



Stock Selection Guide[®]

The most widely used aid to good investment judgment

Company PATTERSON DENTAL COMPANY Date 11/15/04

Prepared by MG Data taken from NAIC Data

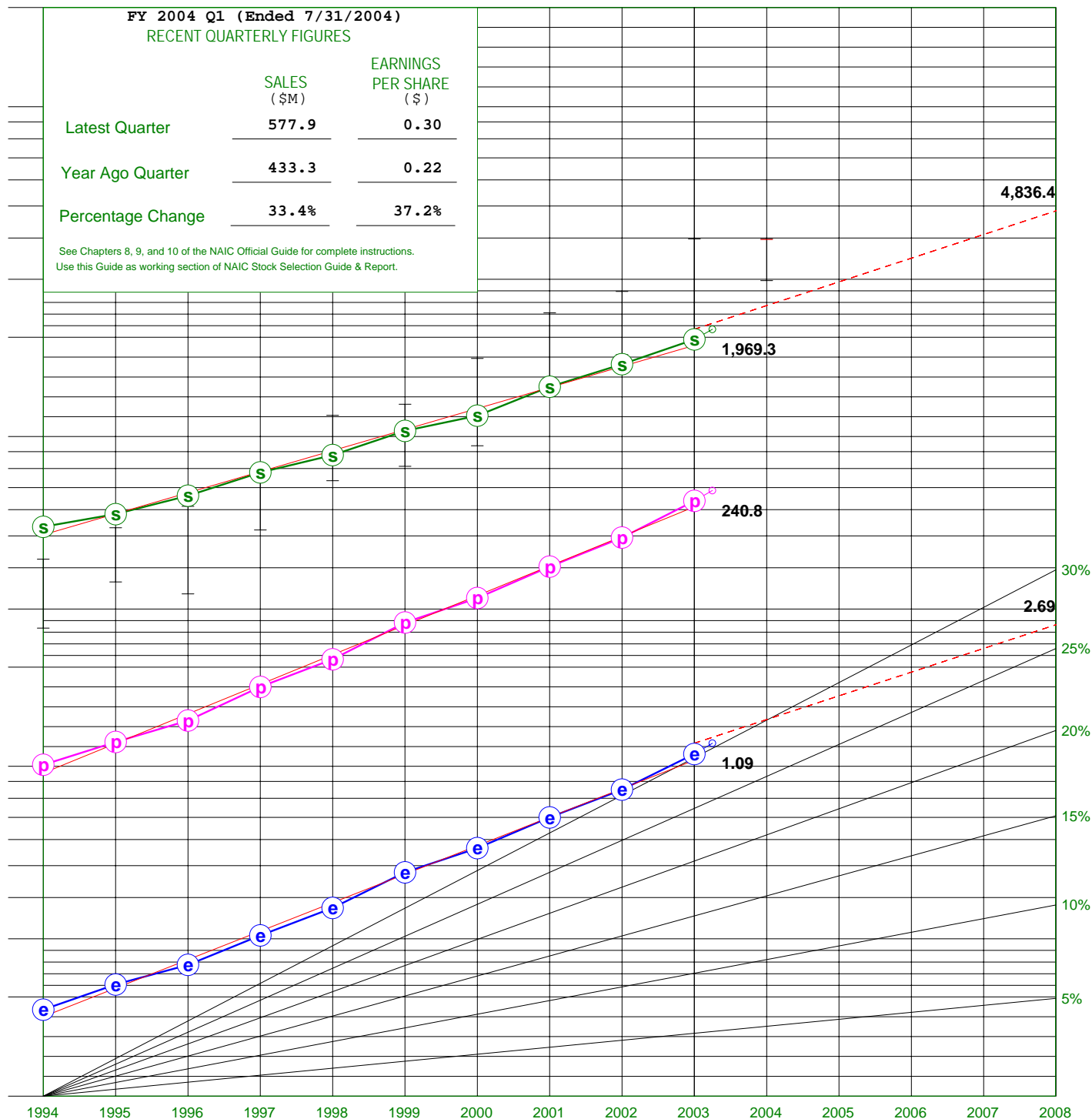
Where traded NASDAQ Major product/service Health Care

CAPITALIZATION --- Outstanding Amounts Reference

| | | | |
|-------------------|-------|------------------|---------------|
| Preferred (\$M) | 0.0 | % Insiders | % Institution |
| Common (M Shares) | 68.6 | 33.0 | 119.5 |
| Debt (\$M) | 491.6 | % to Tot.Cap. | 55.0 |
| | | % Potential Dil. | None |

1 VISUAL ANALYSIS of Sales, Earnings and Price

PDCO



- (1) Historical Sales Growth 15.8 %
- (2) Estimated Future Sales Growth 18.0 %
- (3) Historical Earnings Per Share Growth 22.0 %
- (4) Estimated Future Earnings Per Share Growth 18.0 %

2 EVALUATING MANAGEMENT

Company **PATTERSON DENTAL COMPANY** (PDCO)

11/15/04

| | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | LAST 5 YEAR AVG. | TREND | |
|--|------|------|------|------|------|------|------|------|------|------|------------------|-------|------|
| | | | | | | | | | | | | UP | DOWN |
| A % Pre-tax Profit on Sales (Net Before Taxes ÷ Sales) | 7.2 | 7.7 | 7.9 | 8.4 | 9.1 | 9.9 | 10.6 | 10.8 | 11.2 | 12.2 | 10.9 | UP | |
| B % Earned on Equity (E/S ÷ Book Value) (Prev. Year) | NMF | 31.1 | 25.7 | 22.5 | 22.0 | 23.0 | 22.2 | 23.1 | 22.5 | 23.4 | 22.8 | 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 | | 39.590 | HIGH THIS YEAR | | 39.800 | LOW THIS YEAR | | 29.700 | |
|------|------------------------------|---------------|------|-------------------------------|---------------------------|--------------|-------------------------------|------------------------------|----------------------------------|--------|------|
| Year | | PRICE | | C Earnings Per Share | D Price Earnings Ratio | | F Dividend Per Share | G % Payout F ÷ C X 100 | H % High Yield F ÷ B X 100 | | |
| | | HIGH | LOW | | HIGH A ÷ C | LOW B ÷ C | | | | | |
| 1 | 1999 | 12.5 | 8.1 | 0.48 | 26.3 | 17.0 | 0.000 | 0.0 | 0.0 | | |
| 2 | 2000 | 17.3 | 9.4 | 0.57 | 30.5 | 16.6 | 0.000 | 0.0 | 0.0 | | |
| 3 | 2001 | 23.7 | 15.0 | 0.70 | 33.9 | 21.5 | 0.000 | 0.0 | 0.0 | | |
| 4 | 2002 | 27.6 | 17.7 | 0.85 | 32.4 | 20.8 | 0.000 | 0.0 | 0.0 | | |
| 5 | 2003 | 39.8 | 19.4 | 1.09 | 36.5 | 17.8 | 0.000 | 0.0 | 0.0 | | |
| 6 | TOTAL | | 69.6 | | 159.6 | 93.7 | | 0.0 | | | |
| 7 | AVERAGE | | 13.9 | | 31.9 | 18.7 | | 0.0 | | | |
| 8 | AVERAGE PRICE EARNINGS RATIO | | | | 25.3 | 9 | CURRENT PRICE EARNINGS RATIO | | | | 33.7 |

4 PROJ. P/E [28.43] Based on Next 4 qtr. EPS [1.39] Current P/E Based on Last 4 qtr. EPS [1.18] 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 ~~31.9~~ 27.0 X Estimate High Earnings/Share 2.69 = Forecast High Price \$ 72.6 (4A1)

B LOW PRICE -- NEXT 5 YEARS

(a) Avg. Low P/E ~~18.7~~ 15.6 X Estimated Low Earnings/Share ~~1.09~~ 1.18 = \$ 18.4 (3E7 as adj.)

(b) Avg. Low Price of Last 5 Years = 13.9 (3B7)

(c) Recent Severe Market Low Price = 17.7

(d) Price Dividend Will Support $\frac{\text{Present Divd.}}{\text{High Yield (H)}} = \frac{0.000}{0.000} = 0.0$

Selected Estimate Low Price = \$ 18.4 (4B1)

C ZONING

72.6 (4A1) High Forecast Price Minus 18.4 (4B1) Low Forecast Price Equals 54.2 (C) Range. 1/3 of Range = 13.5 (4CD)

(4C2) Lower 1/3 = 18.4 (4B1) to 31.9 (Buy) Note: Ranges changed to 25%/50%/25%

(4C3) Middle 1/3 = 31.9 to 59.1 (Maybe)

(4C4) Upper 1/3 = 59.1 to 72.6 (4A1) (Sell)

Present Market Price of 39.590 is in the Hold (4C5) Range

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

High Price (4A1) 72.6 Minus Present Price 39.590 = 33.0 = 1.6 To 1 (4D)

Present Price 39.590 Minus Low Price (4B1) 18.4 = 21.2

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

High Price (4A1) 72.6 = (1.834) X 100 = (183.4) - 100 = 83.4 % Appreciation (4E)

Present Market Price 39.590

Relative Value: 133.2% Proj. Relative Value: 112.4%

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.

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

A Present Full Year's Dividend \$ 0.000
Present Price of Stock \$ 39.590 = 0.000 X 100 = 0.0 Present Yield or % Returned on Purchase Price (5A)

B AVERAGE YIELD OVER NEXT 5 YEARS

Avg. Earnings Per Share Next 5 Years 1.93 X Avg. % Payout (3G7) 0.0 = 0.0 = 0.0 % (5B)

Present Price \$ 39.590

C ESTIMATED AVERAGE ANNUAL RETURN OVER NEXT FIVE YEARS

| | 5 Year Appreciation Potential (4E) | | P.A.R. | Tot. Ret. |
|--|------------------------------------|---------------|-------------|--------------|
| 5 | <u>83.4</u> | | | |
| Average Yield (5B) | | <u>16.7</u> % | <u>0.0%</u> | <u>0.0%</u> |
| Average Total Annual Return Over the Next 5 Years (5C) | | <u>0.0</u> % | <u>7.7%</u> | <u>12.9%</u> |
| | | <u>16.7</u> % | <u>7.7%</u> | <u>12.9%</u> |

PERT Worksheet-A

Company PATTERSON DENTAL COMPANY

(PDCO)

| 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 |
| 07/96 | | | | | | | | 37.6 | | | | | | 37.2 | | | |
| 10/96 | | | | | | 169.00 | | 37.6 | | | | | | 37.4 | | | |
| 01/97 | | | | | | 182.00 | | 37.6 | | | | | | 37.5 | | | |
| 04/97 | 0.07 | | 15.08 | 8.0 | | 187.59 | | 39.0 | | | | | | 38.0 | | | |
| 07/97 | 0.06 | | 13.54 | 7.5 | | 180.00 | | 38.4 | | | 718.6 | | | 38.2 | | | |
| 10/97 | 0.08 | | 15.94 | 8.3 | | 191.60 | 13.4 | 36.9 | | | 741.2 | | | 38.0 | | | |
| 01/98 | 0.08 | | 17.46 | 8.9 | | 195.50 | 7.4 | 38.2 | 0.29 | 62.02 | 8.2 | 754.7 | 23.7 | 38.1 | | | |
| 04/98 | 0.09 | 23.6 | 18.76 | 8.9 | 24.5 | 211.00 | 12.5 | 38.4 | 0.31 | 65.71 | 8.4 | 778.1 | 25.0 | 38.0 | | | |
| 07/98 | 0.08 | 20.5 | 16.66 | 8.3 | 23.1 | 200.10 | 11.2 | 38.6 | 0.32 | 68.83 | 8.6 | 798.2 | 26.2 | 38.0 | | | 11.1 |
| 10/98 | 0.09 | 18.4 | 19.07 | 8.9 | 19.6 | 213.33 | 11.3 | 36.9 | 0.33 | 71.96 | 8.8 | 819.9 | 27.4 | 38.0 | | | 10.6 |
| 01/99 | 0.10 | 25.8 | 22.06 | 9.6 | 26.3 | 230.18 | 17.7 | 37.8 | 0.36 | 76.56 | 9.0 | 854.6 | 29.0 | 37.9 | 22.2 | 23.4 | 13.2 |
| 04/99 | 0.11 | 21.4 | 21.92 | 9.3 | 16.8 | 235.20 | 11.5 | 35.4 | 0.37 | 79.71 | 9.1 | 878.8 | 29.6 | 37.2 | 21.6 | 21.3 | 12.9 |
| 07/99 | 0.11 | 40.5 | 23.15 | 9.1 | 38.9 | 254.60 | 27.2 | 37.3 | 0.41 | 86.20 | 9.2 | 933.3 | 31.8 | 36.9 | 26.4 | 25.2 | 16.9 |
| 10/99 | 0.11 | 22.2 | 23.65 | 9.5 | 24.0 | 248.44 | 16.5 | 37.1 | 0.43 | 90.77 | 9.4 | 968.4 | 33.5 | 36.9 | 27.1 | 26.1 | 18.1 |
| 01/00 | 0.13 | 24.9 | 27.47 | 10.6 | 24.5 | 260.17 | 13.0 | 37.3 | 0.45 | 96.19 | 9.6 | 998.4 | 35.4 | 36.8 | 26.7 | 25.6 | 16.8 |
| 04/00 | 0.13 | 26.7 | 28.73 | 10.4 | 31.1 | 277.14 | 17.8 | 37.8 | 0.48 | 103.00 | 9.9 | 1,040.3 | 38.5 | 37.4 | 27.9 | 29.2 | 18.4 |
| 07/00 | 0.12 | 11.6 | 25.71 | 9.5 | 11.1 | 270.04 | 6.1 | 36.9 | 0.49 | 105.56 | 10.0 | 1,055.8 | 39.3 | 37.2 | 21.2 | 22.5 | 13.1 |
| 10/00 | 0.14 | 27.3 | 30.29 | 10.4 | 28.1 | 290.72 | 17.0 | 37.4 | 0.52 | 112.20 | 10.2 | 1,098.1 | 41.9 | 37.3 | 22.6 | 23.6 | 13.4 |
| 01/01 | 0.15 | 17.2 | 32.58 | 11.2 | 18.6 | 290.58 | 11.7 | 37.5 | 0.54 | 117.31 | 10.4 | 1,128.5 | 43.9 | 37.4 | 20.5 | 22.0 | 13.0 |
| 04/01 | 0.16 | 16.5 | 33.62 | 11.0 | 17.0 | 305.12 | 10.1 | 37.4 | 0.57 | 122.20 | 10.6 | 1,156.5 | 45.6 | 37.3 | 18.1 | 18.6 | 11.2 |
| 07/01 | 0.15 | 20.8 | 31.34 | 10.3 | 21.9 | 303.25 | 12.3 | 37.1 | 0.59 | 127.82 | 10.7 | 1,189.7 | 47.7 | 37.4 | 20.2 | 21.1 | 12.7 |
| 10/01 | 0.17 | 21.4 | 37.19 | 10.5 | 22.8 | 355.02 | 22.1 | 37.6 | 0.62 | 134.72 | 10.7 | 1,254.0 | 50.4 | 37.4 | 19.0 | 20.1 | 14.2 |
| 01/02 | 0.18 | 20.0 | 39.67 | 11.1 | 21.8 | 357.39 | 23.0 | 38.1 | 0.65 | 141.81 | 10.7 | 1,320.8 | 53.2 | 37.5 | 19.7 | 20.9 | 17.0 |
| 04/02 | 0.20 | 29.0 | 44.03 | 11.0 | 31.0 | 399.85 | 31.0 | 37.9 | 0.69 | 152.22 | 10.8 | 1,415.5 | 57.3 | 37.7 | 23.0 | 24.6 | 22.4 |
| 07/02 | 0.19 | 27.6 | 40.19 | 10.4 | 28.2 | 387.74 | 27.9 | 36.9 | 0.74 | 161.07 | 10.7 | 1,500.0 | 60.6 | 37.6 | 24.6 | 26.0 | 26.1 |
| 10/02 | 0.20 | 17.6 | 44.15 | 11.0 | 18.7 | 400.82 | 12.9 | 37.8 | 0.76 | 168.03 | 10.9 | 1,545.8 | 63.3 | 37.7 | 23.4 | 24.7 | 23.3 |
| 01/03 | 0.22 | 22.2 | 48.23 | 11.5 | 21.6 | 421.07 | 17.8 | 37.6 | 0.80 | 176.59 | 11.0 | 1,609.5 | 66.4 | 37.6 | 23.8 | 24.5 | 21.9 |
| 04/03 | 0.25 | 22.5 | 53.84 | 12.0 | 22.3 | 447.33 | 11.9 | 37.9 | 0.85 | 186.40 | 11.2 | 1,657.0 | 70.0 | 37.6 | 22.3 | 22.5 | 17.1 |
| 07/03 | 0.22 | 16.2 | 47.10 | 10.9 | 17.2 | 433.26 | 11.7 | 37.5 | 0.88 | 193.32 | 11.4 | 1,702.5 | 72.9 | 37.7 | 19.7 | 20.0 | 13.5 |
| 10/03 | 0.26 | 27.5 | 55.91 | 11.7 | 26.6 | 477.51 | 19.1 | 37.2 | 0.93 | 205.08 | 11.5 | 1,779.2 | 77.0 | 37.5 | 22.2 | 22.0 | 15.1 |
| 01/04 | 0.30 | 34.1 | 65.00 | 12.5 | 34.8 | 521.22 | 23.8 | 37.3 | 1.01 | 221.85 | 11.8 | 1,879.3 | 83.1 | 37.5 | 25.5 | 25.6 | 16.8 |
| 04/04 | 0.33 | 34.7 | 72.81 | 13.5 | 35.2 | 537.36 | 20.1 | 37.3 | 1.10 | 240.82 | 12.2 | 1,969.3 | 89.9 | 37.3 | 28.8 | 29.2 | 18.9 |
| 07/04 | 0.30 | 37.2 | 65.21 | 11.3 | 38.4 | 577.94 | 33.4 | 37.3 | 1.18 | 258.92 | 12.2 | 2,114.0 | 96.5 | 37.3 | 33.5 | 33.9 | 24.2 |
| 10/04 | | | | | | | | 37.4 | | | | | | 37.3 | | | |
| 01/05 | | | | | | | | 37.4 | | | | | | 37.3 | | | |
| 04/05 | | | | | | | | 37.4 | | | | | | 37.4 | | | |

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

PERT Worksheet-A Graph

Company PATTERSON DENTAL COMPANY

(PDCO)

