.16	24.15	11.74	11.74	11.74	11.74	11.74
Minority Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equity in affiliates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	-72.46	28.61	33.16	24.15	11.74	11.74	11.74	11.74	11.74
*Figures are in millions (\$)									
EPS (based off today's share count)	-\$3.71	\$1.46	\$1.70	\$1.24	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60
P/E (historical today's price; forecasted intrinsic price)	-12.70	32.17	27.76	38.11	56.79	41.15	29.82	21.61	15.66
Revenue Growth	N/A	-10.94%	-0.57%	4.96%	0.00%	0.00%	0.00%	0.00%	0.00%
Tax Rate	19.52%	37.49%	39.85%	33.27%	35.00%	35.00%	35.00%	35.00%	35.00%
Implied Debt Interest Rate	-6.02%	-6.58%	-7.54%	-2.79%	-7.67%	-7.67%	-7.67%	-7.67%	-7.67%
Margins									
COGS	70.43%	69.85%	68.46%	69.84%	70.00%	70.00%	70.00%	70.00%	70.00%
Gross margin	29.57%	30.15%	31.54%	30.16%	30.00%	30.00%	30.00%	30.00%	30.00%
SG&A	24.16%	23.00%	23.66%	25.30%	26.00%	26.00%	26.00%	26.00%	26.00%
R&D	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Unusual expense	13.54%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other operating expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation is: Excluded from COGS	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Operating Income (EBITA)	-8.12%	7.15%	7.89%	4.86%	4.00%	4.00%	4.00%	4.00%	4.00%
Interest income/(expense)	-1.50%	-1.66%	-1.24%	-0.70%	-1.92%	-1.92%	-1.92%	-1.92%	-1.92%
Gain (loss) on sale of asset	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Income before tax	-9.62%	5.49%	6.65%	4.16%	2.08%	2.08%	2.08%	2.08%	2.08%
Tax	-1.88%	2.06%	2.65%	1.38%	0.73%	0.73%	0.73%	0.73%	0.73%
Income after tax	-7.74%	3.43%	4.00%	2.78%	1.35%	1.35%	1.35%	1.35%	1.35%
Minority Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Equity in affiliates	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Net income	-7.74%	3.43%	4.00%	2.78%	1.35%	1.35%	1.35%	1.35%	1.35%

						Adjustment		Adjusted Proforma	2011	2012	2013	2014	2015
	As of 2009-06-27	As of 2010-07-03	As of 2011-07-02	As of 2012-06-30	As of 2013-03-30	+	-						
Cash	13.14	8.77	22.97	19.60	28.91			28.91	44.63	60.36	76.08	91.81	107.53
Short term investment	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Cash and Short term	13.14	8.77	22.97	19.60	28.91			28.91	44.63	60.36	76.08	91.81	107.53
Accounts Receivable	85.21	82.75	90.52	93.06	95.00			95.00	95.00	95.00	95.00	95.00	95.00
Other receivables	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Receivables	85.21	82.75	90.52	93.06	95.00			95.00	95.00	95.00	95.00	95.00	95.00
Total Inventory	141.62	126.33	163.05	178.23	167.57			167.57	167.57	167.57	167.57	167.57	167.57
Prepaid Expenses	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other Current Assets	18.21	17.51	13.57	12.13	14.27			14.27	14.27	14.27	14.27	14.27	14.27
Current Assets	258.18	235.36	290.11	303.02	305.75	0.00	0.00	305.75	321.47	337.20	352.92	368.65	384.37
PP&E, Gross	530.66	507.56	512.40	0.00	515.00			515.00	545.00	575.00	605.00	635.00	665.00
Change in Depreciation	44.25	40.19	37.60	33.98	33.98			33.98	33.98	33.98	33.98	33.98	33.98
Accumulated Depreciation	313.93	312.57	326.88	0.00	327.00			327.00	360.98	394.96	428.94	462.92	496.90
PP&E, Net	216.73	194.99	185.52	0.00	188.00			188.00	184.02	180.04	176.06	172.08	168.10
Goodwill	319.94	323.06	328.22	325.34	325.34	0.00		325.34	325.34	325.34	325.34	325.34	325.34
Intangibles	29.54	22.63	17.29	12.44	15.00			15.00	15.00	15.00	15.00	15.00	15.00
Long term investments	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other long term assets	29.87	34.06	36.73	44.99	49.87			49.87	49.87	49.87	49.87	49.87	49.87
Long Term Assets	596.08	574.74	567.76	382.77	578.21			578.21	574.23	570.25	566.27	562.29	558.31
Total Assets	854.26	810.10	857.87	685.79	883.96	0.00	0.00	883.96	895.70	907.45	919.19	930.94	942.68
Accounts Payable	29.13	25.94	38.07	41.36	42.00			42.00	42.00	42.00	42.00	42.00	42.00
Accrued Expense	85.13	71.48	72.39	69.90	70.00			70.00	70.00	70.00	70.00	70.00	70.00
Other current Liabilities	3.41	3.56	7.63	8.44	10.87			10.87	10.87	10.87	10.87	10.87	10.87
Total Current Liabilities	117.67	100.98	118.09	119.70	122.87	0.00	0.00	122.87	122.87	122.87	122.87	122.87	122.87
Notes Payables/Short Term Debt	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Current port. Of LT Debt/Capital Leases	7.74	1.02	40.71	0.21	23.80			23.80	23.80	23.80	23.80	23.80	23.80
Long term Debt	224.78	160.40	95.19	218.02	218.00	0.00	0.00	218.00	218.00	218.00	218.00	218.00	218.00
Capital Lease Obligations	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Interest Earning Debt	232.52	161.42	135.90	218.23	241.80	0.00	0.00	241.80	241.80	241.80	241.80	241.80	241.80
Deferred Income tax	1.89	1.24	9.19	5.47	18.44			18.44	18.44	18.44	18.44	18.44	18.44
Minority Interest	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other liabilities	67.84	83.33	87.84	127.28	64.10			64.10	64.10	64.10	64.10	64.10	64.10
Total Liabilities	419.92	346.97	351.02	470.68	447.21	0.00	0.00	447.21	447.21	447.21	447.21	447.21	447.21
Redeemable Preferred Stock	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Non-redeemable Preferred Stock	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Common Stock	9.26	9.29	9.36	9.45	9.45		0.00	9.45	9.45	9.45	9.45	9.45	9.45
Additional Paid-in capital	3.54	8.01	12.46	20.45	21.00	0.00	0.00	21.00	21.00	21.00	21.00	21.00	21.00
Dividends Paid	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Retained Earnings	421.95	444.99	471.04	371.27	371.00		0.00	371.00	382.74	394.49	406.23	417.98	429.72
Treasury Stock	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Equity	2.60	4.61	22.05	1.90	1.90		0.00	1.90	1.90	1.90	1.90	1.90	1.90
Total Equity	437.35	466.90	514.91	403.07	403.35	0.00	0.00	403.35	415.09	426.84	438.58	450.33	462.07
Liability + Equity	857.27	813.87	865.93	873.75	850.56	0.00	0.00	850.56	862.30	874.05	885.79	897.54	909.28
Variance	-3.01	-3.77	-8.06	-187.96	33.40			33.40	33.40	33.40	33.40	33.40	33.40
Debt/Equity	0.53	0.35	0.26	0.54	0.60			0.60	0.58	0.57	0.55	0.54	0.52
Inventory Turnover	6.61	6.60	5.08	4.88	5.19			5.19	5.19	5.19	5.19	5.19	5.19
Inventory Turnover Days	55.23	55.32	71.80	74.78	70.31			70.31	70.31	70.31	70.31	70.31	70.31
Days Inventory Outstanding	78.42	79.19	104.89	107.07	100.44			100.67	100.44	100.44	100.44	100.44	100.44
Accounts Receivable Turnover	10.98	10.07	9.16	9.35	9.16			9.16	9.16	9.16	9.16	9.16	9.16
Accounts Receivable Turnover Days	33.23	36.23	39.86	39.05	39.86			39.86	39.86	39.86	39.86	39.86	39.86
Days Payable Outstanding	16.13	16.26	24.49	24.85	25.17			25.23	25.17	25.17	25.17	25.17	25.17
Days Sales Outstanding	33.23	36.23	39.86	39.05	39.86			39.05	39.86	39.86	39.86	39.86	39.86
Cash Conversion Cycle	95.52	99.16	120.26	121.27	115.12			114.48	115.12	115.12	115.12	115.12	115.12
Net tangible assets/share	\$4.49	\$6.20	\$8.66	\$3.34	\$3.22				\$3.82	\$4.42	\$5.03	\$5.63	\$6.23

	12 months ending 2009-06-27	12 months ending 2010-07-03	12 months ending 2011-07-02	12 months ending 2012-06-30	2011	2012	2013	2014	2015
Net Income	-72.46	28.61	33.16	24.15	11.74	11.74	11.74	11.74	11.74
Depreciation	44.25	40.19	37.60	33.98	33.98	33.98	33.98	33.98	33.98
Net Income + Depreciation	-28.21	68.80	70.76	58.13	45.72	45.72	45.72	45.72	45.72
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Taxes	-35.00	-1.82	0.98	2.77	0.00	0.00	0.00	0.00	0.00
Non Cash Items	133.87	4.51	4.17	6.04	0.00	0.00	0.00	0.00	0.00
Change in Working capital	32.52	1.22	-8.91	6.03	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	0.00	2.46	-7.77	-2.54	0.00	0.00	0.00	0.00	0.00
Other Receivables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inventory	0.00	15.29	-36.72	-15.18	0.00	0.00	0.00	0.00	0.00
Prepaid Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Accounts Payable	0.00	-3.19	12.13	3.29	0.00	0.00	0.00	0.00	0.00
Cash from Operating Activities	103.18	72.71	67.00	72.97	45.72	45.72	45.72	45.72	45.72
Capital Expenditures Expenditures	-23.33	-16.71	-20.67	-34.03	-30.00	-30.00	-30.00	-30.00	-30.00
Long term investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Investing Activities	0.00	21.62	0.00	-1.09	0.00	0.00	0.00	0.00	0.00
Cash from Investing Activities	-23.33	4.91	-20.67	-35.12	-30.00	-30.00	-30.00	-30.00	-30.00
Financing Cash flow items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Cash Dividends Paid	-5.21	-5.58	-7.11	-123.92	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Stock	-16.84	-0.01	0.34	2.04	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Current Portion Debt	-	-	-	-	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Long Term Debt	-56.24	-76.25	-25.52	81.22	0.00	0.00	0.00	0.00	0.00
Cash from Financing Activities	-78.29	-81.84	-32.29	-40.66	0.00	0.00	0.00	0.00	0.00
Foreign Exchange effect	-1.07	-0.15	0.15	-0.56	0.00	0.00	0.00	0.00	0.00
Beginning Cash Balance	12.66	13.14	8.77	22.97	28.91	44.63	60.36	76.08	91.81
Net Change in Cash	0.48	-4.36	14.20	-3.37	15.72	15.72	15.72	15.72	15.72
Ending Cash Balance	13.14	8.77	22.97	19.60	44.63	60.36	76.08	91.81	107.53
Capex to Revenue	2.49%	2.00%	2.49%	3.91%	3.45%	3.45%	3.45%	3.45%	3.45%
Depreciation to Sales	4.73%	4.82%	4.54%	3.91%	3.91%	3.91%	3.91%	3.91%	3.91%
Amortization to Sales	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A/R to Sales	9.10%	9.93%	10.92%	10.70%	10.70%	10.70%	10.70%	10.70%	10.70%
Distributable FCF/EV Yield	7.05%	6.85%	4.09%	3.34%	1.39%	1.39%	1.39%	1.39%	1.39%
Dividend Yield	-0.57%	-0.61%	-0.77%	-13.46%	0.00%	0.00%	0.00%	0.00%	0.00%
FCF (Ops-Investing)	85.06	61.58	53.44	162.86	15.72	15.72	15.72	15.72	15.72

SN VALUATION

LBO Debt Schedule

Ticker:

GK

	Proforma	2013	2014	2015	2016	2017
Net Change in Cash	-3.37	15.72	15.72	15.72	15.72	15.72
Current Portion Debt Repayment						
Long Term Debt Repayment						
Outstanding Debt	241.80	241.80	241.80	241.80	241.80	241.80
Current Portion Debt Balance	23.80	23.80	23.80	23.80	23.80	23.80
Long Term Debt Balance	218.00	218.00	218.00	218.00	218.00	218.00
Forward Libor Curve		3.00%	3.00%	3.00%	3.00%	3.00%
Spread		4.00%	4.00%	4.00%	4.00%	4.00%
Interest Rate		7.00%	7.00%	7.00%	7.00%	7.00%
Interest Expense		16.93	16.93	16.93	16.93	16.93
Cash Balance		19.60				
Interest @ 1.0%		0.20	0.20	0.20	0.20	0.20
Net Interest Expense/(Income)		16.73	16.73	16.73	16.73	16.73
Net Interest Rate		7.67%	7.67%	7.67%	7.67%	7.67%
EBITDA		34.80	34.80	34.80	34.80	34.80
EBITDA/Interest Expense Coverage		2.06	2.06	2.06	2.06	2.06

Interest Rate Coverage Table

Debt Rating	2013	2014	2015	2016	2017
AAA					
AA					
A+					
A					
A-					
BBB					
BB+					
BB					
B+					
B	B	B	B	B	B
B-					
CCC					
CC					
C					
D					

*Source: NYU; Professor Damodaran

Altman Z Score

Company Name:

G&K Services

Ticker:

GK

Period	2009	2010	2011	2012	2013	2014	2015	2016	2017
Working Capital	140.51	134.38	172.02	182.88	198.60	214.33	230.05	245.78	261.50
Total Assets	854.26	810.10	857.87	883.96	895.70	907.45	919.19	930.94	942.68
X1	0.16	0.17	0.20	0.21	0.22	0.24	0.25	0.26	0.28
Retained Earnings	421.95	444.99	471.04	371.00	382.74	394.49	406.23	417.98	429.72
Total Assets	854.26	810.10	857.87	883.96	895.70	907.45	919.19	930.94	942.68
X2	0.49	0.55	0.55	0.42	0.43	0.43	0.44	0.45	0.46
EBITDA	-76.04	59.61	65.37	42.27	34.80	34.80	34.80	34.80	34.80
Total Assets	854.26	810.10	857.87	883.96	895.70	907.45	919.19	930.94	942.68
X3	-0.09	0.07	0.08	0.05	0.04	0.04	0.04	0.04	0.04
Market Value of Equity	920.41	920.41	920.41	920.41	666.97	483.31	350.22	253.78	183.90
Total Liabilities	419.92	346.97	351.02	447.21	447.21	447.21	447.21	447.21	447.21
X4	2.19	2.65	2.62	2.06	1.49	1.08	0.78	0.57	0.41
Net Sales	935.97	833.59	828.86	869.94	869.94	869.94	869.94	869.94	869.94
Total Assets	854.26	810.10	857.87	883.96	895.70	907.45	919.19	930.94	942.68
X5	1.10	1.03	0.97	0.98	0.97	0.96	0.95	0.93	0.92
Altman Z Score	3.01	3.83	3.80	3.21	2.86	2.63	2.46	2.34	2.26

$$Z = 1.2 \times X1 + 1.4 \times X2 + 3.3 \times X3 + 0.6 \times X4 + 1.0 \times X5$$

Z-SCORE ABOVE 3.0 –The company is considered 'Safe' based on the financial figures only.

Blue

Z-SCORE BETWEEN 2.7 and 2.99 – 'On Alert'. This zone is an area where one should 'Exercise Caution'.

Green

Z-SCORE BETWEEN 1.8 and 2.7 – Good chance of the company going bankrupt within 2 years.

Yellow

Z-SCORE BELOW 1.80- Probability of Financial Catastrophe is Very High.

Red

June 24, 2013

SN VALUATION [Stocks, Real Estate, Bonds]

Cintas (CTAS)

Price:	\$45.22	Net Tang. Bk Value Incl. Cash, Excl.	\$673,640,000.00	Net Tang. Book Yr. 5 (Inc. Cash):	\$1,546,561,725.00
Market Cap:	\$5,540,354,400	Goodwill (NTBVIC):		Avg. Year FCF/Share:	\$193,959,338.94
Cash:	\$245,690,000	NTBVIC/Market Downside Recovery:	12.16%	Year 5 Disposition FCF Multiple:	3.0
Debt:	\$1,100,670,000	Op. Cash Flow:	\$374,886,844	Year 5 Disposition Price:	\$2,128,439,741.81
Net Cash:	-\$854,980,000	Implied Years to Fill Gap:	12.98		
Enterprise Value:	\$6,395,334,400	Today's Equity if 5x Op. CF:	\$1,798,300,532		
		Net Tang. Book+ Gain Disposition:			\$2,128,439,741.81
Shares Outstanding:	122,520,000	IRR:			-17.41%
				Price:	\$17.37
				Target Market Cap:	\$2,128,439,742
				Target Enterprise Value:	\$2,983,419,742

* Our future intrinsic value measures the total return, which includes both capital appreciation and dividend income.

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Year	Present Value	Holding Period					Terminal Value			Sale Price
	0	1	2	3	4	5	6	7	8	TBV at Year 5 + 3 Years FCF
Tangible Book Value	673.64	848.22	1,022.81	1,197.39	1,371.98	1,546.56				1,546.56
Annual Change		174.58	174.58	174.58	174.58	174.58				
Annual FCF	309.06	194.89	194.45	193.58	192.92	193.96	193.96	193.96	193.96	581.88
Annual Op. Cash Flow	469.86	374.89	374.45	373.58	372.92	373.96	373.96	373.96	373.96	
Annual PP&E Investment	(160.80)	(180.00)	(180.00)	(180.00)	(180.00)	(180.00)	(180.00)	(180.00)	(180.00)	
Today's Tangible Book Value	673.64	795.46	939.30	1,109.15	1,309.72	1,546.56				2,128.44
Intrinsic Value IRR	18.08%									
Market Price	5,540.35	4,575.54	3,778.74	3,120.70	2,577.25	2,128.44				2,128.44
Market Price IRR	-17.41%									

Debt	0.00%	0.00
Equity	100.00%	5,540.35
Total	100.00%	5,540.35

	Present Value	Holding Period					Terminal Value			Sale Price
	Historic	ProForma	1	2	3	4	5			
Book Equity	2159.02	5,540.35	5,712.76	5,885.17	6,057.57	6,229.98	6,402.38			
Goodwill	1485.38	4,866.71	4,866.71	4,866.71	4,866.71	4,866.71	4,866.71			
Debt	1100	1,100.00	1,100.00	1,100.00	1,100.00	1,100.00	1,100.00			
Debt Interest Rate		7.00%	7.00%	7.00%	7.00%	7.00%	7.00%			
Additional Interest Expense		3.35	3.35	3.35	3.35	3.35				
Tangible Book Value	673.64	673.64	846.05	1,018.45	1,190.86	1,363.26	1,535.67			1,535.67
Annual Change			172.41	172.41	172.41	172.41	172.41			
Annual FCF	309.06		192.71	192.27	191.41	190.74	191.78	191.78	191.78	575.34
Annual Net Income	297.64		172.41	172.41	172.41	172.41	172.41	172.41	172.41	
Annual Op. Cash Flow	469.86		372.71	372.27	371.41	370.74	371.78	371.78	371.78	
Dividend Payments										
Annual PP&E Investment	(160.80)		(180.00)	(180.00)	(180.00)	(180.00)	(180.00)	(180.00)	(180.00)	
Debt Paydown	0.00						0.00	0.00	0.00	

Sale Price in Year 5										2,111.01
Remaining Debt Balance										0.00
Capital Left for Equity Investor										2,111.01
Dividend Payments										0.00
Total Cash In Flow										2,111.01
Invested Equity	5,540.35	4,568.02	3,766.33	3,105.34	2,560.36	2,111.01				
IRR	-17.55%									

<u>Value Creation</u>	
TBV Growth (equals sum of NI Year 1-5)	862.03
Cash Flow (Year 6-8)	575.34
Total	1,437.37

<u>Value Dilution</u>	
Debt	0.00
Goodwill	3,381.33
Additional Interest	16.76
Total	3,398.09

Cintas Corporation was founded in 1968. It was incorporated under the Laws of Washington. Cintas provides highly specialized products and services to businesses of all types primarily throughout North America, as well as Latin America, Europe and Asia. The Company brings value to its customers by helping them provide a cleaner, safer and more pleasant atmosphere for their customers and employees. Its products and services are designed to improve its customers' images. The Company also helps its customers protect their employees and their company by enhancing workplace safety and helping to ensure legal compliance in key areas of their business. Cintas classifies its businesses into four operating segments based on the types of products and services provided. They are, The Rental Uniforms and Ancillary Products operating segment consists of the rental and servicing of uniforms and other garments including flame resistant clothing, mats, mops and shop towels and other ancillary items. In addition to these rental items, restroom cleaning services and supplies and carpet and tile cleaning services are also provided within this operating segment. The Uniform Direct Sales operating segment consists of the direct sale of uniforms and related items and branded promotional products. The First Aid, Safety and Fire Protection Services operating segment consists of first aid, safety and fire protection products and services. The Company provides its products and services to over 900,000 businesses of all types — from small service and manufacturing companies to major corporations that employ thousands of people. It operates in highly competitive industries and competes with national, regional and local providers. Product, design, price, quality, service and convenience to the customer are the competitive elements in these industries. The Company is subject to various environmental laws and regulations, as are other companies in the uniform rental industry.

Company Name:	Cintas	Market Capitalization:	\$5,540,354,400.00	Income Statement	
Ticker Symbol:	CTAS	Total Debt:	\$1,100,670,000.00	Revenue:	\$4,240,000,000.00 100.0%
Last Price:	\$45.22	Total Cash:	\$245,690,000.00	Cost of Goods Sold:	\$2,501,390,000.00 59.0%
Net Cash/Share:	-\$6.98	Net Cash/(Debt):	-\$854,980,000.00	Gross Profit:	\$1,738,610,000.00 41.0%
Net Cash to Last Price:	-15.43%	Enterprise Value:	\$6,395,334,400.00	EBITDA:	\$735,160,000.00 17.3%
Shares Outstanding:	122,520,000	Current EV/Share:	\$52.20	Net Income:	\$305,370,000.00 7.2%
Industry:	Business Services	EBITDA:	\$733,790,000.00	Balance Sheet	
Sector:	Industrials	EV/EBITDA Multiple:	8.72	Cash:	\$217,470,000.00
Institutional Ownership:	75.38%	EV/EBITDA Multiple Average Year 1-5:	12.84	Short Term Investment:	\$28,220,000.00
Mutual Fund Ownership:	43.85%	EV/FCF Multiple (excluding acquisition):	20.69	A/R:	\$450,000,000.00
Insider Ownership:	1.86%	EV/FCF Multiple Average Year 1-5 (excluding acquisition):	32.97	PP&E:	\$1,000,000,000.00
Retail Ownership:	-120.38%	Upper Range		Assets:	\$4,133,640,000.00
Float:	0.71%	DCF: EV/EBITDA Terminal Value		A/P:	\$95,000,000.00
		Implied TV from 3 X EV/EBITDA Multiple	\$1,476,720,000.00	Deferred Tax:	\$209,460,000.00
		Enterprise Value	\$1,476,720,000.00	Other Liabilities:	\$685,920,000.00
		Cash at Year 5:	\$1,215,486,694.68	Short term Debt:	\$670,000.00
		Debt at Year 5:	\$1,100,670,000.00	Long Term Debt:	\$1,100,000,000.00
		Equity Value Year 5:	\$1,591,536,694.68	Liabilities:	\$2,091,050,000.00
		Equity/Share at Year 5:	\$12.99	Retained Earnings:	\$3,490,000,000.00
		Annualized Return:	-22.08%	Paid-In Capital:	\$256,250,000.00
		Lower Range		Treasury Stock:	-\$1,640,000,000.00
		DCF: Net Tangible Asset excluding Cash/Debt Terminal Value		Stockholder's Equity:	\$2,159,020,000.00
		Year 5 Net Tangible Assets excluding cash and debt	\$549,350,000.00	Cash Flow	
		Enterprise Value	\$549,350,000.00	Net Income:	297,640,000.00
		Cash at Year 5:	\$1,215,486,694.68	Depreciation/Amortization:	194,160,000.00
		Debt at Year 5:	\$1,100,670,000.00	Change in Working capital:	-98,980,000.00
		Equity Value Year 5:	\$664,166,694.68	Cash from Operating Activities:	469,860,000.00
		Equity/Share at Year 5:	\$5.42	Capital Expenditures:	-160,800,000.00
		Annualized Return:	-34.57%	Cash from Investing Activities:	-104,290,000.00
		EVA		Total Cash Dividends Paid:	-70,820,000.00
		EVA today:	\$2,183,233,451.85	Issuance (Retirement) of Stock:	-392,330,000.00
		EVA in 5 Years:	\$3,287,045,383.61	Issuance (Retirement) of Debt:	-1,320,000.00
		EVA/Share:	\$26.83	Cash from Financing Activities:	-460,570,000.00
		Cash at Year 5:	\$1,215,486,694.68	Profitability Margins	
		Debt at Year 5:	\$1,100,670,000.00	Debt to Equity:	50.98%
		Equity Value Year 5:	\$3,401,862,078.30	Return on Assets:	7.20%
		Equity/Share at Year 5:	\$27.77	Return on Capital:	9.13%
		Annualized return	8.53%	Return on Equity:	13.79%
		Current Net Tangible Asset			
		Net Tangible Asset/Share:	\$3.87		
		Net Tangible Asset/Share in Year 5:	\$12.77		
		Annualized return	26.97%		
		Current Equity Price:	\$45.22		
		Selling at Discount?	Premium		
		Appreciation Potential:	-91.44%		
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Company Name:

Ticker Symbol:
Last Price:
Net Cash/Share:
Net Cash to Last Price:
Shares Outstanding:
Industry:
Sector:

Institutional Ownership:
Mutual Fund Ownership:
Insider Ownership:
Retail Ownership:
Float:

Cintas
CTAS
\$45.22
-\$6.98
-15.43%
122,520,000
Business Services
Industrials

75.38%
43.85%
1.86%
-120.38%
0.71%

Market Capitalization:
Total Debt:
Total Cash:
Net Cash/(Debt):
Enterprise Value:
Current EV/Share:
EBITDA:
EV/EBITDA Multiple:
EV/EBITDA Multiple Average Year 1-5:
EV/FCF Multiple (excluding acquisition):
EV/FCF Multiple Average Year 1-5 (excluding acquisition):

\$5,540,354,400.00
\$1,100,670,000.00
\$245,690,000.00
-\$854,980,000.00
\$6,395,334,400.00
\$52.20
\$733,790,000.00
8.72
12.84
20.69
32.97

Revenue:
Cost of Goods Sold:
Gross Profit:
EBITDA:
Net Income:

Cash:
Short Term Investment:
A/R:
PP&E:
Assets:

\$4,240,000,000.00
\$2,501,390,000.00
\$1,738,610,000.00
\$735,160,000.00
\$305,370,000.00

\$217,470,000.00
\$28,220,000.00
\$450,000,000.00
\$1,000,000,000.00
\$4,133,640,000.00

Technicals

52 week low:
Today from 52 week low:
52 week high:
Today from 52 week high:
50 day Moving Average:
200 day Moving Average:

\$35.81
26.28%
\$46.50
2.83%
Error
Error

Implied TV from 3 X EV/EBITDA Multiple

\$1,476,720,000.00

Enterprise Value
Cash at Year 5:
Debt at Year 5:
Equity Value Year 5:
Equity/Share at Year 5:
Annualized Return:

\$1,476,720,000.00
\$1,215,486,694.68
\$1,100,670,000.00
\$1,591,536,694.68
\$12.99
-22.08%

Analyst/Consensus

Analyst Sales Growth FY1:
Analyst Sales Growth FY2:
SN Valuation Estimate FY1:
SN Valuation Estimate FY2:

5.10%
5.30%
0.00%
0.00%

Lower Range
DCF: Net Tangible Asset excluding Cash/Debt Terminal Value

Year 5 Net Tangible Assets excluding cash and debt

\$549,350,000.00

Enterprise Value
Cash at Year 5:
Debt at Year 5:
Equity Value Year 5:
Equity/Share at Year 5:
Annualized Return:

\$549,350,000.00
\$1,215,486,694.68
\$1,100,670,000.00
\$664,166,694.68
\$5.42
-34.57%

Multiples

Market Value to Book:
EV to Book:
Market Value to Tangible Net Assets:
P/E Ratio:
Trailing P/E Ratio:
Forward P/E Ratio:
Beta:
Dividend:
Dividend Yield:
Dividend Date:
Ex-Dividend Date:

2.57
2.96
-7.53
18.14
18.63
16.18
0.87
0.64
1.42%
Dec 11, 2012
Nov 7, 2012

EVA

EVA today:
EVA in 5 Years:
EVA/Share:
Cash at Year 5:
Debt at Year 5:
Equity Value Year 5:
Equity/Share at Year 5:
Annualized return

\$2,183,233,451.85
\$3,287,045,383.61
\$26.83
\$1,215,486,694.68
\$1,100,670,000.00
\$3,401,862,078.30
\$27.77
8.53%

Competitors

Average EV to EBITDA:
Company EV to EBITDA:

Average EV to EBIT:
Company EV to EBITA:

N/A
8.72

N/A
11.85

Current Net Tangible Asset

Net Tangible Asset/Share:
Net Tangible Asset/Share in Year 5:
Annualized return

\$3.87
\$12.77
26.97%

Current Equity Price:
Selling at Discount?
Appreciation Potential:

\$45.22
Premium
-91.44%

SN VALUATION

LBO Pro Forma Income Statement

Name:

Cintas

Ticker:

CTAS

	Historical				Forecasted				
	12 months ending 2009-05-31	12 months ending 2010-05-31	12 months ending 2011-05-31	12 months ending 2012-05-31	2013	2014	2015	2016	2017
Revenue	3,774.68	3,547.34	3,810.38	4,102.00	4,102.00	4,102.00	4,102.00	4,102.00	4,102.00
COGS	2,223.81	2,049.52	2,201.10	2,363.39	2,379.16	2,379.16	2,379.16	2,379.16	2,379.16
Gross margin	1,550.87	1,497.82	1,609.28	1,738.61	1,722.84	1,722.84	1,722.84	1,722.84	1,722.84
SG&A	1,082.71	1,086.36	1,188.94	1,198.98	1,230.60	1,230.60	1,230.60	1,230.60	1,230.60
R&D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unusual expense	59.10	20.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other operating expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation is: Included within COGS					150.00	150.00	150.00	150.00	150.00
Operating Income (EBITA)	409.06	390.81	440.34	539.63	342.24	342.24	342.24	342.24	342.24
Interest income/(expense)	-47.47	-46.92	-47.67	-68.69	-73.65	-73.65	-73.65	-73.65	-73.65
Gain (loss) on sale of asset	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Income before tax	361.59	343.89	392.67	470.94	268.59	268.59	268.59	268.59	268.59
Tax	135.23	128.27	145.68	173.30	94.01	94.01	94.01	94.01	94.01
Income after tax	226.36	215.62	246.99	297.64	174.58	174.58	174.58	174.58	174.58
Minority Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equity in affiliates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net income	226.36	215.62	246.99	297.64	174.58	174.58	174.58	174.58	174.58
*Figures are in millions (\$)									
EPS (based off today's share count)	\$1.85	\$1.76	\$2.02	\$2.43	\$1.42	\$1.42	\$1.42	\$1.42	\$1.42
P/E (historical today's price; forecasted intrinsic price)	24.48	25.69	22.43	18.61	26.21	21.64	17.88	14.76	12.19
Revenue Growth	N/A	-6.02%	7.42%	7.65%	0.00%	0.00%	0.00%	0.00%	0.00%
Tax Rate	37.40%	37.30%	37.10%	36.80%	35.00%	35.00%	35.00%	35.00%	35.00%
Implied Debt Interest Rate	-6.03%	-5.97%	-3.71%	-5.35%	-6.70%	-6.70%	-6.70%	-6.70%	-6.70%
Margins									
COGS	58.91%	57.78%	57.77%	57.62%	58.00%	58.00%	58.00%	58.00%	58.00%
Gross margin	41.09%	42.22%	42.23%	42.38%	42.00%	42.00%	42.00%	42.00%	42.00%
SG&A	28.68%	30.62%	30.68%	29.23%	30.00%	30.00%	30.00%	30.00%	30.00%
R&D	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Unusual expense	1.57%	0.58%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other operating expense	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation is: Included within COGS	0.00%	0.00%	0.00%	0.00%	3.66%	3.66%	3.66%	3.66%	3.66%
Operating Income (EBITA)	10.84%	11.02%	11.56%	13.16%	8.34%	8.34%	8.34%	8.34%	8.34%
Interest income/(expense)	-1.26%	-1.32%	-1.25%	-1.67%	-1.80%	-1.80%	-1.80%	-1.80%	-1.80%
Gain (loss) on sale of asset	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Income before tax	9.58%	9.69%	10.31%	11.48%	6.55%	6.55%	6.55%	6.55%	6.55%
Tax	3.58%	3.62%	4.22%	4.22%	2.29%	2.29%	2.29%	2.29%	2.29%
Income after tax	6.00%	6.08%	6.48%	7.26%	4.26%	4.26%	4.26%	4.26%	4.26%
Minority Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Equity in affiliates	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Net income	6.00%	6.08%	6.48%	7.26%	4.26%	4.26%	4.26%	4.26%	4.26%

	As of 2009-05-31	As of 2010-05-31	As of 2011-05-31	As of 2012-05-31	As of 2013-02-28	Adjustment		Adjusted Proforma	2011	2012	2013	2014	2015
						+	-						
Cash	129.75	411.28	438.11	339.82	217.47			217.47	412.36	606.81	800.39	993.31	1,187.27
Short term investment	120.39	154.81	87.22	0.00	28.22			28.22	28.22	28.22	28.22	28.22	28.22
Cash and Short term	250.14	566.09	525.33	339.82	245.69			245.69	440.58	635.03	828.61	1,021.53	1,215.49
Accounts Receivable	357.68	362.22	429.13	450.86	450.00			450.00	450.00	450.00	450.00	450.00	450.00
Other receivables	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Receivables	357.68	362.22	429.13	450.86	450.00			450.00	450.00	450.00	450.00	450.00	450.00
Total Inventory	202.35	169.48	249.66	251.21	246.96			246.96	246.96	246.96	246.96	246.96	246.96
Prepaid Expenses	17.04	22.86	23.48	24.70	24.78			24.78	24.78	24.78	24.78	24.78	24.78
Other Current Assets	417.56	384.52	439.64	452.79	481.58			481.58	481.58	481.58	481.58	481.58	481.58
Current Assets	1,244.77	1,505.17	1,667.24	1,519.38	1,449.01	0.00	0.00	1,449.01	1,643.90	1,838.35	2,031.93	2,224.85	2,418.81
PP&E, Gross	1,719.81	1,857.09	2,042.40	0.00	2,100.00			2,100.00	2,280.00	2,460.00	2,640.00	2,820.00	3,000.00
Change in Depreciation	157.57	152.06	150.89	155.83	155.83			155.83	155.83	155.83	155.83	155.83	155.83
Accumulated Depreciation	805.18	962.57	1,096.18	0.00	1,100.00			1,100.00	1,255.83	1,411.66	1,567.49	1,723.32	1,879.15
PP&E, Net	914.63	894.52	946.22	0.00	1,000.00			1,000.00	1,024.17	1,048.34	1,072.51	1,096.68	1,120.85
Goodwill	1,331.39	1,356.92	1,487.88	1,485.38	1,485.38	0.00		1,485.38	1,485.38	1,485.38	1,485.38	1,485.38	1,485.38
Intangibles	145.69	118.45	114.42	82.90	83.00			83.00	38.53	-5.51	-48.68	-91.18	-134.72
Long term investments	51.76	68.62	84.20	90.20	99.11			99.11	99.11	99.11	99.11	99.11	99.11
Other long term assets	7.21	10.36	18.45	16.56	17.14			17.14	17.14	17.14	17.14	17.14	17.14
Long Term Assets	2,450.68	2,448.87	2,651.17	1,675.04	2,684.63	0.00	0.00	2,684.63	2,664.33	2,644.46	2,625.46	2,607.13	2,587.76
Total Assets	3,695.45	3,954.04	4,318.41	3,194.42	4,133.64	0.00	0.00	4,133.64	4,308.22	4,482.81	4,657.39	4,831.98	5,006.56
Accounts Payable	69.97	71.75	110.28	94.84	95.00			95.00	95.00	95.00	95.00	95.00	95.00
Accrued Expense	230.31	311.33	322.52	347.86	350.00			350.00	350.00	350.00	350.00	350.00	350.00
Other current Liabilities	0.00	0.00	0.00	2.56	62.02			62.02	62.02	62.02	62.02	62.02	62.02
Total Current Liabilities	300.28	383.08	432.80	445.26	507.02	0.00	0.00	507.02	507.02	507.02	507.02	507.02	507.02
Notes Payables/Short Term Debt	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Current port. Of LT Debt/Capital Leases	0.60	0.61	1.33	225.64	0.67			0.67	0.67	0.67	0.67	0.67	0.67
Long term Debt	786.06	785.44	1,284.79	1,059.17	1,100.00	0.00	0.00	1,100.00	1,100.00	1,100.00	1,100.00	1,100.00	1,100.00
Capital Lease Obligations	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Total Interest Earning Debt	786.66	786.05	1,286.12	1,284.81	1,100.67	0.00	0.00	1,100.67	1,100.67	1,100.67	1,100.67	1,100.67	1,100.67
Deferred Income tax	149.03	150.56	196.32	204.58	209.46			209.46	209.46	209.46	209.46	209.46	209.46
Minority Interest	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Other liabilities	117.58	116.02	134.04	87.13	273.90			273.90	273.90	273.90	273.90	273.90	273.90
Total Liabilities	1,353.55	1,435.71	2,049.28	2,021.78	2,091.05	0.00	0.00	2,091.05	2,091.05	2,091.05	2,091.05	2,091.05	2,091.05
Redeemable Preferred Stock	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Non-redeemable Preferred Stock	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Common Stock	129.22	132.06	135.40	148.25	148.25		0.00	148.25	148.25	148.25	148.25	148.25	148.25
Additional Paid-in capital	72.36	84.62	95.73	107.02	108.00	0.00	0.00	108.00	108.00	108.00	108.00	108.00	108.00
Dividends Paid	0.00	0.00	0.00	0.00	0.00			0.00	0.00	0.00	0.00	0.00	0.00
Retained Earnings	2,938.42	3,080.08	3,255.26	3,482.07	3,490.00		0.00	3,490.00	3,664.58	3,839.17	4,013.75	4,188.34	4,362.92
Treasury Stock	-797.89	-798.86	-1,242.55	-1,634.88	-1,640.00		0.00	-1,640.00	-1,640.00	-1,640.00	-1,640.00	-1,640.00	-1,640.00
Other Equity	33.51	43.13	71.13	52.77	52.77		0.00	52.77	52.77	52.77	52.77	52.77	52.77
Total Equity	2,375.62	2,541.03	2,314.97	2,155.23	2,159.02	0.00	0.00	2,159.02	2,333.60	2,508.19	2,682.77	2,857.36	3,031.94
Liability + Equity	3,729.17	3,976.74	4,364.25	4,177.01	4,250.07	0.00	0.00	4,250.07	4,424.65	4,599.24	4,773.82	4,948.41	5,122.99
Variance	-33.72	-22.70	-45.84	-982.59	-116.43			-116.43	-116.43	-116.43	-116.43	-116.43	-116.43
Debt/Equity	0.33	0.31	0.56	0.60	0.51			0.51	0.47	0.44	0.41	0.39	0.36
Inventory Turnover	18.65	20.93	15.26	16.33	16.61			16.61	16.61	16.61	16.61	16.61	16.61
Inventory Turnover Days	19.57	17.44	23.92	22.35	21.97			21.97	21.97	21.97	21.97	21.97	21.97
Days Inventory Outstanding	33.21	30.18	41.40	38.80	37.89			38.14	37.89	37.89	37.89	37.89	37.89
Accounts Receivable Turnover	10.55	9.79	8.88	9.10	9.12			9.12	9.12	9.12	9.12	9.12	9.12
Accounts Receivable Turnover Days	34.59	37.27	41.11	40.12	40.04			40.04	40.04	40.04	40.04	40.04	40.04
Days Payable Outstanding	11.48	12.78	18.29	14.65	14.57			14.67	14.57	14.57	14.57	14.57	14.57
Days Sales Outstanding	34.59	37.27	41.11	40.12	40.04			40.12	40.04	40.04	40.04	40.04	40.04
Cash Conversion Cycle	56.31	54.68	64.22	64.27	63.35			63.59	63.35	63.35	63.35	63.35	63.35
Net tangible assets/share	\$7.33	\$8.70	\$5.82	\$4.79	\$4.82				\$6.61	\$8.39	\$10.17	\$11.94	\$13.72

SN VALUATION

LBO Adjusted Proforma Cash Flow

Ticker:

CTAS

	12 months ending 2009-05-31	12 months ending 2010-05-31	12 months ending 2011-05-31	12 months ending 2012-05-31	2011	2012	2013	2014	2015
Net Income	226.36	215.62	246.99	297.64	174.58	174.58	174.58	174.58	174.58
Depreciation	157.57	152.06	150.89	155.83	155.83	155.83	155.83	155.83	155.83
Net Income + Depreciation	383.93	367.68	397.88	453.47	330.41	330.41	330.41	330.41	330.41
Amortization	42.53	41.08	42.58	38.33	44.47	44.04	43.17	42.50	43.54
Deferred Taxes	-1.17	13.29	47.91	56.73	0.00	0.00	0.00	0.00	0.00
Non Cash Items	60.84	15.35	15.20	20.31	0.00	0.00	0.00	0.00	0.00
Change in Working capital	37.39	128.25	-162.68	-98.98	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	0.00	-4.54	-66.91	-21.73	0.00	0.00	0.00	0.00	0.00
Other Receivables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inventory	0.00	32.87	-80.18	-1.55	0.00	0.00	0.00	0.00	0.00
Prepaid Expenses	0.00	-5.82	-0.62	-1.22	0.00	0.00	0.00	0.00	0.00
Accounts Payable	0.00	1.78	38.53	-15.44	0.00	0.00	0.00	0.00	0.00
Cash from Operating Activities	523.52	565.65	340.89	469.86	374.89	374.45	373.58	372.92	373.96
Capital Expenditures Expenditures	-160.09	-111.08	-182.59	-160.80	-180.00	-180.00	-180.00	-180.00	-180.00
Long term investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Investing Activities	-43.13	-96.50	-116.00	56.51	0.00	0.00	0.00	0.00	0.00
Cash from Investing Activities	-203.22	-207.58	-298.59	-104.29	-180.00	-180.00	-180.00	-180.00	-180.00
Financing Cash flow items	0.85	-0.98	-4.61	3.90	0.00	0.00	0.00	0.00	0.00
Total Cash Dividends Paid	-72.21	-73.96	-71.81	-70.82	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Stock	-25.85	-0.97	-443.69	-392.33	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Current Portion Debt	-	-	-	-	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Long Term Debt	-157.15	-0.60	500.07	-1.32	0.00	0.00	0.00	0.00	0.00
Cash from Financing Activities	-254.36	-76.51	-20.04	-460.57	0.00	0.00	0.00	0.00	0.00
Foreign Exchange effect	-2.43	-0.03	4.57	-3.27	0.00	0.00	0.00	0.00	0.00
Beginning Cash Balance	66.23	129.75	411.28	438.11	217.47	412.36	606.81	800.39	993.31
Net Change in Cash	63.52	281.54	26.82	-98.28	194.89	194.45	193.58	192.92	193.96
Ending Cash Balance	129.75	411.28	438.10	339.83	412.36	606.81	800.39	993.31	1,187.27
Capex to Revenue	4.24%	3.13%	4.79%	3.92%	4.39%	4.39%	4.39%	4.39%	4.39%
Depreciation to Sales	4.17%	4.29%	3.96%	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%
Amortization to Sales	1.13%	1.16%	1.12%	0.93%	1.08%	1.07%	1.05%	1.04%	1.06%
A/R to Sales	9.48%	10.21%	11.26%	10.99%	10.99%	10.99%	10.99%	10.99%	10.99%
Distributable FCF/EV Yield	5.01%	5.60%	0.66%	5.72%	3.05%	3.04%	3.03%	3.02%	3.03%
Dividend Yield	-1.30%	-1.33%	-1.30%	-1.28%	0.00%	0.00%	0.00%	0.00%	0.00%
FCF (Ops-Investing)	435.64	528.53	230.11	379.88	194.89	194.45	193.58	192.92	193.96

SN VALUATION

LBO Debt Schedule

Ticker:

CTAS

	Proforma	2013	2014	2015	2016	2017
Net Change in Cash	-98.28	194.89	194.45	193.58	192.92	193.96
Current Portion Debt Repayment						
Long Term Debt Repayment						
Outstanding Debt	1,100.67	1,100.67	1,100.67	1,100.67	1,100.67	1,100.67
Current Portion Debt Balance	0.67	0.67	0.67	0.67	0.67	0.67
Long Term Debt Balance	1,100.00	1,100.00	1,100.00	1,100.00	1,100.00	1,100.00
Forward Libor Curve		3.00%	3.00%	3.00%	3.00%	3.00%
Spread		4.00%	4.00%	4.00%	4.00%	4.00%
Interest Rate		7.00%	7.00%	7.00%	7.00%	7.00%
Interest Expense		77.05	77.05	77.05	77.05	77.05
Cash Balance		339.82				
Interest @ 1.0%		3.40	3.40	3.40	3.40	3.40
Net Interest Expense/(Income)		73.65	73.65	73.65	73.65	73.65
Net Interest Rate		6.70%	6.70%	6.70%	6.70%	6.70%
EBITDA		342.24	342.24	342.24	342.24	342.24
EBITDA/Interest Expense Coverage		4.44	4.44	4.44	4.44	4.44

Interest Rate Coverage Table

Debt Rating					
AAA					
AA					
A+					
A					
A-					
BBB	BBB	BBB	BBB	BBB	BBB
BB+					
BB					
B+					
B					
B-					
CCC					
CC					
C					
D					

*Source: NYU; Professor Damodaran

Altman Z Score

Company Name:

Cintas

Ticker:

CTAS

Period	2009	2010	2011	2012	2013	2014	2015	2016	2017
Working Capital	944.49	1,122.09	1,234.44	941.99	1,136.88	1,331.33	1,524.91	1,717.83	1,911.79
Total Assets	3,695.45	3,954.04	4,318.41	4,133.64	4,308.22	4,482.81	4,657.39	4,831.98	5,006.56
X1	0.26	0.28	0.29	0.23	0.26	0.30	0.33	0.36	0.38
Retained Earnings	2,938.42	3,080.08	3,255.26	3,490.00	3,664.58	3,839.17	4,013.75	4,188.34	4,362.92
Total Assets	3,695.45	3,954.04	4,318.41	4,133.64	4,308.22	4,482.81	4,657.39	4,831.98	5,006.56
X2	0.80	0.78	0.75	0.84	0.85	0.86	0.86	0.87	0.87
EBITDA	409.06	390.81	440.34	539.63	492.24	492.24	492.24	492.24	492.24
Total Assets	3,695.45	3,954.04	4,318.41	4,133.64	4,308.22	4,482.81	4,657.39	4,831.98	5,006.56
X3	0.11	0.10	0.10	0.13	0.11	0.11	0.11	0.10	0.10
Market Value of Equity	5,540.35	5,540.35	5,540.35	5,540.35	4,575.54	3,778.74	3,120.70	2,577.25	2,128.44
Total Liabilities	1,353.55	1,435.71	2,049.28	2,091.05	2,091.05	2,091.05	2,091.05	2,091.05	2,091.05
X4	4.09	3.86	2.70	2.65	2.19	1.81	1.49	1.23	1.02
Net Sales	3,774.68	3,547.34	3,810.38	4,102.00	4,102.00	4,102.00	4,102.00	4,102.00	4,102.00
Total Assets	3,695.45	3,954.04	4,318.41	4,133.64	4,308.22	4,482.81	4,657.39	4,831.98	5,006.56
X5	1.02	0.90	0.88	0.99	0.95	0.92	0.88	0.85	0.82
Altman Z Score	5.26	4.97	4.24	4.47	4.15	3.92	3.72	3.56	3.43

$$Z = 1.2 \times X1 + 1.4 \times X2 + 3.3 \times X3 + 0.6 \times X4 + 1.0 \times X5$$

Z-SCORE ABOVE 3.0 –The company is considered 'Safe' based on the financial figures only.

Blue

Z-SCORE BETWEEN 2.7 and 2.99 – 'On Alert'. This zone is an area where one should 'Exercise Caution'.

Green

Z-SCORE BETWEEN 1.8 and 2.7 – Good chance of the company going bankrupt within 2 years.

Yellow

Z-SCORE BELOW 1.80- Probability of Financial Catastrophe is Very High.

Red