



Stock Selection Guide®

The most widely used aid to good investment judgment

Company AFFILIATED COMPUTER SERVI Date 08/12/05
 Prepared by MG Data taken from NAIC Data
 Where traded NYSE Major product/service Data Proces
 CAPITALIZATION --- Outstanding Amounts Reference

Preferred (\$M)	0.0	% Insiders	% Institution
Common (M Shares)	126.5	7.7	95.7
Debt (\$M)	756.5	% to Tot.Cap.	0.0 % Potential Dil. None

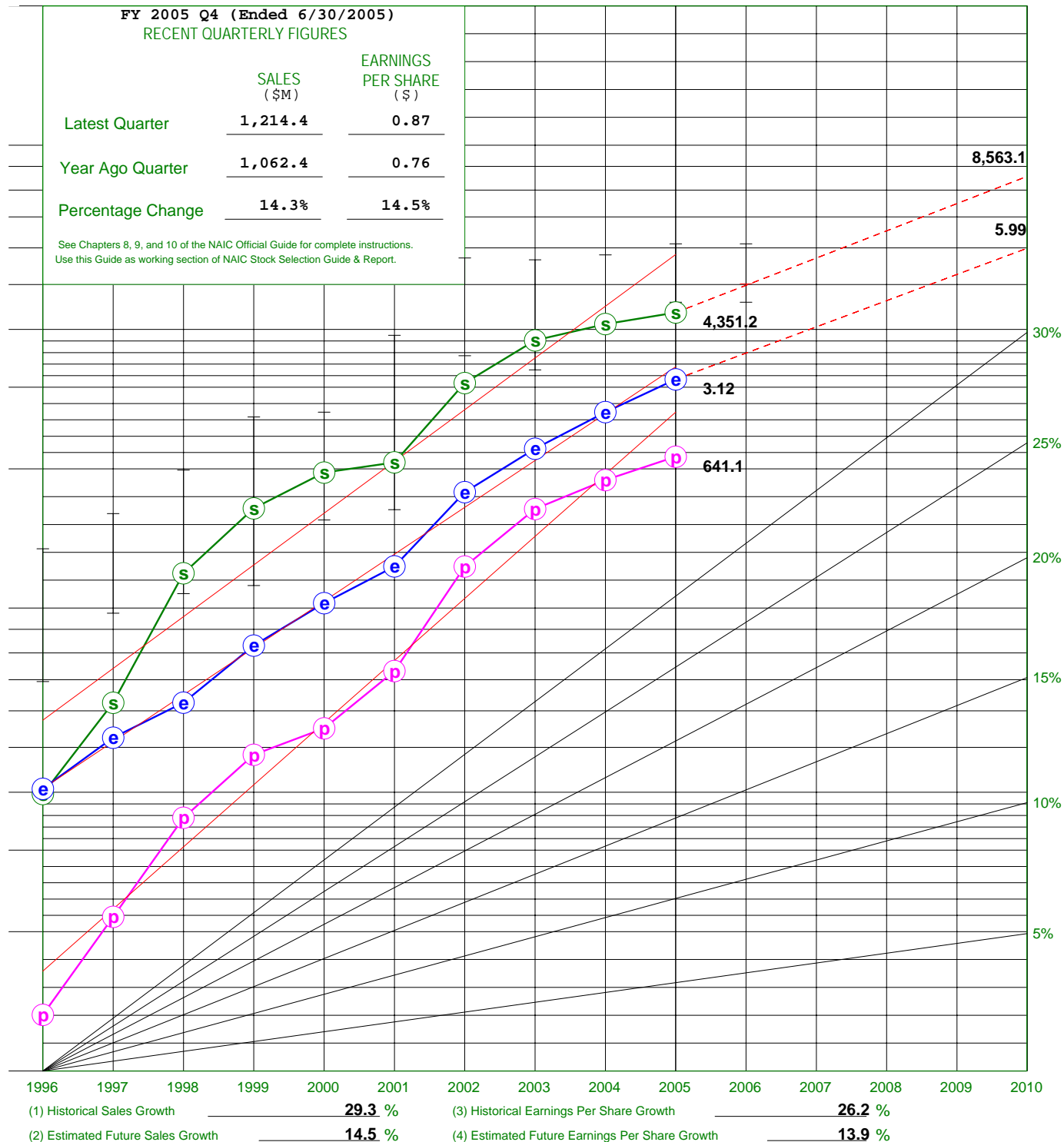
1 VISUAL ANALYSIS of Sales, Earnings and Price

ACS

FY 2005 Q4 (Ended 6/30/2005)
RECENT QUARTERLY FIGURES

	SALES (\$M)	EARNINGS PER SHARE (\$)
Latest Quarter	1,214.4	0.87
Year Ago Quarter	1,062.4	0.76
Percentage Change	14.3%	14.5%

See Chapters 8, 9, and 10 of the NAIC Official Guide for complete instructions.
Use this Guide as working section of NAIC Stock Selection Guide & Report.



Printed: 08/14/05 11:11 AM Prepared by: MG Using The NAIC Investor's Toolkit

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	LAST 5 YEAR AVG.	TREND	
												UP	DOWN
A % Pre-tax Profit on Sales (Net Before Taxes ÷ Sales)	10.1	10.4	8.9	8.9	8.5	10.7	12.1	13.1	13.9	14.7	12.9	UP	
B % Earned on Equity (E/S ÷ Book Value)	9.5	10.8	12.0	13.5	14.3	14.1	11.2	12.1	13.1		12.6		NMF

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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		50.170	HIGH THIS YEAR		61.230	LOW THIS YEAR		45.810
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	2001	38.8	16.3	1.23	31.5	13.3	0.000	0.0	0.0	
2	2002	57.1	35.1	1.78	32.1	19.7	0.000	0.0	0.0	
3	2003	56.6	32.7	2.21	25.6	14.8	0.000	0.0	0.0	
4	2004	58.0	42.1	2.65	21.9	15.9	0.000	0.0	0.0	
5	2005	61.2	45.8	3.12	19.6	14.7	0.000	0.0	0.0	
6	TOTAL		172.0		67.1	45.4		0.0		
7	AVERAGE		34.4		22.4	15.1		0.0		
8	AVERAGE PRICE EARNINGS RATIO			18.8	9	CURRENT PRICE EARNINGS RATIO			16.0	

Proj. P/E [14.07] Based on Next 4 qtr. EPS [3.57]

Current P/E Based on Last 4 qtr. EPS [3.13]

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EVALUATING RISK and REWARD over the next 5 years

PEG=115

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 22.4 X Estimate High Earnings/Share 5.99 = Forecast High Price \$ 134.2
(3D7 as adj.) (4A1)

B LOW PRICE -- NEXT 5 YEARS

(a) Avg. Low P/E 15.1 X Estimated Low Earnings/Share 3.12 3.13 = \$ 47.3
(3E7 as adj.)

(b) Avg. Low Price of Last 5 Years = 34.4
(3B7)

(c) Recent Severe Market Low Price = 42.1

(d) Price Dividend Will Support Present Divd. = 0.000 = 0.0
High Yield (H) 0.000

Selected Estimate Low Price _____ = \$ 47.3
(4B1)

C ZONING

134.2 High Forecast Price Minus 47.3 Low Forecast Price Equals 86.9 Range. 1/3 of Range = 21.7
(4A1) (4B1) (C) (4CD)

(4C2) Lower 1/3 = (4B1) 47.3 to 69.0 (Buy) Note: Ranges changed to 25%/50%/25%

(4C3) Middle 1/3 = 69.0 to 112.5 (Maybe)

(4C4) Upper 1/3 = 112.5 to 134.2 (4A1) (Sell)

Present Market Price of 50.170 is in the Buy Range
(4C5)

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

High Price (4A1) 134.2 Minus Present Price 50.170
Present Price 50.170 Minus Low Price (4B1) 47.3 = 84.0 = 29.3 To 1
2.9 (4D)

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

High Price (4A1) 134.2
Present Market Price 50.170 = (2.675) X 100 = (267.5) - 100 = 167.5 % Appreciation
(4E)

Relative Value: 85.1% Proj. Relative Value: 74.8%

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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 Present Full Year's Dividend \$ 0.000
Present Price of Stock \$ 50.170 = 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 4.61 X Avg. % Payout (3G7) 0.0 = 0.0 = 0.0 %
(5B)

C ESTIMATED AVERAGE ANNUAL RETURN OVER NEXT FIVE YEARS

5 Year Appreciation Potential (4E)	<u>167.5</u>			P.A.R.		Tot. Ret.
5		<u>33.5</u>	%	Average Yield	<u>0.0%</u>	<u>0.0%</u>
Average Yield (5B)		<u>0.0</u>	%	Annual Appreciation	<u>17.5%</u>	<u>21.7%</u>
Average Total Annual Return Over the Next 5 Years (5C)		<u>33.5</u>	%	% Compd Ann Rate of Ret	<u>17.5%</u>	<u>21.7%</u>

Trailing 4 quarters

PERT Worksheet-A Graph

Company AFFILIATED COMPUTER SERVI (ACS)

