

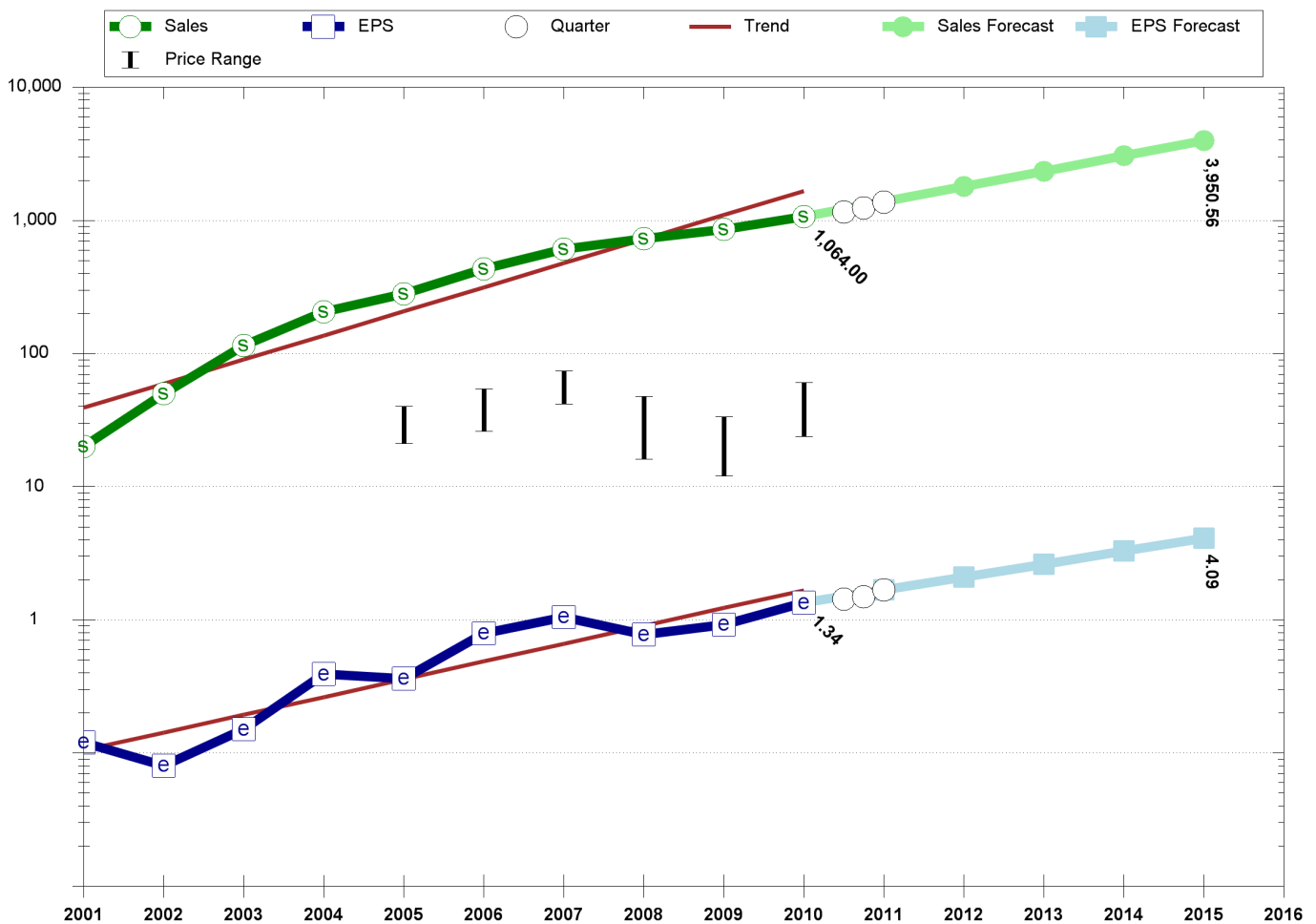
Company <u>Under Armour, Inc.</u>		Date <u>11/21/2011</u>	
Prepared by <u>Taylor IV</u>		Data taken from <u>BI Stock Data</u>	
Where traded <u>NYSE</u>		Industry <u>Apparel Manufacturing</u>	
Capitalization --- Outstanding Amounts		Reference	
Preferred (\$M)	0.0	% Insiders	% Institution
Common (M Shares)	51.6	35.2	63.3
Debt (\$M)	109.5	% to Tot Cap	15.6
		% Pot Dil	1.9

Stock Selection Guide

Symbol: UA

1 VISUAL ANALYSIS of Sales, Earnings, and Price

FY2010 Quarter Ending (09/11)	Sales (\$M)	Earnings Per Share
Latest Quarter	465.5	0.88
Year Ago Quarter	328.6	0.68
Percentage Change	41.68%	29.41%



(1) Historical Sales Growth	51.6%	(3) Historical Earnings Per Share Growth	36.0%
(2) Estimated Future Sales Growth	30.00%	(4) Estimated Future Earnings Per Share Growth	25.00%

2 EVALUATING Management

Under Armour, Inc.

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Last 5 Year Avg.
Pre-tax Profit on Sales (Net Before Taxes/Sales)	15.43%	6.90%	6.71%	11.74%	11.73%	13.72%	14.68%	9.64%	9.62%	10.24%	11.58%
% Earned on Equity (E/S / Book Value)					11.21%	17.55%	18.25%	11.46%	11.56%	13.79%	14.52%

3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is building block for translating earnings into future stock prices.

PRESENT PRICE 75.7

HIGH THIS YEAR 87.40

LOW THIS YEAR 51.77

	A	B	C	D	E	F	G	H
Year	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100
1 2006	54.00	25.85	0.79	68.35	32.72	0.000	0.00	0.00
2 2007	73.40	41.37	1.05	69.90	39.40	0.000	0.00	0.00
3 2008	47.16	16.05	0.77	61.25	20.84	0.000	0.00	0.00
4 2009	33.31	11.94	0.92	36.21	12.98	0.000	0.00	0.00
5 2010	60.14	23.72	1.34	44.88	17.70	0.000	0.00	0.00
6 TOTAL		118.9		280.6	123.6		0.0	
7 AVERAGE		23.8		56.1	24.7		0.0	
8 AVERAGE PRICE EARNINGS RATIO 40.4					9 CURRENT PRICE EARNINGS RATIO 45.1			

4 EVALUATING RISK and REWARD over the next 5 years

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE - NEXT 5 YEARS

Avg. High P/E 30.00 X Estimate High Earnings/Share 4.09 = Forecasted High Price \$ 122.70

B LOW PRICE - NEXT 5 YEARS

(a) Avg. Low P/E 24.73 X Estimate Low Earnings/Share 1.34 = Forecasted Low Price \$ 33.14

(b) Avg. Low Price of Last 5 Years 23.79

(c) Recent Market Low Price 11.94

(d) Price Dividend Will Support $\frac{\text{Present Dividend}}{\text{High Yield}} = \frac{0.000}{0.00\%} = 0.00$

Selected Forecasted Low Price 11.94

C ZONING using 25%-50%-25%

Forecasted High Price 122.70 Minus Forecasted Low Price 11.94 = 110.76 Range. 25% of Range 27.69

Buy Zone 11.94 to 39.63

Hold Zone 39.63 to 95.01

Sell Zone 95.01 to 122.70

Present Market Price of 75.69 is in the **Hold** Zone

D UPSIDE DOWNSIDE RATIO (POTENTIAL GAIN VS. RISK OR LOSS)

$\frac{\text{High Price} - \text{Present Price}}{\text{Present Price} - \text{Low Price}} = \frac{122.70 - 75.69}{75.69 - 11.94} = \frac{47.01}{63.75} = 0.74$ To 1

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

$\frac{\text{High Price}}{\text{Present Market Price}} = \frac{122.70}{75.69} = 1.62$ X 100 = 162.11 - 100 = 62.11 % Appreciation

5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

A $\frac{\text{Present Full Year's Dividend \$}}{\text{Present Price of Stock}} = \frac{0.000}{75.69} = 0.00 = 0.00\%$ Present Yield

B AVERAGE YIELD - USING FORECAST HIGH P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast High PE}} = \frac{0.00\%}{30.00} = 0.00\%$

C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation 10.14 %

Average Yield 0.00 %

Annualized Rate of Return 10.14 %