



Stock Selection Guide [®]

The most widely used aid to good investment judgment

Company GARMIN LTD. Date 08/04/08

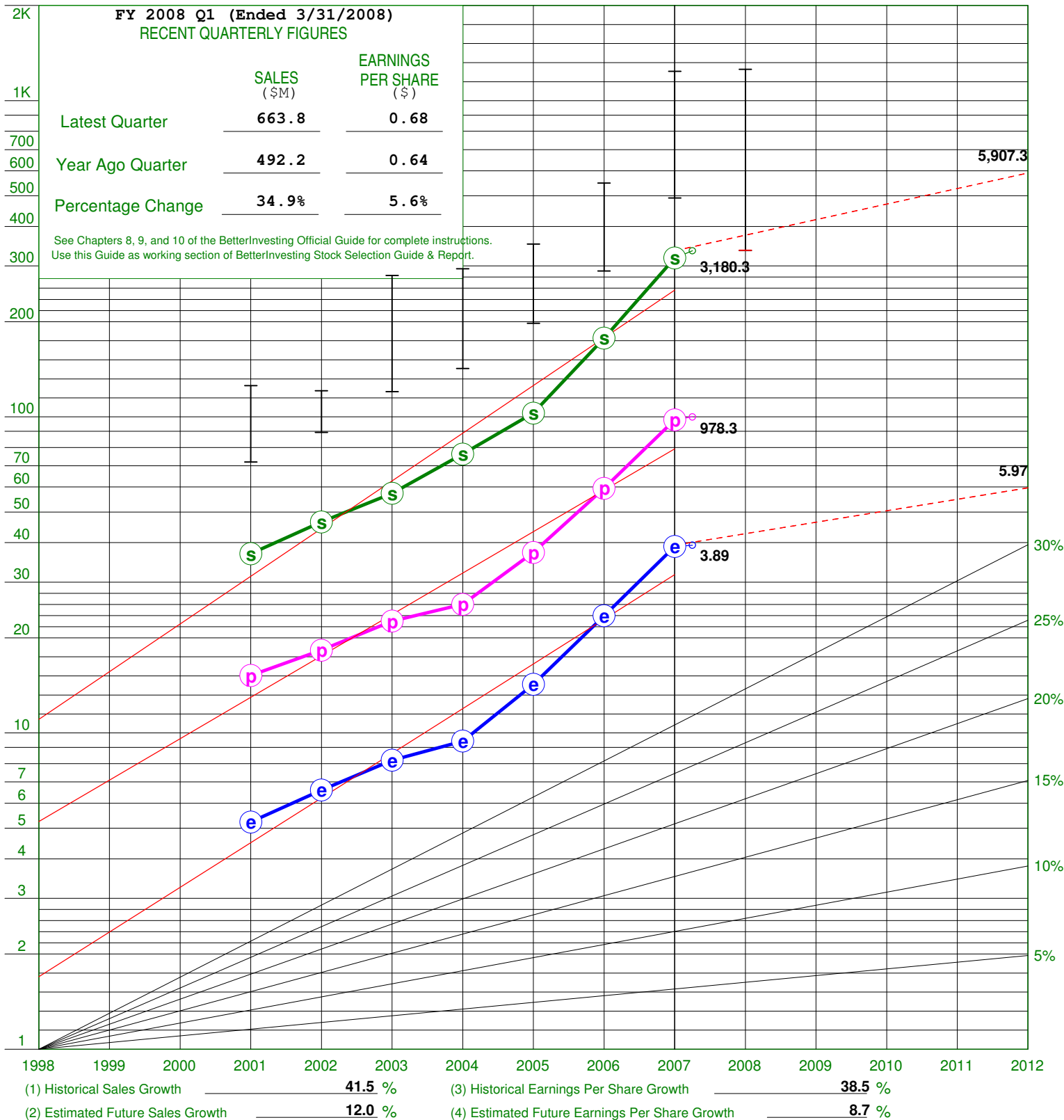
Prepared by MG Data taken from StkCntrl

Where traded NASDAQ Major product/service Scientific

CAPITALIZATION --- Outstanding Amounts		Reference	
Preferred (\$M)	0.0	% Insiders	% Institution
Common (M Shares)	219.0	47.0	12.8
Debt (\$M)	0.0	% to Tot.Cap.	0.0
		% Potential Dil.	None

1 VISUAL ANALYSIS of Sales, Earnings and Price

GRMN



2 EVALUATING MANAGEMENT

Company **GARMIN LTD.**

(GRMN)

08/04/08

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	LAST 5 YEAR AVG.	TREND	
												UP	DOWN
A % Pre-tax Profit on Sales (Net Before Taxes ÷ Sales)				41.2	39.3	39.4	33.5	36.3	33.5	30.8	34.7		DOWN
B % Earned on Equity (E/S ÷ Book Value)				24.8	23.7	23.6	21.8	26.7	32.6	35.9	28.1	UP	

3 PRICE-EARNINGS HISTORY as an indicator of the future

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

PRESENT PRICE **33.670** HIGH THIS YEAR **125.680** LOW THIS YEAR **33.560**

Year	PRICE		C Earnings Per Share	E Price Earnings Ratio		F Dividend Per Share	G % Payout F ÷ C X 100	H % High Yield F ÷ B X 100
	A HIGH	B LOW		D HIGH A ÷ C	E LOW B ÷ C			
1 2003	28.0	12.0	0.82	34.1	14.6	0.250	30.5	2.1
2 2004	29.4	14.2	0.94	31.2	15.1	0.250	26.5	1.8
3 2005	35.2	19.8	1.43	24.7	13.9	0.250	17.5	1.3
4 2006	54.9	29.0	2.35	23.4	12.3	0.500	21.3	1.7
5 2007	123.8	49.2	3.89	31.8	12.7	0.750	19.3	1.5
6 TOTAL		124.2		111.1	54.0		115.1	
7 AVERAGE		24.8		27.8	13.5		23.0	
8 AVERAGE PRICE EARNINGS RATIO			20.6	9 CURRENT PRICE EARNINGS RATIO				8.6

4 Proj. P/E [7.88] Based on Next 4 qtr. EPS [4.27] Current P/E Based on Last 4 qtr. EPS [3.93] PEG=90

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 ~~27.8~~ **18.0** X Estimate High Earnings/Share **5.97** = Forecast High Price \$ **107.5**
(3D7 as adj.) (4A1)

B LOW PRICE -- NEXT 5 YEARS

(a) Avg. Low P/E ~~13.5~~ **12.0** X Estimated Low Earnings/Share ~~3.89~~ **3.93** = \$ **47.2**
(3E7 as adj.)
(b) Avg. Low Price of Last 5 Years = **24.8**
(3B7)
(c) Recent Severe Market Low Price = **29.0**
(d) Price Dividend Will Support $\frac{\text{Present Divd.}}{\text{High Yield (H)}} = \frac{0.750}{0.021} = 36.0$
Selected Estimate Low Price = \$ **24.8**
(4B1)

C ZONING

107.5 High Forecast Price Minus **24.8** Low Forecast Price Equals **82.7** Range. 1/3 of Range = **20.7**
(4A1) (4B1) (C) (4CD)
(4C2) Lower 1/3 = **24.8** to **45.5** (Buy) Note: Ranges changed to 25%/50%/25%
(4C3) Middle 1/3 = **45.5** to **86.8** (Maybe)
(4C4) Upper 1/3 = **86.8** to **107.5** (4A1) (Sell)

Present Market Price of **33.670** is in the **Buy** Range
(4C5)

D UP-SIDE DOWN-SIDE RATIO (Potential Gain vs. Risk of Loss)

High Price (4A1) **107.5** Minus Present Price **33.670**
Present Price **33.670** Minus Low Price (4B1) **24.8** = $\frac{73.8}{8.9} = 8.3$ To 1
(4D)

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

High Price (4A1) **107.5**
Present Market Price **33.670** = $(\frac{3.193}{33.670}) \times 100 = (319.3) - 100 = 219.3$ % Appreciation
(4E)

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.

Relative Value: 41.7% Proj. Relative Value: 38.3%

Note: Results are expressed as a simple rate; use the table below to convert to a compound rate.

A Present Full Year's Dividend \$ **0.750**
Present Price of Stock \$ **33.670** = $\frac{0.750}{33.670} \times 100 = 2.2$ Present Yield or % Returned on Purchase Price
(5A)

B AVERAGE YIELD OVER NEXT 5 YEARS

Avg. Earnings Per Share Next 5 Years **5.05** X Avg. % Payout (3G7) **23.0** = **116.2** = **3.4** %
Present Price \$ **33.670** (5B)

C ESTIMATED AVERAGE ANNUAL RETURN OVER NEXT FIVE YEARS

5 Year Appreciation Potential (4E) 219.3		P.A.R.	Tot. Ret.
$\frac{219.3}{5} = 43.9$ %		Average Yield	1.3%
Average Yield (5B) 2.2 %		Annual Appreciation	21.6%
Average Total Annual Return Over the Next 5 Years (5C) 47.3 %		% Compd Ann Rate of Ret	23.1%
			27.4%

PERT Worksheet-A

Company GARMIN LTD. (GRMN)

QUARTERLY DATA									LAST 12 MONTHS DATA								
PERIOD	EPS		PRE-TAX PROFIT			SALES		INCOME TAX RATE	EPS \$	PRE-TAX PROFIT		SALES MIL	INCOME TAX		% CHANGE		
	\$	% CHANGE	\$ MIL	% SALES	% CHANGE	\$ MIL	% CHANGE			\$ MIL	% SALES		\$ MIL	% RATE	EPS	PRE-TAX PROFIT	SALES
03/00	0.11	40.0	26.96	35.2	35.4	76.58	50.3	22.1	0.35	91.18	35.3	258.2	21.4	23.5			
06/00	0.15	123.1	38.17	40.6	117.4	93.96	69.5	24.0	0.43	111.79	37.7	296.7	25.7	23.0			
09/00	0.14	86.7	37.03	41.4	88.4	89.54	54.0	24.4	0.50	129.17	39.4	328.1	30.0	23.2			
12/00	0.14	28.6	38.75	45.2	43.5	85.66	25.9	29.0	0.53	140.92	40.8	345.7	35.1	24.9	64.1	67.5	48.7
03/01	0.11	4.8	31.90	37.3	18.3	85.53	11.7	25.1	0.53	145.86	41.1	354.7	37.4	25.6	51.4	60.0	37.4
06/01	0.17	17.2	49.07	47.3	28.5	103.63	10.3	24.7	0.56	156.75	43.0	364.4	40.4	25.8	29.1	40.2	22.8
09/01	0.12	-17.9	33.50	38.5	-9.5	86.93	-2.9	25.4	0.53	153.22	42.4	361.8	39.9	26.1	7.1	18.6	10.2
12/01	0.13	-3.7	37.57	40.4	-3.1	93.02	8.6	25.3	0.53	152.04	41.2	369.1	38.2	25.1	0.0	7.9	6.8
03/02	0.13	13.6	35.87	35.6	12.4	100.86	17.9	24.6	0.54	156.01	40.6	384.4	39.0	25.0	1.9	7.0	8.4
06/02	0.15	-11.8	41.59	33.9	-15.2	122.84	18.5	21.9	0.52	148.53	36.8	403.6	36.1	24.3	-6.3	-5.2	10.8
09/02	0.18	56.5	50.76	47.1	51.5	107.76	24.0	23.3	0.59	165.79	39.1	424.5	39.5	23.8	10.4	8.2	17.3
12/02	0.21	61.5	54.51	40.8	45.1	133.69	43.7	16.6	0.67	182.73	39.3	465.1	39.5	21.6	26.7	20.2	26.0
03/03	0.19	52.8	53.10	42.9	48.0	123.79	22.7	21.2	0.73	199.96	41.0	488.1	41.5	20.8	35.4	28.2	27.0
06/03	0.22	44.7	59.06	41.2	42.0	143.50	16.8	20.6	0.80	217.43	42.7	508.7	44.4	20.4	53.5	46.4	26.0
09/03	0.16	-10.0	44.69	33.0	-12.0	135.56	25.8	19.8	0.78	211.36	39.4	536.5	41.3	19.5	33.3	27.5	26.4
12/03	0.25	19.5	69.10	40.6	26.8	170.14	27.3	20.9	0.82	225.94	39.4	573.0	46.6	20.6	23.5	23.6	23.2
03/04	0.16	-16.8	43.87	27.7	-17.4	158.33	27.9	20.7	0.79	216.72	35.7	607.5	44.4	20.5	7.9	8.4	24.5
06/04	0.26	19.4	69.85	36.8	18.3	189.66	32.2	20.5	0.83	227.50	34.8	653.7	46.6	20.5	4.1	4.6	28.5
09/04	0.31	90.1	83.91	43.3	87.7	193.62	42.8	20.3	0.98	266.72	37.5	711.7	54.9	20.6	25.3	26.2	32.7
12/04	0.22	-13.1	57.59	26.1	-16.7	220.95	29.9	19.4	0.94	255.21	33.5	762.5	51.6	20.2	15.0	13.0	33.1
03/05	0.22	36.5	58.81	30.5	34.1	192.65	21.7	19.1	1.00	270.15	33.9	796.9	53.6	19.8	27.0	24.7	31.2
06/05	0.34	31.3	92.05	34.8	31.8	264.50	39.5	19.2	1.08	292.36	33.5	871.7	57.0	19.5	30.3	28.5	33.4
09/05	0.47	52.6	126.13	50.2	50.3	251.33	29.8	18.8	1.25	334.58	36.0	929.4	64.0	19.1	27.4	25.4	30.6
12/05	0.40	83.0	95.61	29.9	66.0	319.30	44.5	16.5	1.43	372.60	36.3	1,027.8	68.6	18.4	51.1	46.0	34.8
03/06	0.40	84.8	103.57	32.1	76.1	322.31	67.3	15.8	1.61	417.36	36.1	1,157.4	73.4	17.6	60.7	54.5	45.2
06/06	0.56	65.3	145.90	33.7	58.5	432.47	63.5	15.0	1.83	471.21	35.6	1,325.4	77.9	16.5	69.2	61.2	52.0
09/06	0.56	19.6	145.54	35.7	15.4	408.00	62.3	14.2	1.92	490.62	33.1	1,482.1	75.4	15.4	54.5	46.6	59.5
12/06	0.82	106.5	199.55	32.6	108.7	611.22	91.4	13.5	2.35	594.56	33.5	1,774.0	87.0	14.6	64.7	59.6	72.6
03/07	0.64	59.4	160.91	32.7	55.4	492.16	52.7	13.1	2.59	651.89	33.5	1,943.8	90.9	14.0	60.7	56.2	67.9
06/07	0.98	74.2	246.64	33.2	69.0	742.47	71.7	12.6	3.00	752.63	33.4	2,253.8	100.5	13.4	64.0	59.7	70.0
09/07	0.88	56.0	222.63	30.6	53.0	728.67	78.6	12.2	3.32	829.72	32.2	2,574.5	106.6	12.9	72.5	69.1	73.7
12/07	1.40	69.5	348.10	28.6	74.4	1,217.02	99.1	12.6	3.89	978.27	30.8	3,180.3	123.5	12.6	65.7	64.5	79.3
03/08	0.68	5.6	182.44	27.5	13.4	663.81	34.9	13.7	3.93	999.81	29.8	3,352.0	127.7	12.8	51.8	53.4	72.4
06/08								25.4						16.0			
09/08								25.4						19.3			
12/08								25.4						22.5			

A B C D E F G H I J K L M N O P Q R S T

PERT Worksheet-A Graph

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