

Analyst: Sung Nam

**Computer Sciences Corp (CSC)**

<b>Market Price:</b>	<b>\$30.90</b>	<b>EBITDA/Share:</b>	<b>\$13.42</b>	<b>Net Asset/Share:</b>	<b>\$13.45</b>
<b>DCF Net Book Value:</b>	<b>9.562%</b>	<b>DCF EBITDA Multiple:</b>	<b>11.740%</b>	<b>Percentage of Cash Flow:</b>	<b>11.582%</b>

**Opinion**

Never heard of Computer Sciences Corp, until my filter picked up the low book/value and EV/EBITDA multiple. CSC provides business related IT services to companies and organizations. It is a \$4.8 BB company and has \$16 BB in sales. The stock has dropped 40% in the past year.

**Financial Analysis**

**Cashflow:** Very strong. About \$1.5 BB from operations.

**Debt and Liquidity:** \$2.5 BB debt and \$2 BB cash. The cashflow can cover interests. No worries.

**Sales growth:** The most weakest part of the story. Essentially no growth for the past few years.

**LBO candidate?:** Can withstand more debt, but with sales uncertain, can be risky business.

**Valuation Peers**

According to the Financial Times, analysts placed a median price at \$33.50, considerably lower than the near \$50 based off the model. 2 Buys, 12 Hold, 2 Sell.

Computer Sciences Corporation (CSC) is engaged in the information technology (IT) and professional services industry. CSC offers an array of services to clients in the commercial and government markets and specializes in applying contemporary practices towards the employment of IT in order to achieve the strategic objectives of its customers. CSC's service offerings include IT and business process outsourcing, emerging services, such as cloud computing and cybersecurity protection, and a variety of other IT and professional services. The Company operates in three lines of business: North American Public Sector (NPS), Managed Services Sector (MSS), and Business Solutions and Services (BSS). In June 2011, the Company acquired VIXIA Consultoria e Tecnologia Ltda. In September 2011, the Company acquired Maricom Systems, Inc. In September 2011, it acquired AppLabs Technologies Private Limited.

<b>Company Name:</b> Computer Sciences Corp		<b>Market Capitalization:</b> \$4,790,000,000.00		<b>Income Statement</b>	
Ticker Symbol: CSC		Total Debt: \$2,579,000,000.00		Revenue: \$16,160,000,000.00 100.0%	
<b>Last Price:</b> \$30.90		Total Cash: \$1,670,000,000.00		Cost of Goods Sold: \$13,040,000,000.00 80.7%	
Net Cash/Share: -\$5.86		Net Cash/(Debt): -\$909,000,000.00		Gross Profit: \$3,120,000,000.00 19.3%	
Net Cash to Last Price: -18.97%		Enterprise Value: \$5,699,000,000.00		EBITDA: \$2,080,000,000.00 12.9%	
Shares Outstanding: 155,050,000		<b>EV/Share:</b> \$36.76		Net Income: \$750,000,000.00 4.6%	
Industry: Information Technology Services		EBITDA: \$2,080,000,000.00		<b>Balance Sheet</b>	
Sector: Technology		EV/EBITDA Multiple: 2.74		Cash: \$1,837,000,000.00	
Institutional Ownership: 85.60%		<b>DCF Valuation: Net Tangible Asset</b>		Short Term Investment: \$0.00	
Mutual Fund Ownership: 3.44%		<b>Current Market Price:</b> \$30.90		A/R: \$3,547,000,000.00	
Insider Ownership: 1.03%		<b>DCF Enterprise Valuation:</b> \$48.78		PP&E: \$6,349,000,000.00	
Retail Ownership: 8.90%		Appreciation/ (Depreciation) Over Period: 57.87%		Assets: \$16,120,000,000.00	
Float: 98.97%		<b>App./(Dep) Per Annum Over 5 Year Holding Period:</b> 9.56%		A/P: \$517,000,000.00	
<b>Technicals</b>		Beta: 1.14		Deferred Tax: \$511,000,000.00	
52 week low: \$25.60		Risk Free (5 Year Treasury): 2.11%		Other Liabilities: \$5,009,000,000.00	
Today from 52 week low: 20.70%		Average Growth Rate Used: -0.60%		Short term Debt: \$170,000,000.00	
52 week high: \$56.61		Discount Rate Used: 0.00%		Long Term Debt: \$2,409,000,000.00	
Today from 52 week high: 83.20%		Terminal Value EV/EBITDA Ratio: 2.74		Liabilities: \$8,616,000,000.00	
50 day Moving Average: \$28.68		Net Tangible Asset: \$2,086,000,000.00		Retained Earnings: \$6,296,000,000.00	
200 day Moving Average: \$40.60		<b>DCF Valuation: EBITDA Multiple</b>		Paid-In Capital: \$2,120,000,000.00	
<b>Profitability Margins</b>		EBITDA in 5 Years: \$2,152,185,937.49		Treasury Stock: -\$385,000,000.00	
Debt to Equity: 34.37%		Today's EV/EBITDA Multiple: 2.74		Stockholder's Equity: \$7,504,000,000.00	
Return on Assets: 4.38%		Implied Enterprise Value: \$5,896,782,527.77		<b>Cash Flow</b>	
Return on Capital: 7.00%		Net Cash at 5 years: \$2,418,526,832.06		Net Income: 759,000,000.00	
Return on Equity: 9.41%		Implied Equity Value: \$8,315,309,359.84		Depreciation/Amortization: 1,140,000,000.00	
<b>Analyst/Consensus</b>		<b>Implied Equity Value/Share:</b> \$53.83		Change in Working capital: -426,000,000.00	
Analyst Sales Growth FY1: 2.30%		Return over 5 Years: 74.20%		Cash from Operating Activities: 1,564,000,000.00	
Analyst Sales Growth FY2: 1.90%		<b>Annualized Return (Zero reinvestment rate):</b> 11.74%		Capital Expenditures: -965,000,000.00	
SN Valuation Estimate FY1: -2.00%		<b>Waterfall Analysis Enterprise Value</b>		Cash from Investing Activities: -892,000,000.00	
SN Valuation Estimate FY2: -3.00%		High range: \$8,556,900,000.0		Total Cash Dividends Paid: -77,000,000.00	
Analyst Earnings Estimate FY1: \$4.47		High range/share: \$55.19		Issuance (Retirement) of Stock: 8,000,000.00	
Analyst Earnings Estimate FY2: \$4.63		Mid range: \$5,699,000,000.0		Issuance (Retirement) of Debt: -1,586,000,000.00	
SN Valuation Earnings Est. FY1: \$5.36		Mid range/share: \$36.76		Cash from Financing Activities: -1,676,000,000.00	
SN Valuation Earnings Est. FY2: \$5.00		Low range: \$3,257,100,000.0			
<b>Multiples</b>		Low range/share: \$21.01			
Market Value to Book: 0.64		<b>SN Valuation Mutliples</b>			
EV to Book: 0.76		Enterprise Value: \$5,699,000,000.00			
P/E Ratio: 6.39		4 Year Sum EBITDA: \$3,872,000,000.00			
Trailing P/E Ratio: 6.19		EV/4 Year Sum EBITDA: 1.47			
Forward P/E Ratio: 6.67		Enterprise Value: \$5,699,000,000.00			
Net Tangible Asset/Share: \$13.45		4 Year Sum Operating Cash Flow: \$6,536,000,000.00			
<b>Competitors</b>		EV/4 Year Sum EBITDA: 0.87			
Average EV to EBITDA: 4.71		Implied Enterprise Value in 5 Years: \$5,868,359,481.95			
Company EV to EBITDA: 2.74		Net Cash at 5 years: \$2,418,526,832.06			
Average EV to EBIT: 6.33		Implied Equity Value: \$8,286,886,314.02			
Company EV to EBIT: 5.89		<b>Implied Equity Value/Share:</b> \$53.45			
		Return over 5 Years: 72.97%			
		<b>Annualized Return (Zero reinvestment rate):</b> 11.58%			



	12 months ending 2008-03-28	12 months ending 2009-04-03	12 months ending 2010-04-02	12 months ending 2011-04-01
<b>Revenue</b>	<b>16,500.00</b>	<b>16,432.00</b>	<b>15,921.00</b>	<b>16,042.00</b>
COGS	13,150.00	13,000.00	12,618.00	12,925.00
<b>Gross margin</b>	<b>3,350.00</b>	<b>3,432.00</b>	<b>3,303.00</b>	<b>3,117.00</b>
SG&A (includes depreciation)	975.00	1,071.00	981.00	965.00
R&D	0.00	0.00	0.00	0.00
Interest expense/(income)	0.00	0.00	0.00	0.00
Unusual expense	139.00	4.00	0.00	0.00
Other operating expense	0.00	-2.00	-10.00	-7.00
<b>Operating Income (EBIT)</b>	<b>932.00</b>	<b>950.00</b>	<b>1,022.00</b>	<b>968.00</b>
Interest income/(expense)	0.00	0.00	0.00	0.00
Gain (loss) on sale of asset	0.00	0.00	0.00	0.00
Other	0.00	0.00	0.00	0.00
<b>Income before tax</b>	<b>932.00</b>	<b>950.00</b>	<b>1,022.00</b>	<b>968.00</b>
Tax	373.00	-173.00	192.00	243.00
<b>Income after tax</b>	<b>559.00</b>	<b>1,123.00</b>	<b>830.00</b>	<b>725.00</b>
Minority Interest	-14.00	-8.00	-17.00	-19.00
Equity in affiliates	0.00	0.00	0.00	0.00
<b>Net income</b>	<b>545.00</b>	<b>1,115.00</b>	<b>813.00</b>	<b>706.00</b>
*Figures are in millions (\$)				
Revenue Growth	N/A	-0.41%	-3.11%	0.76%
Tax Rate	40.02%	-18.21%	18.79%	25.10%
<u>Margins</u>				
COGS	79.70%	79.11%	79.25%	80.57%
<b>Gross margin</b>	<b>20.30%</b>	<b>20.89%</b>	<b>20.75%</b>	<b>19.43%</b>
SG&A	5.91%	6.52%	6.16%	6.02%
R&D	0.00%	0.00%	0.00%	0.00%
Interest expense/(income)	0.00%	0.00%	0.00%	0.00%
Unusual expense	0.84%	0.02%	0.00%	0.00%
Other operating expense	0.00%	-0.01%	-0.06%	-0.04%
<b>Operating Income</b>	<b>5.65%</b>	<b>5.78%</b>	<b>6.42%</b>	<b>6.03%</b>
Interest income/(expense)	0.00%	0.00%	0.00%	0.00%
Gain (loss) on sale of asset	0.00%	0.00%	0.00%	0.00%
Other	0.00%	0.00%	0.00%	0.00%
<b>Income before tax</b>	<b>5.65%</b>	<b>5.78%</b>	<b>6.42%</b>	<b>6.03%</b>
Tax	2.26%	-1.05%	1.21%	1.51%
<b>Income after tax</b>	<b>3.39%</b>	<b>6.83%</b>	<b>5.21%</b>	<b>4.52%</b>
Minority Interest	-0.08%	-0.05%	-0.11%	-0.12%
Equity in affiliates	0.00%	0.00%	0.00%	0.00%
<b>Net income</b>	<b>3.30%</b>	<b>6.79%</b>	<b>5.11%</b>	<b>4.40%</b>

	As of 2008-03-28	As of 2009-04-03	As of 2010-04-02	As of 2011-04-01
Cash	698.90	2,297.30	2,784.00	1,837.00
Short term investment	0.00	0.00	0.00	0.00
<b>Cash and Short term</b>	<b>698.90</b>	<b>2,297.30</b>	<b>2,784.00</b>	<b>1,837.00</b>
Accounts Receivable	4,564.70	3,786.40	3,660.00	3,547.00
Other receivables	0.00	0.00	0.00	0.00
<b>Total Receivables</b>	<b>4,564.70</b>	<b>3,786.40</b>	<b>3,660.00</b>	<b>3,547.00</b>
Total Inventory	0.00	0.00	0.00	0.00
Prepaid Expenses	1,764.50	1,623.50	1,789.00	2,001.00
Other Current Assets	0.00	0.00	0.00	0.00
<b>Current Assets</b>	<b>7,028.10</b>	<b>7,707.20</b>	<b>8,422.00</b>	<b>7,557.00</b>
PP&E	6,260.00	5,770.20	5,972.00	6,349.00
Goodwill	3,975.20	3,783.60	3,866.00	4,038.00
Intangibles	1,692.40	1,361.70	1,316.00	1,380.00
Long term investments	0.00	0.00	0.00	0.00
Other long term assets	419.40	413.20	610.00	649.00
<b>Total Assets</b>	<b>15,879.70</b>	<b>15,618.70</b>	<b>16,455.00</b>	<b>16,120.00</b>
Accounts Payable	798.10	636.50	409.00	517.00
Accrued Expense	2,565.30	2,085.30	2,165.00	2,108.00
Other current Liabilities	1,493.40	1,232.50	1,473.00	1,383.00
Notes Payables/Short Term Debt	0.00	0.00	0.00	0.00
Current port. Of LT Debt/Capital Leases	838.40	61.90	75.00	170.00
Long term Debt	2,635.30	4,172.60	3,669.00	2,409.00
Capital Lease Obligations	0.00	0.00	0.00	0.00
<b>Total Debt</b>	<b>3,473.70</b>	<b>4,234.50</b>	<b>3,744.00</b>	<b>2,579.00</b>
Deferred Income tax	1,235.60	485.60	550.00	511.00
Minority Interest	0.00	108.00	62.00	56.00
Other liabilities	851.80	1,326.40	1,606.00	1,462.00
<b>Total Liabilities</b>	<b>10,417.90</b>	<b>10,108.80</b>	<b>10,009.00</b>	<b>8,616.00</b>
Redeemable Preferred Stock	0.00	0.00	0.00	0.00
Non-redeemable Preferred Stock	0.00	0.00	0.00	0.00
Common Stock	159.20	159.70	162.00	163.00
Additional Paid-in capital	1,770.90	1,836.30	2,006.00	2,120.00
Retained Earnings	3,801.90	4,892.40	5,709.00	6,296.00
Treasury Stock	-370.80	-374.60	-379.00	-385.00
Other Equity	100.60	-1,003.90	-1,052.00	-690.00
<b>Total Equity</b>	<b>5,461.80</b>	<b>5,509.90</b>	<b>6,446.00</b>	<b>7,504.00</b>
<b>Total Shares Outstanding</b>	<b>151.12</b>	<b>151.50</b>	<b>153.95</b>	<b>154.48</b>

	12 months ending 2008-03-28	12 months ending 2009-04-03	12 months ending 2010-04-02	12 months ending 2011-04-01
Net Income	559.00	1,123.00	834.00	759.00
Depreciation	1,286.00	1,270.00	1,156.00	1,140.00
Amortization	0.00	0.00	0.00	0.00
Deferred Taxes	-65.00	247.00	8.00	100.00
Non Cash Items	63.00	231.00	63.00	-9.00
Change in Working capital	-500.00	-885.00	-418.00	-426.00
<b>Cash from Operating Activities</b>	<b>1,343.00</b>	<b>1,986.00</b>	<b>1,643.00</b>	<b>1,564.00</b>
Capital Expenditures	-1,214.00	-1,027.00	-927.00	-965.00
Other Investing Cash flow Items	-1,505.00	-11.00	137.00	73.00
<b>Cash from Investing Activities</b>	<b>-2,719.00</b>	<b>-1,038.00</b>	<b>-790.00</b>	<b>-892.00</b>
Financing Cash flow items	23.00	0.00	-40.00	-21.00
Total Cash Dividends Paid	0.00	0.00	0.00	-77.00
Issuance (Retirement) of Stock	-927.00	9.00	97.00	8.00
Issuance (Retirement) of Debt	1,902.00	733.00	-544.00	-1,586.00
<b>Cash from Financing Activities</b>	<b>998.00</b>	<b>742.00</b>	<b>-487.00</b>	<b>-1,676.00</b>
Foreign Exchange effect	27.00	-92.00	121.00	57.00
Beginning Cash Balance	1,049.90	698.90	2,297.30	2,784.00
<b>Net Change in Cash</b>	<b>-351.00</b>	<b>1,598.00</b>	<b>487.00</b>	<b>-947.00</b>
Ending Cash Balance	698.90	2,297.30	2,784.30	1,837.00
Cash Interest Paid	176.00	258.00	270.00	173.00
Cash Taxes Paid	496.00	323.00	345.00	219.00

Pro Forma Income Statement

Name:

Computer Sciences Corp

Ticker:

CSC

	Historical				Forecasted				
	12 months ending 2008-03-28	12 months ending 2009-04-03	12 months ending 2010-04-02	12 months ending 2011-04-01	2011	2012	2013	2014	2015
Revenue	16,500.00	16,432.00	15,921.00	16,042.00	15,721.16	15,249.53	15,249.53	15,402.02	15,556.04
COGS	13,150.00	13,000.00	12,618.00	12,925.00	12,581.55	12,217.00	12,220.08	12,339.73	12,463.84
<b>Gross margin</b>	<b>3,350.00</b>	<b>3,432.00</b>	<b>3,303.00</b>	<b>3,117.00</b>	<b>3,139.61</b>	<b>3,032.53</b>	<b>3,029.45</b>	<b>3,062.29</b>	<b>3,092.20</b>
SG&A	975.00	1,071.00	981.00	965.00	960.49	928.17	928.14	937.79	947.02
R&D	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Depreciation	1,286.00	1,270.00	1,156.00	1,140.00	1,174.76	1,127.26	1,114.43	1,127.39	1,146.96
Interest expense/(income)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unusual expense	139.00	4.00	0.00	0.00	0.38	0.22	0.25	0.25	0.25
Other operating expense	0.00	-2.00	-10.00	-7.00	-7.27	-7.19	-7.09	-7.19	-7.26
<b>Operating Income</b>	<b>932.00</b>	<b>950.00</b>	<b>1,022.00</b>	<b>968.00</b>	<b>1011.24</b>	<b>984.06</b>	<b>993.73</b>	<b>1004.05</b>	<b>1005.23</b>
Interest income/(expense)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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
<b>Income before tax</b>	<b>932.00</b>	<b>950.00</b>	<b>1,022.00</b>	<b>968.00</b>	<b>1,011.24</b>	<b>984.06</b>	<b>993.73</b>	<b>1,004.05</b>	<b>1,005.23</b>
Tax	373.00	-173.00	192.00	243.00	166.10	194.32	193.00	193.79	196.32
<b>Income after tax</b>	<b>559.00</b>	<b>1,123.00</b>	<b>830.00</b>	<b>725.00</b>	<b>845.14</b>	<b>789.74</b>	<b>800.72</b>	<b>810.26</b>	<b>808.91</b>
Minority Interest	-14.00	-8.00	-17.00	-19.00	-16.97	-16.93	-16.90	-17.03	-17.22
Equity in affiliates	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net income</b>	<b>545.00</b>	<b>1,115.00</b>	<b>813.00</b>	<b>706.00</b>	<b>828.17</b>	<b>772.82</b>	<b>783.82</b>	<b>793.23</b>	<b>791.68</b>
*Figures are in millions (\$)									
Revenue Growth	N/A	-0.41%	-3.11%	0.76%	-2.00%	-3.00%	0.00%	1.00%	1.00%
Tax Rate	40.02%	-18.21%	18.79%	25.10%	16.43%	10.53%	17.71%	17.44%	15.53%
<u>Margins</u>									
COGS	79.70%	79.11%	79.25%	80.57%	80.03%	80.11%	80.13%	80.12%	80.12%
<b>Gross margin</b>	<b>20.30%</b>	<b>20.89%</b>	<b>20.75%</b>	<b>19.43%</b>	<b>19.97%</b>	<b>19.89%</b>	<b>19.87%</b>	<b>19.88%</b>	<b>19.88%</b>
SG&A	5.91%	6.52%	6.16%	6.02%	6.11%	6.09%	6.09%	6.09%	6.09%
R&D	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Interest expense/(income)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Unusual expense	0.84%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Other operating expense	0.00%	-0.01%	-0.06%	-0.04%	-0.05%	-0.05%	-0.05%	-0.05%	-0.05%
<b>Operating Income</b>	<b>5.65%</b>	<b>5.78%</b>	<b>6.42%</b>	<b>6.43%</b>	<b>6.43%</b>	<b>6.45%</b>	<b>6.52%</b>	<b>6.52%</b>	<b>6.46%</b>
Interest income/(expense)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
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%
<b>Income before tax</b>	<b>5.65%</b>	<b>5.78%</b>	<b>6.42%</b>	<b>6.03%</b>	<b>6.43%</b>	<b>6.45%</b>	<b>6.52%</b>	<b>6.52%</b>	<b>6.46%</b>
Tax	2.26%	-1.05%	1.21%	1.51%	1.17%	1.27%	1.27%	1.26%	1.26%
<b>Income after tax</b>	<b>3.39%</b>	<b>6.83%</b>	<b>5.21%</b>	<b>4.52%</b>	<b>5.38%</b>	<b>5.02%</b>	<b>5.09%</b>	<b>5.15%</b>	<b>5.15%</b>
Minority Interest	-0.08%	-0.05%	-0.11%	-0.12%	-0.11%	-0.11%	-0.11%	-0.11%	-0.11%
Equity in affiliates	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Net income</b>	<b>3.30%</b>	<b>6.79%</b>	<b>5.11%</b>	<b>4.40%</b>	<b>5.27%</b>	<b>5.07%</b>	<b>5.14%</b>	<b>5.15%</b>	<b>5.09%</b>

Time Period	1	2	3	4	5
FCFF	719.91	649.69	644.93	666.52	687.07
<b>Net Asset = Terminal Value</b>			<b>EBITDA Multiple = Terminal Value</b>		
Sum of Present Value of Cash flow	3,368.12		Sum of Present Value of Cash flow		3,368.12
Year 5 Net Tangible Assets	4,195.53		Implied TV from EV/EBITDA		2,754.23
Cash Burn Over Period	0		Cash Burn Over Period		0
Enterprise Value	7,563.65		Enterprise Value		6,122.35
Price/Share	<b>\$48.78</b>		Price/Share		<b>\$39.49</b>

	As of 2008-03-28	As of 2009-04-03	As of 2010-04-02	As of 2011-04-01	2011	2012	2013	2014	2015
Cash	698.90	2,297.30	2,784.00	1,837.00	2,539.93	3,140.01	3,738.27	4,358.88	4,997.53
Short term investment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Cash and Short term</b>	<b>698.90</b>	<b>2,297.30</b>	<b>2,784.00</b>	<b>1,837.00</b>	<b>2,539.93</b>	<b>3,140.01</b>	<b>3,738.27</b>	<b>4,358.88</b>	<b>4,997.53</b>
Accounts Receivable	4,564.70	3,786.40	3,660.00	3,547.00	3,447.00	3,347.00	3,247.00	3,147.00	3,047.00
Other receivables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Receivables</b>	<b>4,564.70</b>	<b>3,786.40</b>	<b>3,660.00</b>	<b>3,547.00</b>	<b>3,447.00</b>	<b>3,347.00</b>	<b>3,247.00</b>	<b>3,147.00</b>	<b>3,047.00</b>
Deferred Income Tax	0.00	0.00	189.00	172.00	172.00	172.00	172.00	172.00	172.00
Total Inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prepaid Expenses	1,764.50	1,623.50	1,789.00	2,001.00	2,201.00	2,401.00	2,601.00	2,801.00	3,001.00
Other Current Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Current Assets</b>	<b>7,028.10</b>	<b>7,707.20</b>	<b>8,422.00</b>	<b>7,557.00</b>	<b>8,359.93</b>	<b>9,060.01</b>	<b>9,758.27</b>	<b>10,478.88</b>	<b>11,217.53</b>
PP&E, Gross	6,260.00	5,770.20	5,972.00	6,349.00	7,349.00	8,349.00	9,349.00	10,349.00	11,349.00
Change in Depreciation	1,286.00	1,270.00	1,156.00	1,140.00	1,174.76	1,127.26	1,114.43	1,127.39	1,146.96
Accumulated Depreciation	3,495.40	3,417.20	4,573.20	5,713.20	6,887.96	8,015.23	9,129.65	10,257.04	11,404.00
PP&E, Net	2,764.60	2,353.00	1,398.80	635.80	461.04	333.77	219.35	91.96	-55.00
Goodwill	3,975.20	3,783.60	3,866.00	4,038.00	4,038.00	4,038.00	4,038.00	4,038.00	4,038.00
Intangibles	1,692.40	1,361.70	1,316.00	1,380.00	1,380.00	1,380.00	1,380.00	1,380.00	1,380.00
Long term investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other long term assets	419.40	413.20	610.00	649.00	649.00	649.00	649.00	649.00	649.00
<b>Long Term Assets</b>	<b>12,347.00</b>	<b>11,328.70</b>	<b>11,764.00</b>	<b>12,416.00</b>	<b>6,528.04</b>	<b>6,400.77</b>	<b>6,286.35</b>	<b>6,158.96</b>	<b>6,012.00</b>
<b>Total Assets</b>	<b>15,879.70</b>	<b>15,618.70</b>	<b>16,455.00</b>	<b>16,120.00</b>	<b>14,887.97</b>	<b>15,460.79</b>	<b>16,044.61</b>	<b>16,637.84</b>	<b>17,229.53</b>
Accounts Payable	798.10	636.50	409.00	517.00	317.00	117.00	-83.00	-283.00	-483.00
Accrued Expense	2,565.30	2,085.30	2,165.00	2,108.00	2,108.00	2,108.00	2,108.00	2,108.00	2,108.00
Other current Liabilities	1,493.40	1,232.50	1,473.00	1,383.00	1,383.00	1,383.00	1,383.00	1,383.00	1,383.00
<b>Total Current Liabilities</b>	<b>4,856.80</b>	<b>3,954.30</b>	<b>4,047.00</b>	<b>4,008.00</b>	<b>3,808.00</b>	<b>3,608.00</b>	<b>3,408.00</b>	<b>3,208.00</b>	<b>3,008.00</b>
Notes Payables/Short Term Debt	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	838.40	61.90	75.00	170.00	170.00	170.00	170.00	170.00	170.00
Long term Debt	2,635.30	4,172.60	3,669.00	2,409.00	2,409.00	2,409.00	2,409.00	2,409.00	2,409.00
Capital Lease Obligations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Interest Earning Debt</b>	<b>3,473.70</b>	<b>4,234.50</b>	<b>3,744.00</b>	<b>2,579.00</b>	<b>2,579.00</b>	<b>2,579.00</b>	<b>2,579.00</b>	<b>2,579.00</b>	<b>2,579.00</b>
Deferred Income tax	1,235.60	485.60	550.00	511.00	511.00	511.00	511.00	511.00	511.00
Minority Interest	0.00	108.00	62.00	56.00	56.00	56.00	56.00	56.00	56.00
Other liabilities	851.80	1,326.40	1,606.00	1,462.00	1,462.00	1,462.00	1,462.00	1,462.00	1,462.00
<b>Total Liabilities</b>	<b>10,417.90</b>	<b>10,108.80</b>	<b>10,009.00</b>	<b>8,616.00</b>	<b>8,416.00</b>	<b>8,216.00</b>	<b>8,016.00</b>	<b>7,816.00</b>	<b>7,616.00</b>
Redeemable Preferred Stock	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
Common Stock	159.20	159.70	162.00	163.00	163.00	163.00	163.00	163.00	163.00
Additional Paid-in capital	1,770.90	1,836.30	2,006.00	2,120.00	2,120.00	2,120.00	2,120.00	2,120.00	2,120.00
Dividends Paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Retained Earnings	3,801.90	4,892.40	5,709.00	6,296.00	7,124.17	7,896.99	8,680.81	9,474.04	10,265.73
Treasury Stock	-370.80	-374.60	-379.00	-385.00	-385.00	-385.00	-385.00	-385.00	-385.00
Other Equity	100.60	-1,003.90	-1,052.00	-690.00	-690.00	-690.00	-690.00	-690.00	-690.00
<b>Total Equity</b>	<b>5,461.80</b>	<b>5,509.90</b>	<b>6,446.00</b>	<b>7,504.00</b>	<b>8,332.17</b>	<b>9,104.99</b>	<b>9,888.81</b>	<b>10,682.04</b>	<b>11,473.73</b>
<b>Liability + Equity</b>	<b>15,879.70</b>	<b>15,618.70</b>	<b>16,455.00</b>	<b>16,120.00</b>	<b>16,748.17</b>	<b>17,320.99</b>	<b>17,904.81</b>	<b>18,498.04</b>	<b>19,089.73</b>
<b>Variance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,860</b>	<b>-1,860</b>	<b>-1,860</b>	<b>-1,860</b>	<b>-1,860</b>
<b>Total Shares Outstanding</b>	<b>151.12</b>	<b>151.50</b>	<b>153.95</b>	<b>154.48</b>					



	12 months ending 2008-03-28	12 months ending 2009-04-03	12 months ending 2010-04-02	12 months ending 2011-04-01	2011	2012	2013	2014	2015
Net Income	559.00	1,123.00	834.00	759.00	828.17	772.82	783.82	793.23	791.68
Depreciation	1,286.00	1,270.00	1,156.00	1,140.00	1,174.76	1,127.26	1,114.43	1,127.39	1,146.96
Amortization	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Taxes	-65.00	247.00	8.00	100.00	0.00	0.00	0.00	0.00	0.00
Non Cash Items	63.00	231.00	63.00	-9.00	0.00	0.00	0.00	0.00	0.00
Change in Working capital	-500.00	-885.00	-418.00	-426.00	-300.00	-300.00	-300.00	-300.00	-300.00
Accounts Receivable		778.30	126.40	113.00	100.00	100.00	100.00	100.00	100.00
Other Receivables		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inventory		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Prepaid Expenses		141.00	-165.50	-212.00	-200.00	-200.00	-200.00	-200.00	-200.00
Accounts Payable		-161.60	-227.50	108.00	-200.00	-200.00	-200.00	-200.00	-200.00
<b>Cash from Operating Activities</b>	<b>1,343.00</b>	<b>1,986.00</b>	<b>1,643.00</b>	<b>1,564.00</b>	<b>1,702.93</b>	<b>1,600.08</b>	<b>1,598.25</b>	<b>1,620.62</b>	<b>1,638.64</b>
Capital Expenditures	-1,214.00	-1,027.00	-927.00	-965.00	-1,000.00	-1,000.00	-1,000.00	-1,000.00	-1,000.00
Long term investment					0.00	0.00	0.00	0.00	0.00
Intangibles	-1,505.00	-11.00	137.00	73.00	0.00	0.00	0.00	0.00	0.00
<b>Cash from Investing Activities</b>	<b>-2,719.00</b>	<b>-1,038.00</b>	<b>-790.00</b>	<b>-892.00</b>	<b>-1,000.00</b>	<b>-1,000.00</b>	<b>-1,000.00</b>	<b>-1,000.00</b>	<b>-1,000.00</b>
Financing Cash flow items	23.00	0.00	-40.00	-21.00	0.00	0.00	0.00	0.00	0.00
Total Cash Dividends Paid	0.00	0.00	0.00	-77.00	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Stock	-927.00	9.00	97.00	8.00	0.00	0.00	0.00	0.00	0.00
Issuance (Retirement) of Debt	1,902.00	733.00	-544.00	-1,586.00	0.00	0.00	0.00	0.00	0.00
<b>Cash from Financing Activities</b>	<b>998.00</b>	<b>742.00</b>	<b>-487.00</b>	<b>-1,676.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Foreign Exchange effect	27.00	-92.00	121.00	57.00					
Beginning Cash Balance	1,049.90	698.90	2,297.30	2,784.00	1,837.00	2,539.93	3,140.01	3,738.27	4,358.88
<b>Net Change in Cash</b>	<b>-351.00</b>	<b>1,598.00</b>	<b>487.00</b>	<b>-947.00</b>	<b>702.93</b>	<b>600.08</b>	<b>598.25</b>	<b>620.62</b>	<b>638.64</b>
Ending Cash Balance	698.90	2,297.30	2,784.30	1,837.00	2,539.93	3,140.01	3,738.27	4,358.88	4,997.53
Cash Interest Paid	176.00	258.00	270.00	173.00					
Cash Taxes Paid	496.00	323.00	345.00	219.00					
Depreciation to Sales	7.79%	7.73%	7.26%	7.11%	7.47%	7.39%	7.31%	7.32%	7.37%
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	27.66%	23.04%	22.99%	22.11%	21.93%	21.95%	21.29%	20.43%	19.59%

**SN VALUATION**

**FCFE, FCFD, FCFE Analysis**

Name:

Computer Sciences Corp

Ticker:

CSC

	12 months ending 2008-03-28	12 months ending 2009-04-03	12 months ending 2010-04-02	12 months ending 2011-04-01	2011	2012	2013	2014	2015
Current assets	7,028.10	7,707.20	8,422.00	7,557.00	8,359.93	9,060.01	9,758.27	10,478.88	11,217.53
Excess cash + cash	698.90	2,297.30	2,784.00	1,837.00	2,539.93	3,140.01	3,738.27	4,358.88	4,997.53
<b>Current assets minus cash</b>	<b>6,329.20</b>	<b>5,409.90</b>	<b>5,638.00</b>	<b>5,720.00</b>	<b>5,820.00</b>	<b>5,920.00</b>	<b>6,020.00</b>	<b>6,120.00</b>	<b>6,220.00</b>
Current Liabilities	4,856.80	3,954.30	4,047.00	4,008.00	3,808.00	3,608.00	3,408.00	3,208.00	3,008.00
<b>Net Working Capital</b>	<b>1,472.40</b>	<b>1,455.60</b>	<b>1,591.00</b>	<b>1,712.00</b>	<b>2,012.00</b>	<b>2,312.00</b>	<b>2,612.00</b>	<b>2,912.00</b>	<b>3,212.00</b>
<b>Change in Working Capital (WCCF)</b>		<b>-16.80</b>	<b>135.40</b>	<b>121.00</b>	<b>300.00</b>	<b>300.00</b>	<b>300.00</b>	<b>300.00</b>	<b>300.00</b>
Net Fixed Assets	2,764.60	2,353.00	1,398.80	635.80	461.04	333.77	219.35	91.96	-55.00
Change in net fixed assets		-411.60	-954.20	-763.00	-174.76	-127.26	-114.43	-127.39	-146.96
Depreciation	1,286.00	1,270.00	1,156.00	1,140.00	1,174.76	1,127.26	1,114.43	1,127.39	1,146.96
Other assets	419.40	413.20	610.00	649.00	649.00	649.00	649.00	649.00	649.00
Change in other assets		-6.20	196.80	39.00	0.00	0.00	0.00	0.00	0.00
<b>Net Investment Flow (NIF)</b>		<b>852.20</b>	<b>398.60</b>	<b>416.00</b>	<b>1,000.00</b>	<b>1,000.00</b>	<b>1,000.00</b>	<b>1,000.00</b>	<b>1,000.00</b>
Net Income	545.00	1,115.00	813.00	706.00	828.17	772.82	783.82	793.23	791.68
Depreciation	1,286.00	1,270.00	1,156.00	1,140.00	1,174.76	1,127.26	1,114.43	1,127.39	1,146.96
<b>CFFO</b>	<b>1,831.00</b>	<b>2,385.00</b>	<b>1,969.00</b>	<b>1,846.00</b>	<b>2,002.93</b>	<b>1,900.08</b>	<b>1,898.25</b>	<b>1,920.62</b>	<b>1,938.64</b>
(-) NIF		-852.20	-398.60	-416.00	-1,000.00	-1,000.00	-1,000.00	-1,000.00	-1,000.00
(-) WCCF		16.80	-135.40	-121.00	-300.00	-300.00	-300.00	-300.00	-300.00
Principal increase (repayment) in debt		760.80	-490.50	-1,165.00	0.00	0.00	0.00	0.00	0.00
Change in excess cash									
<b>Free cash flow to equity (FCFE)</b>		<b>2,310.40</b>	<b>944.50</b>	<b>144.00</b>	<b>702.93</b>	<b>600.08</b>	<b>598.25</b>	<b>620.62</b>	<b>638.64</b>
Interest on Interest bearing debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Free cash flow to debt (FCFD)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
EBIT	932.00	950.00	1,022.00	968.00	1,011.24	984.06	993.73	1,004.05	1,005.23
Tax	153.08	156.04	167.87	159.00	166.10	161.63	163.22	164.92	165.11
<b>EBIT minus Tax</b>	<b>778.92</b>	<b>793.96</b>	<b>854.13</b>	<b>809.00</b>	<b>845.14</b>	<b>822.43</b>	<b>830.51</b>	<b>839.13</b>	<b>840.12</b>
Depreciation	1,286.00	1,270.00	1,156.00	1,140.00	1,174.76	1,127.26	1,114.43	1,127.39	1,146.96
<b>Net Operating Flow (NOF)</b>	<b>2,064.92</b>	<b>2,063.96</b>	<b>2,010.13</b>	<b>1,949.00</b>	<b>2,019.91</b>	<b>1,949.69</b>	<b>1,944.93</b>	<b>1,966.52</b>	<b>1,987.07</b>
(-) Net Investment Flow	0.00	-852.20	-398.60	-416.00	-1,000.00	-1,000.00	-1,000.00	-1,000.00	-1,000.00
(-) WCCF	0.00	16.80	-135.40	-121.00	-300.00	-300.00	-300.00	-300.00	-300.00
<b>Free Cash Flow to the Firm (FCFF)</b>		<b>1,228.56</b>	<b>1,476.13</b>	<b>1,412.00</b>	<b>719.91</b>	<b>649.69</b>	<b>644.93</b>	<b>666.52</b>	<b>687.07</b>
FCFE + FCFD	0.00	2,310.40	944.50	144.00	702.93	600.08	598.25	620.62	638.64
FCFF	0.00	1,228.56	1,476.13	1,412.00	719.91	649.69	644.93	666.52	687.07
<b>Variance</b>	<b>0.00</b>	<b>1,081.84</b>	<b>-531.63</b>	<b>-1,268.00</b>	<b>-16.97</b>	<b>-49.61</b>	<b>-46.68</b>	<b>-45.90</b>	<b>-48.43</b>