

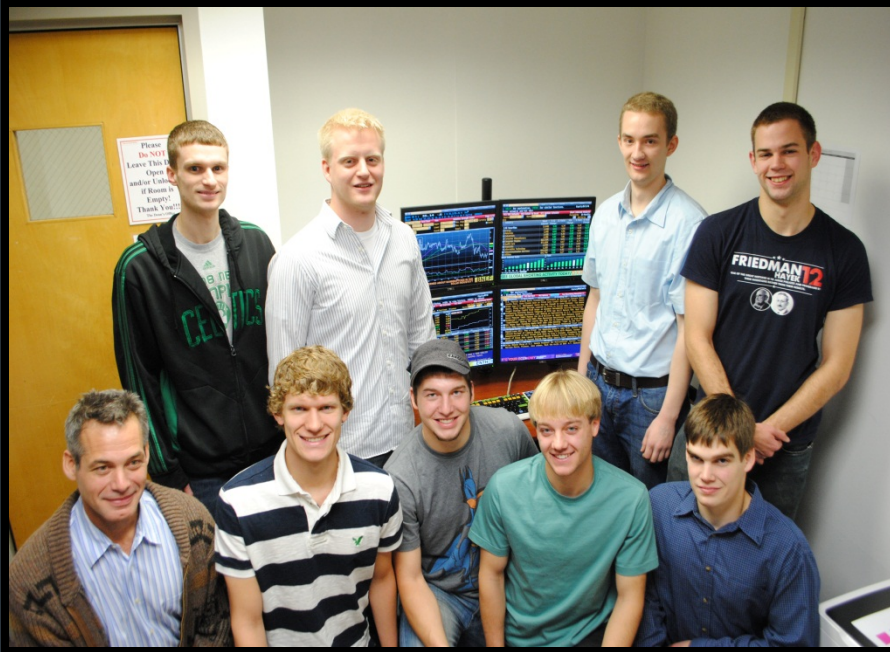
# UAF Student Investment Fund



Presented by:

Jeff Bue, Daniel Grondahl, Adam Henderson,  
Craig Millard, Mitchell Titus, Craig Wisen, CFA

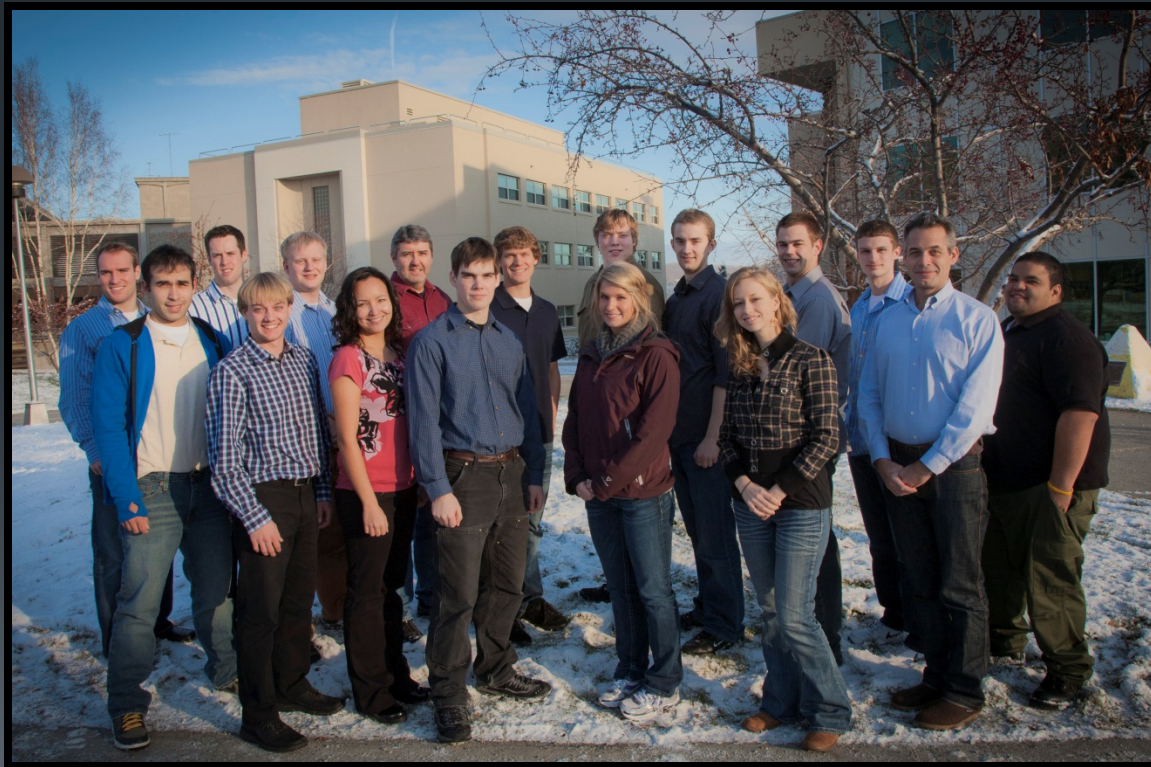
# Course Structure



- Presentation driven course
- Peer feedback
- Analytic and quantitative skills
- Applied learning
- Character and accountability
- Undergraduate research

# SIF Mission Statement

The SIF shall manage endowed funds in a professional manner to maximize risk-adjusted returns and provide experiential learning opportunities.

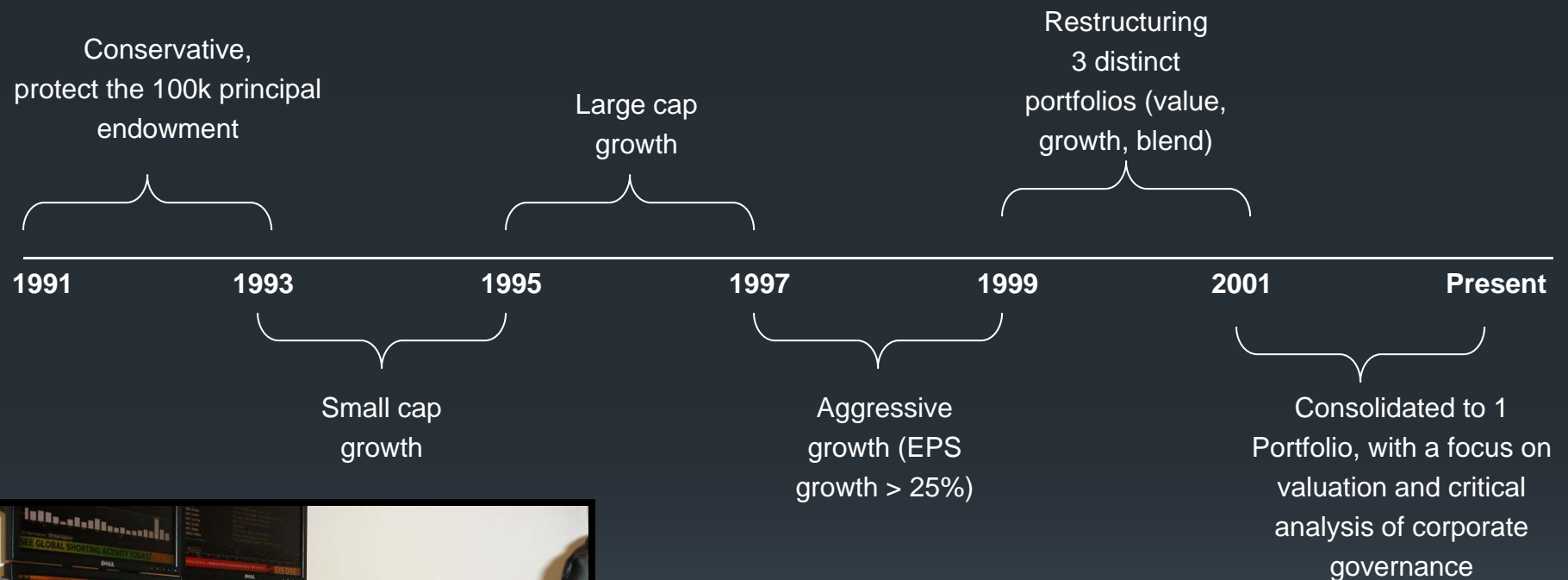


# Objectives & Guidelines



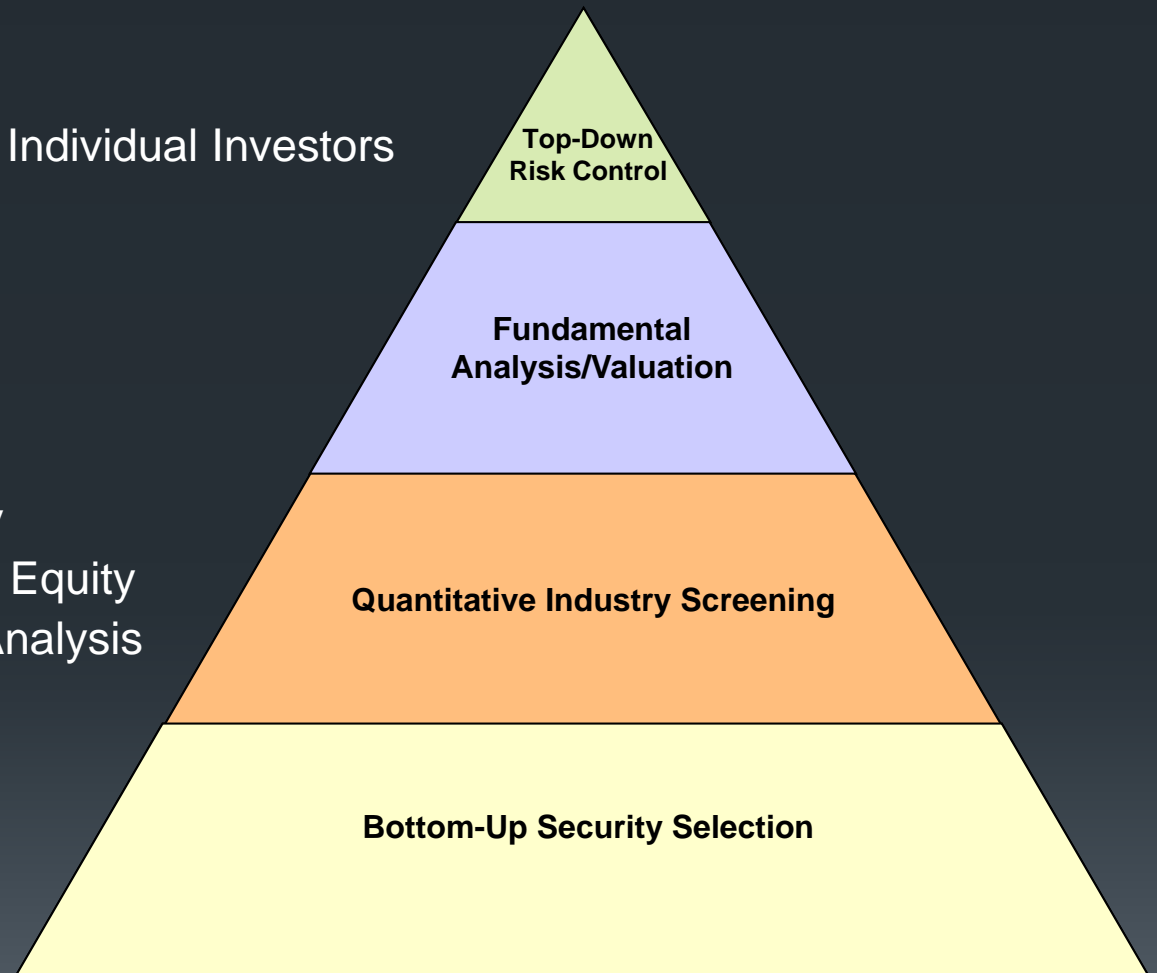
- Outperform S&P 500 on a risk-adjusted basis
- Risk
- Screening and valuation
- Restricted to long positions
- Liquidity requirements
- Fully invested

# Student Investment Fund Timeline



# Organization & Operations

- Financial Screens
  - Association for American Individual Investors
  - Bloomberg
  - Morningstar
- Valuation Methodology
  - Price/Earnings
  - Free Cash Flow to Equity
  - Decomposing Return on Equity
  - Quantitative/Qualitative Analysis
- Buy/Sell Decisions
  - Requires majority vote
  - Supervised trades
  - Quorum





# Initial Screener

**Premium Stock Screener**Help ?

**Select Data to Screen on:**  


General

[View All Data](#) | [Search for Data Points](#)





















Our analysts have built some screens to get you started.  
**Morningstar Screens**

Matches	Screen: Joey	<a href="#">Start Over</a>	<a href="#">Open My Screen</a>	<a href="#">Save</a>	<a href="#">Delete</a>
11588	(Domestic / Foreign = Domestic)				<a href="#">Change</a>   <a href="#">Insert</a>   <a href="#">Remove</a>
4090	and (Market Capitalization (mil \$) >= 250)				<a href="#">Change</a>   <a href="#">Insert</a>   <a href="#">Remove</a>
3219	and (Return on Equity % - Year 1 >= 10)				<a href="#">Change</a>   <a href="#">Insert</a>   <a href="#">Remove</a>
2820	and (Return on Equity % - Year 2 >= 10)				<a href="#">Change</a>   <a href="#">Insert</a>   <a href="#">Remove</a>
7533	and (Earnings per Share \$ - Year 1 >= Earnings per Share \$ - Year 2)				<a href="#">Change</a>   <a href="#">Insert</a>   <a href="#">Remove</a>
6402	and (Earnings per Share \$ - Year 2 >= Earnings per Share \$ - Year 3)				<a href="#">Change</a>   <a href="#">Insert</a>   <a href="#">Remove</a>
2618	and (Price / Book Ratio - Current <= P/B - 5 Year Average)				<a href="#">Change</a>   <a href="#">Insert</a>   <a href="#">Remove</a>
5846	and (Price / Book Ratio - Current <= 2.5)				<a href="#">Change</a>   <a href="#">Insert</a>   <a href="#">Remove</a>
4476	and (Current Ratio - Latest Quarter >= 1.5)				<a href="#">Change</a>   <a href="#">Insert</a>   <a href="#">Remove</a>
3939	and (Dividend Trailing 12 Months (\$ / share) >= 0)				<a href="#">Change</a>   <a href="#">Insert</a>   <a href="#">Remove</a>

15 stocks pass your screen.

[Click button to view results](#) 

# Screened Securities

<u>American Greetings Corporation</u>	--	--		Consumer Cycl	Specialty Retail
<u>American Science &amp; Engineering</u>	--	--		Industrials	Diversified Industrials
<u>Andersons, Inc.</u>	--	--		Consumer Def	Food Distribution
<u>Applied Industrial Technologe</u>	--	--		Industrials	Industrial Distribution
<u>Archer-Daniels Midland Company</u>	<u>11-01-11</u>	★★★★		Consumer Def	Farm Products
<u>Avnet Inc</u>	<u>10-27-11</u>	★★★★★		Technology	Electronics Distribution
<u>Cash America International Inc</u>	--	--		Financial Svs	Credit Services
<u>Cato Corporation</u>	--	--		Consumer Cycl	Apparel Stores
<u>Cooper Tire &amp; Rubber Company</u>	<u>08-08-11</u>	★★★★★		Consumer Cycl	Rubber & Plastics
<u>CTC Media, Inc.</u>	<u>01-03-11</u>	--		Consumer Cycl	Broadcasting - TV
<u>Ennls, Inc.</u>	--	--		Industrials	Business Equipment
<u>EZCorp, Inc.</u>	--	--		Consumer Cycl	Specialty Retail
<u>Getty Realty Corporation</u>	<u>08-03-09</u>	--		Real Estate	REIT - Retail
<u>Guess, Inc.</u>	<u>09-12-11</u>	★★★★★		Consumer Cycl	Apparel Stores
<u>Harman International Industrie</u>	--	--		Technology	Consumer Electronics
<u>J&amp;J Snack Foods Corp.</u>	--	--		Consumer Def	Packaged Foods
<u>L-3 Communications Holdings In</u>	<u>10-27-11</u>	★★★		Industrials	Aerospace & Defense
<u>Leucadia National Corporation</u>	<u>04-27-11</u>	★★★★★		Industrials	Conglomerates
<u>Medtronic, Inc.</u>	<u>10-06-11</u>	★★★★★		Healthcare	Medical Devices
<u>News Corp</u>	<u>11-03-11</u>	★★★		Consumer Cycl	Media - Diversified



# “Human Element”

	CFRA	Sudden Drop	Insiders	No "Moat"	Research Int.	Other
James River Coal Company		*				
Cooper Tire & Rubber Company		*		*		
Gannett Co Inc				*		
RadioShack Corp			*	*		
Amerigroup Corporation		*	*	?		
Amgen Inc			*		*	
CIGNA Corp		*	?			
Cephalon Inc	*		*			
Humana			*			
Par Pharmaceutical Companies					*	
Tenet Healthcare Corp						
UnitedHealth Group Inc						
Alliant Techsystems Inc						
Crane Company						
Leucadia National Corporation		?				Investing
SAIC, Inc.		*				
CA, Inc.			*		?	
First Solar, Inc.		*	*	*		
Harris Corporation		?		*		Government
Lam Research Corporation	*		?			

# Cascade Corp. Stock Valuation

10-6-11

Jeff Bue

# Cascade Corp.



**Industry:** industrial machinery and equipment manufacturing

**Stock Type:** Small, Value – Cyclical

**Market Cap:** 380.4 M

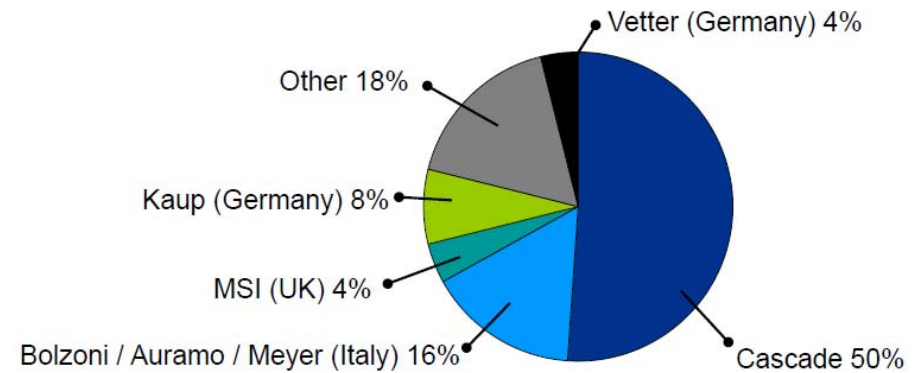
- Manufacture hydraulic equipment
  - Lift truck industry
  - Attachments
  - Industrial forks
  - Replacement parts



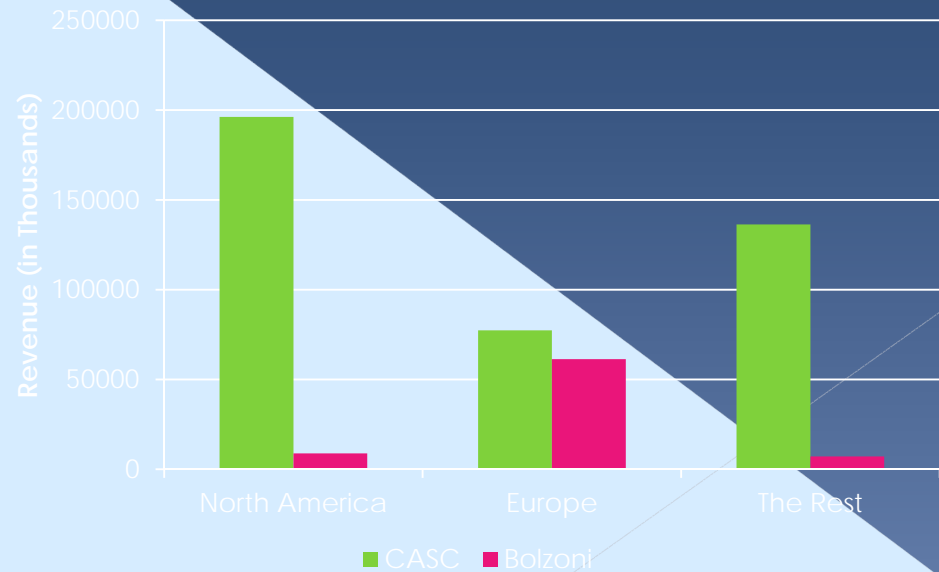
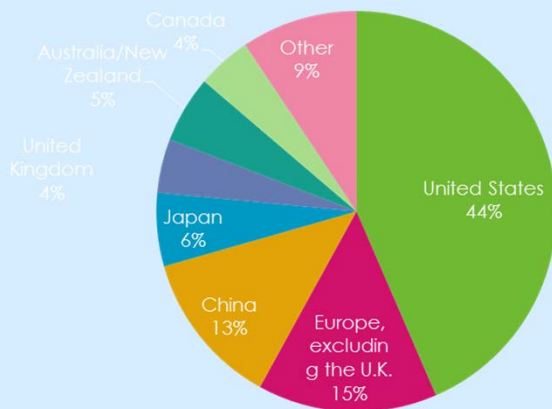
Last:	34.38	Change:	▼ -0.01
Open:	34.42	Prev Close:	34.39
High:	34.66	52 wk High:	55.67
Low:	33.41	52 wk Low:	30.84
Volume:	39,022	P/E Ratio:	9.0
EPS (TTM):	3.81		
Additional Information For Cascade Corp			
Last:	34.38		
Previous:	34.39		
Shares Outstanding:	11,078,000		
Market Cap:	380,861,640		
Exchange:	NYSE		

# Competition

- Bolzoni/Auramo
- Kaup (Private Co.)
- Vetter (Private Co.)



Cascade Corp Sales



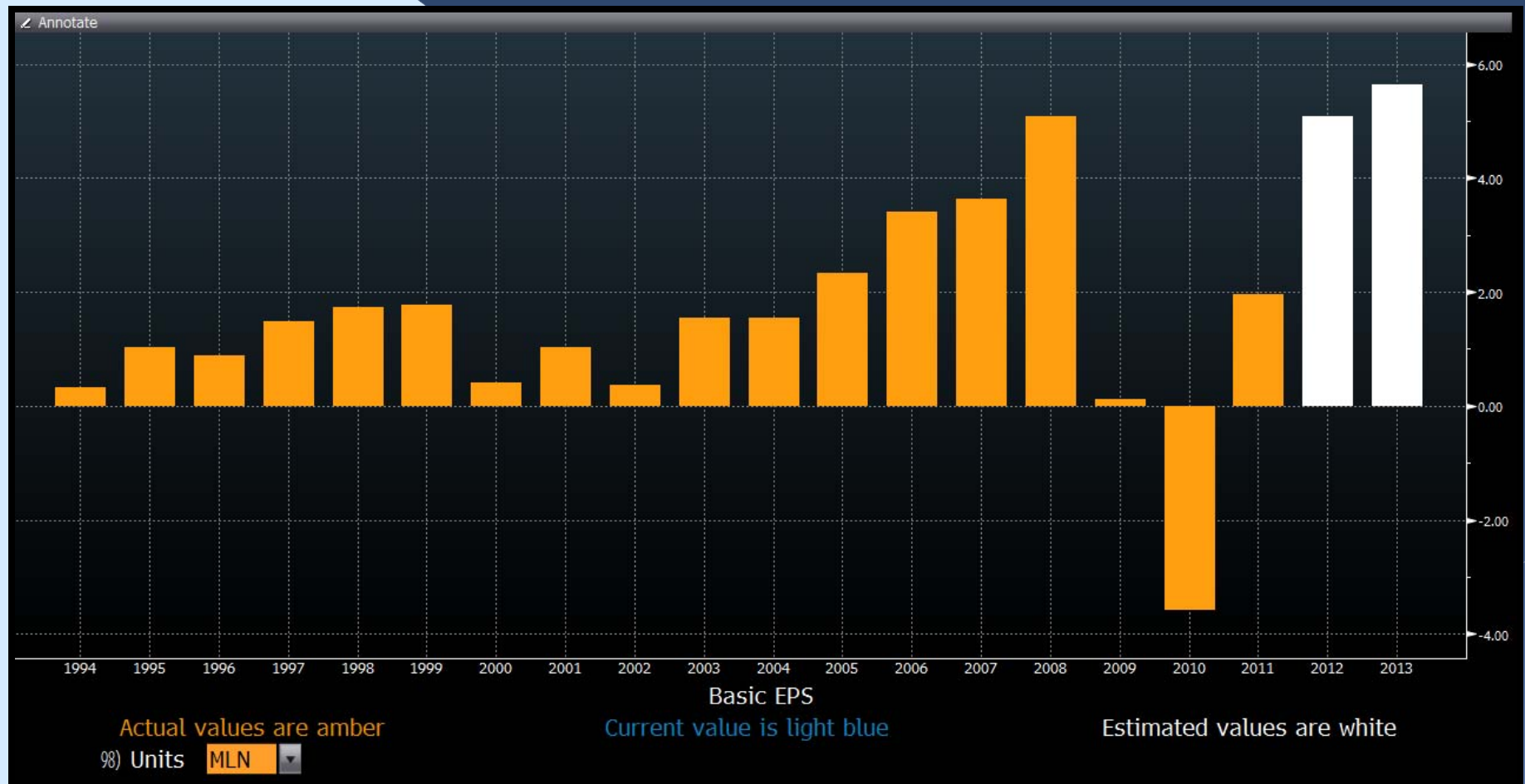
# Revenue

- Not subject to extraordinary events



# Earnings History and Forecast

- Extraordinary events have a large effect





# Earnings Story...

- ◎ 2008 - \$10M from insurance litigation
- ◎ 2009 - \$46.4M Impairment charge
  - › \$31.6M Reduction in Operating Income
- ◎ 2010 - \$32.5M Restructuring Operations
- ◎ 2010 - \$43.3M - Paid Down Debt
  - › From cash flows from operations
  - › Reduced interest expense by \$2.2M
- ◎ 2011 - \$5M Australian Flood Cost
  - › AUS accounts for ~ 5% of revenues

# European Restructuring

- Goal: Achieve a sustainable level of operating income
- Closed production facilities in
  - Germany, the Netherlands, France
- Result of heavy competition?

	Year Ended January 31		
	2011	2010	2009
Employee wages and benefits	\$ 1	\$17,276	\$1,882
Fixed asset write downs	1,034	9,004	205
Facility closures	313	2,588	—
Other restructuring	(111)	1,133	457
Total costs	<u>\$1,237</u>	<u>\$30,001</u>	<u>\$2,544</u>

# Balance Sheet

Statement Summaries	0:Jul 11 Q2	0:Jul 10 Q2*	0:Jul 09 Q2*	R:Jul 08 Q2*
<b>Balance Sheet</b>				
Total Current Assets	231.61	175.66	157.77	244.97
⬆️ Total Long-Term Assets	183.46	179.20	198.49	247.44
⬆️ Total Assets	415.07	354.86	356.26	492.40
Total Current Liabilities	57.29	48.54	44.67	64.78
Total Long-Term Liabilities	70.80	76.23	80.48	139.00
Total Liabilities	128.09	124.77	125.15	203.78
Total Shareholders' Equity	286.98	230.09	231.10	288.63
Shares Outstanding	11.08	10.96	10.85	10.85
Book Value per Share	25.91	20.99	21.30	26.60

- LT Assets are lower than 2008 due to closure of European plants
- Total Liabilities has decreased significantly since 2008

# Acquisitions

- ◎ December 2006 – \$40.3M
  - Assets of Pacific Services and Manufacturing Inc.
    - Manufacturer of construction attachments in WA
- ◎ Fiscal 2008 – \$11.5M
  - American Compaction Equipment, Inc.
    - Manufacturer of construction attachments in CA

# Construction Attachments

- West Coast
- Commercial, infrastructure, and general construction activity
- Sold through dealers and manufacturers
- ~ 40 employees

# Quality of Corporate Governance Checklist

- Legal Proceedings
- Center for Financial Research & Analysis
- Pension Obligations
- Related Party Transactions
- Executive Compensation
- Message Boards (Glassdoor, Yahoo)



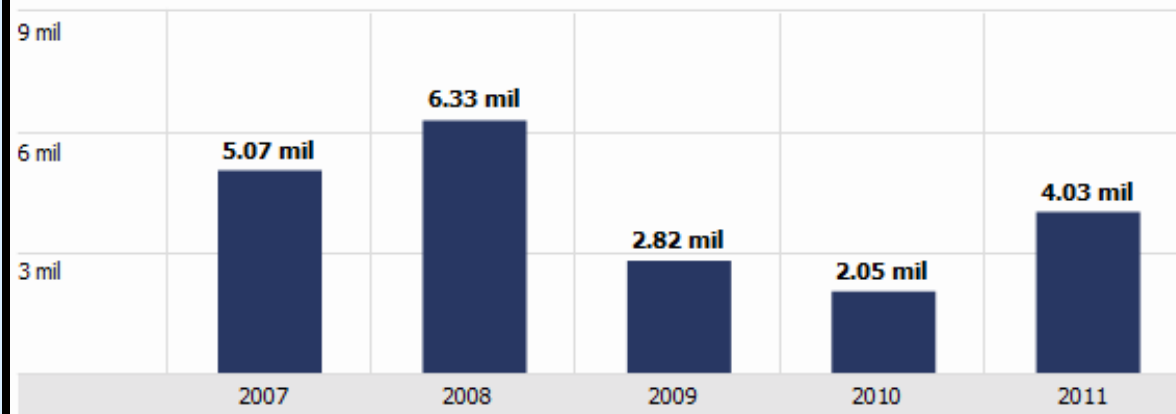
# Executive Compensation

- Base Salary
- Cash Incentives
  - Receive a % of base salary
  - Based on EBIT as % of net sales
  - None in Fiscal 2010
- Long Term Incentive Awards
  - Restricted Stock or SARs
  - Based on ROAA

# Executive Compensation

Name and Principal Position	Fiscal Year	Salary	Bonus	Stock Awards (1)	Option Awards (2)	Non-Equity Incentive Plan Compensation (3)	Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compensation (4)	Total
Robert C. Warren, Jr., President and Chief Executive Officer	2011	\$526,500	—	\$275,000	—	\$ 810,000	—	\$ 42,255	\$1,653,755
	2010	\$486,000	—	\$269,500	—	—	—	\$ 42,710	\$ 798,210
	2009	\$540,000	—	\$472,483	—	—	—	\$ 65,581	\$1,078,064
Richard S. Anderson, Senior Vice President and Chief Operating Officer	2011	\$292,500	—	\$125,000	—	\$ 390,000	—	\$ 41,617	\$ 849,117
	2010	\$270,000	—	\$122,500	—	—	—	\$ 41,394	\$ 433,894
	2009	\$300,000	—	\$196,868	—	—	—	\$ 50,630	\$ 547,498
Joseph G. Pointer, Chief Financial Officer	2011	\$226,875	—	—	\$55,526	\$ 236,500	—	\$ 37,791	\$ 556,692
	2010	\$203,000	—	—	\$57,704	—	—	\$ 35,068	\$ 295,772
	2009	\$219,000	—	—	\$44,616	\$ 68,000	—	\$ 37,876	\$ 369,492
Susan Chazin-Wright (6) Vice President – Human Resources	2011	\$199,875	—	—	\$55,526	\$ 205,000	—	\$ 31,889	\$ 492,290
	2010	\$185,000	—	—	\$57,704	—	—	\$ 26,708	\$ 269,412
Jeffrey K. Nickoloff Vice President – Corporate Manufacturing	2011	\$193,750	—	—	\$55,526	\$ 204,600	—	\$ 27,375	\$ 481,251
	2010	\$167,000	—	—	\$57,704	—	—	\$ 25,294	\$ 249,998
	2009	\$186,000	—	—	\$44,616	\$ 52,000	—	\$ 30,879	\$ 313,495

**Total Executive Compensation** CASC



Name	Fiscal Year	Company automobile usage (a)
R.C. Warren, Jr.	2011	\$ 17,263
	2010	\$ 18,178
	2009	\$ 22,053
R.S. Anderson	2011	\$ 19,611
	2010	\$ 19,708
	2009	\$ 23,318
J.G. Pointer	2011	\$ 19,865
	2010	\$ 18,718
	2009	\$ 21,463
S. Chazin-Wright	2011	\$ 16,035
	2010	\$ 15,024
J.K. Nickoloff	2011	\$ 12,123
	2010	\$ 11,778
	2009	\$ 16,039

# Related Party Transactions

Robert C Warren, Jr is a director of ESCO Corporation, a privately held manufacturer of high-alloy steel products that supplies Cascade with certain components. In September 2007, the Board reviewed and approved the continuation of the business relationships between Cascade and ESCO Corporation, subject to

- (1) Mr. Warren's agreement to abstain as a member of either company's board of directors from participating in any vote relating to business dealings between the two companies and
- (2) the receipt by the Board of periodic reports from our Chief Financial Officer regarding the nature and status of the business relationships between the two companies.

- 2008 Fiscal Year: Purchased \$281,000 of components from ESCO @ market prices
- 2009 Fiscal Year: Purchased \$100,000 of components from ESCO @ market prices
- 2010 Fiscal Year: Purchased \$29,000 of components from ESCO @ market prices
- 2011 Fiscal Year: Purchased \$47,000 of components from ESCO @ market prices

# Executive Officers



**Robert C. Warren, Jr.** President & CEO since 1996; He has been with CASC since 1972. Mr. Warren was the COO from '93 – '96; and served formerly as the VP of Marketing



**Richard S. Anderson** - Senior VP and COO since 2008

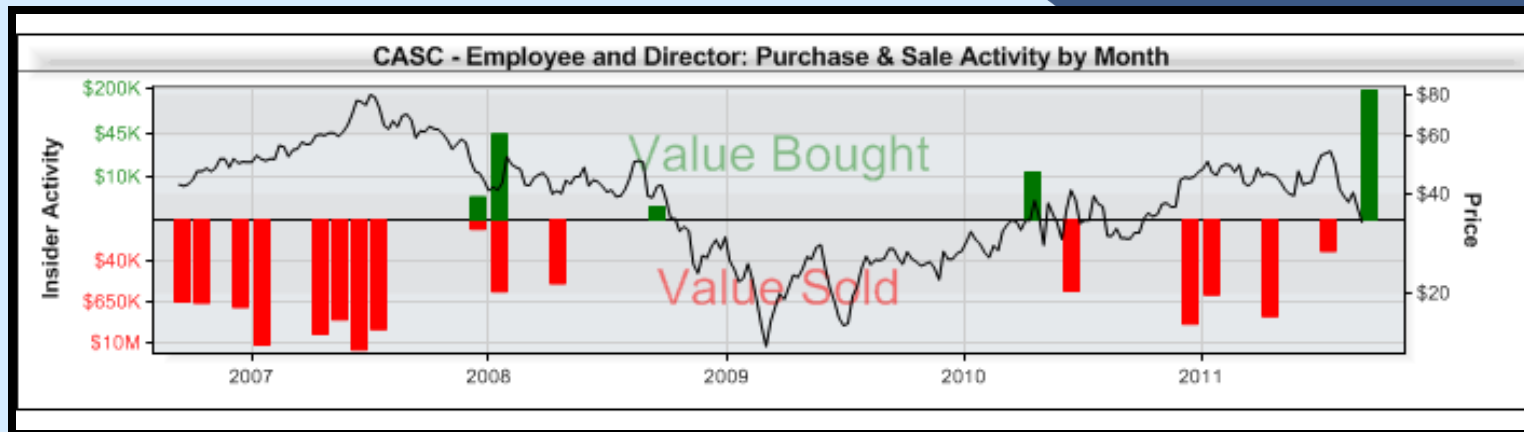
Mr. Anderson has held several positions including his appointments as Chief Financial Officer from 2001 to 2008, Vice President—Material Handling Product Group in 1996 and Senior Vice President—International in 1999.



**Joseph G. Pointer** – CFO since '08 – with CASC since 2000 serving as VP Finance -Prior to joining CASC, Pointer was a partner at PricewaterhouseCoopers LLP

# Ownership

- Officers and Directors: 19.2%
- SouthernSun Asset Management: 11.7%
- Warren family: 13.4%



# Analyst Forecasts

## Zacks Research System

Analyst Details										
<input checked="" type="checkbox"/>	Ursaner A	Cjs Securit	SB	↑	13	4.79↑	5.75	1.12↑	0.98↑	23
<input checked="" type="checkbox"/>	Not Ident.	Not Ident.	SB	↑	24	4.80↓	5.35↓	1.18↓	1.09	24
<input checked="" type="checkbox"/>	Not Ident.	Not Ident.	H	↑	24	5.37	5.70↓	1.36↓	1.32↓	24

## Bloomberg Analysts

	Broker	Analyst	Date ↑	01/2012	Change	01/2013
1)	CJS Securities	URSANER	09/21/11	4.700	0.000	5.750
2)	BB&T Capital ...	WILLIAMS	09/06/11	4.800	0.000	5.350

	Firm Name	Analyst	Recommendation		Tgt Px	Date
1)	D.A. Davidson & ...	GROH	neutral	M	42.00	09/06/11
2)	CJS Securities	URSANER	market outperform	M	70.00	09/02/11
3)	BB&T Capital Ma...	WILLIAMS	buy	M	65.00	09/02/11
4)	EVA Dimensions	TEAM COVERA	buy	U		09/02/11



## Cascade Corp. P/E Model

Current price	33.94		
Current EPS (Last 4 Qtrs)	3.98		
Current P/E	8.53		
Most Recent Dividend (Qtr)	0.20		
Current yield	2.36%		
Current market P/E	13.40		
Current relative P/E	0.64		
	Recover	Mid	Double Dip
EPS - Forecast - At least 1-Year out	5.75	5.00	3.00
Market P/E - Forecast	14.00	13.30	11.50
Rel. P/E - Forecast	0.80	0.70	0.55
Estimated price	64.40	46.55	18.98
Expected Return without Dividends	89.75%	37.15%	-44.09%
Dividend yield	2.36%	2.36%	2.36%
State Based Expected Return (P/E Model)	92.10%	39.51%	-41.74%
Probability of state	25%	40%	35%
P/E Model - Expected Future Value	41.36		
P/E Model - Expected upside	24.22%		
State Based Estimated Price FCFE	64.75	53.93	25.08
State Based Expected Return (P/E Model)	90.78%	58.91%	-26.10%
FCFE Model - Expected Future Value	46.54		
FCFE Model - Expected upside	37.12%		
	P/E-model	FCFE-model	Total
Model weight	25%	75%	100%
Estimated value of security	\$ 45.25		
Expected return on security	33.90%		

## Free Cash Flow to Equity Valuation (Most Likely):

Cap Exp. Growth % Relative to EPS Growth %	55.0%
Depreciation Growth % Relative to EPS Growth %	120.0%
Working Capital Growth % Relative to EPS Growth %	70.0%

### Estimates (per share)

	2012	2013	2014	2015	2016	2017	2018	2019
EPS Growth Rates (%)		9.00%	8.00%	7.00%	6.00%	5.00%	4.00%	4.00%
Earnings	5.00	5.45	5.89	6.30	6.68	7.01	7.29	7.58
Debt Ratio (%)	35%	35%	34%	33%	32%	31%	30%	30%
Capital Expenditures	1.52	1.60	1.67	1.73	1.79	1.84	1.88	1.92
Depreciation & Amortization	1.09	1.21	1.33	1.44	1.54	1.64	1.71	1.80
Δ Working Capital	4.10	2.05	2.05	2.05	2.05	2.12	2.18	2.24

### Cost of Equity (CAPM)

Risk Free Rate (10-Yr. US Bond)	1.750%	2.500%	3.000%	3.500%	4.000%	4.000%	4.000%	4.000%
Beta	1.40	1.39	1.38	1.37	1.34	1.32	1.32	1.32
Equity Market Risk Premium	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Cost of Equity	10.15%	10.84%	11.28%	11.72%	12.04%	11.92%	11.92%	11.92%

### FCFE Calculations

Earnings	5.00	5.45	5.89	6.30	6.68	7.01	7.29	7.58
-(CapEx-Depr)*(1-debt ratio)	0.28	0.25	0.22	0.19	0.17	0.14	0.11	0.08
-Δwc*(1-debt ratio)	2.67	1.33	1.35	1.37	1.39	1.46	1.53	1.57
FCFE	2.06	3.87	4.31	4.73	5.12	5.41	5.65	5.93
Present value	1.87	3.15	3.13	3.04	2.90	2.75	2.57	

Total PV.....	19.40
Terminal Price.....	74.84

### Estimated Value of Stock:

Total PV (2008-2014).....	19.40
PV of Terminal Price.....	34.54
Estimated Value of Stock.....	53.93

Expected return.....	58.91%
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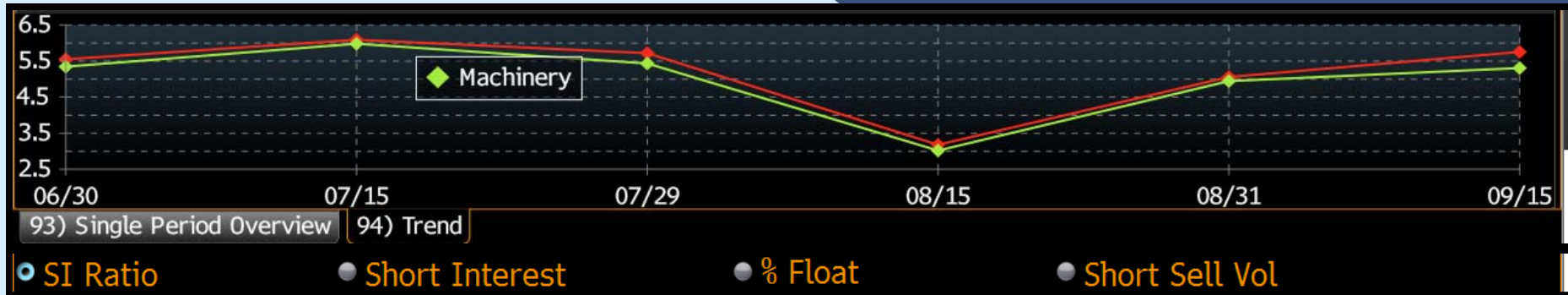
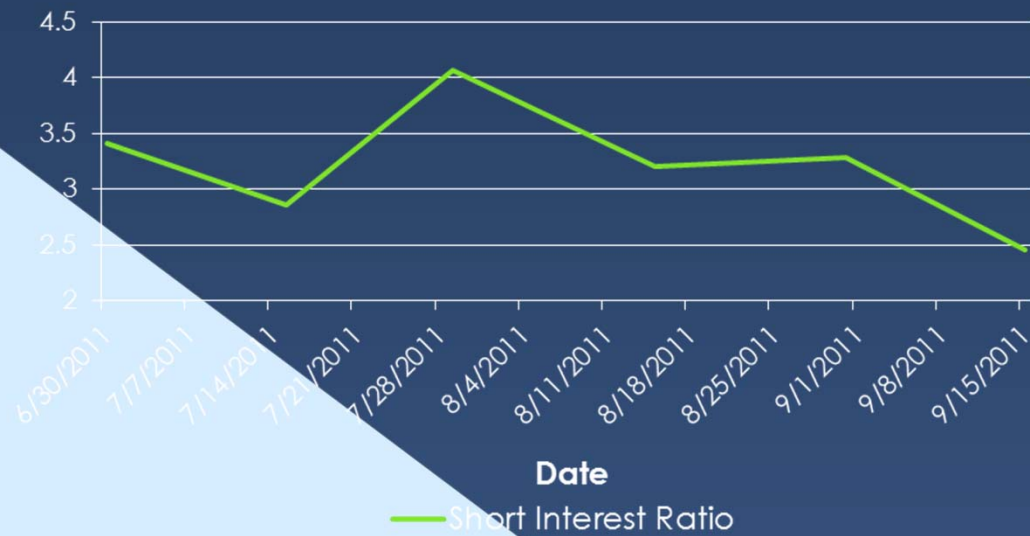
## Free Cash Flow to Equity Valuation (Best Case):

Cap Exp. Growth % Relative to EPS Growth %	55.0%							
Depreciation Growth % Relative to EPS Growth %	120.0%							
Working Capital Growth % Relative to EPS Growth %	70.0%							
EPS Growth Rates Relative to Most Likely Scenario	100.00%							
****Earnings are different than in most likely case*****								
Estimates (per share)								
	2012	2013	2014	2015	2016	2017	2018	2019
EPS Growth Rates (%)		9.00%	8.00%	7.00%	6.00%	5.00%	4.00%	4.00%
Earnings	5.75	6.27	6.77	7.24	7.68	8.06	8.38	8.72
Debt Ratio (%)	35%	35%	34%	33%	32%	31%	30%	30%
Capital Expenditures	1.52	1.60	1.67	1.73	1.79	1.84	1.88	1.92
Depreciation	1.09	1.21	1.33	1.44	1.54	1.64	1.71	1.80
Δ Working Capital	4.10	2.05	2.05	2.05	2.05	2.12	2.18	2.24
Cost of Equity (CAPM)								
Risk Free Rate (10-Yr. US Bond)	1.750%	2.500%	3.000%	3.500%	4.000%	4.000%	4.000%	4.000%
Beta	1.40	1.39	1.38	1.37	1.34	1.32	1.32	1.32
Equity Market Risk Premium	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Cost of Equity	10.15%	10.84%	11.28%	11.72%	12.04%	11.92%	11.92%	11.92%
FCFE Calculations								
Earnings	5.75	6.27	6.77	7.24	7.68	8.06	8.38	8.72
-(CapEx-Depr)*(1-debt ratio)	0.28	0.25	0.22	0.19	0.17	0.14	0.11	0.08
-Δwc*(1-debt ratio)	2.67	1.33	1.35	1.37	1.39	1.46	1.53	1.57
FCFE	2.81	4.69	5.19	5.67	6.12	6.46	6.74	7.06
Present value	2.55	3.81	3.77	3.64	3.47	3.29	3.07	
Total PV .....	23.59							
Terminal Price.....	89.20							
Estimated Value of Stock:								
Total PV.....	23.59							
PV of Terminal Price.....	41.16							
Estimated Value of Stock.....	64.75							
Expected return.....	90.78%							

## Free Cash Flow to Equity Valuation (Worst Case):

Cap Exp. Growth % Relative to EPS Growth %	55.0%							
Depreciation Growth % Relative to EPS Growth %	120.0%							
Working Capital Growth % Relative to EPS Growth %	70.0%							
EPS Growth Rates Relative to Most Likely Scenario	100.00%							
****Earnings are different than in most likely case*****								
Estimates (per share)								
	2012	2013	2014	2015	2016	2017	2018	2019
EPS Growth Rates (%)		9.00%	8.00%	7.00%	6.00%	5.00%	4.00%	4.00%
Earnings	3.00	3.27	3.53	3.78	4.01	4.21	4.37	4.55
Debt Ratio (%)	35%	35%	34%	33%	32%	31%	30%	30%
Capital Expenditures	1.52	1.60	1.67	1.73	1.79	1.84	1.88	1.92
Depreciation	1.09	1.21	1.33	1.44	1.54	1.64	1.71	1.80
Δ Working Capital	4.10	2.05	2.05	2.05	2.05	2.12	2.18	2.24
Cost of Equity (CAPM)								
Risk Free Rate (10-Yr. US Bond)	1.750%	2.500%	3.000%	3.500%	4.000%	4.000%	4.000%	4.000%
Beta	1.40	1.39	1.38	1.37	1.34	1.32	1.32	1.32
Equity Market Risk Premium	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Cost of Equity	10.15%	10.84%	11.28%	11.72%	12.04%	11.92%	11.92%	11.92%
FCFE Calculations								
Earnings	3.00	3.27	3.53	3.78	4.01	4.21	4.37	4.55
-(CapEx-Depr)*(1-debt ratio)	0.28	0.25	0.22	0.19	0.17	0.14	0.11	0.08
-Δwc*(1-debt ratio)	2.67	1.33	1.35	1.37	1.39	1.46	1.53	1.57
FCFE	0.06	1.69	1.96	2.21	2.45	2.60	2.73	2.89
Present value	0.05	1.37	1.42	1.42	1.39	1.32	1.24	
Total PV.....	8.22							
Terminal Price.....	36.55							
Estimated Value of Stock:								
Total PV (2008-2014).....	8.22							
PV of Terminal Price.....	16.87							
Estimated Value of Stock.....	25.08							
Expected return.....	-26.10%							

## Short Interest Ratio



# Summary

## ● Pros:

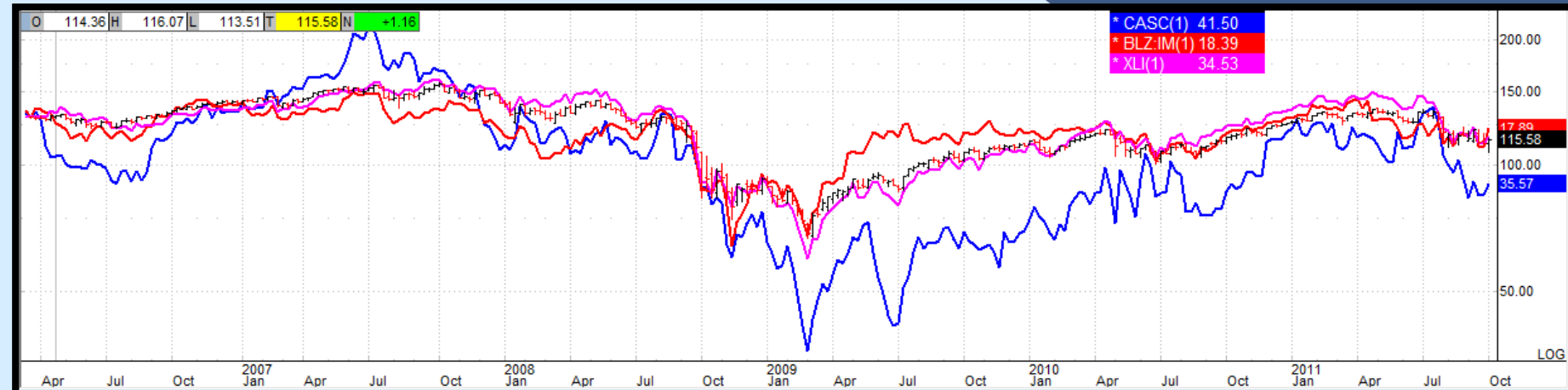
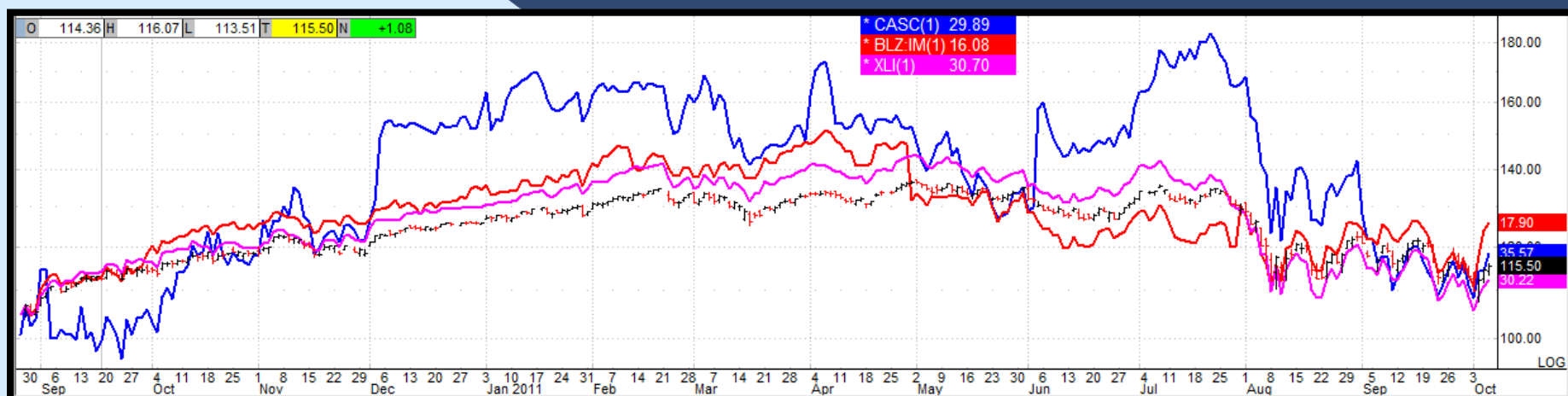
- Will do well if the economy recovers
- High earnings estimates
- Restructured European segment
- Long-term executives
  - Performance based compensation
  - High level of ownership
- Decreasing short interest



# Summary

## ⦿ Cons

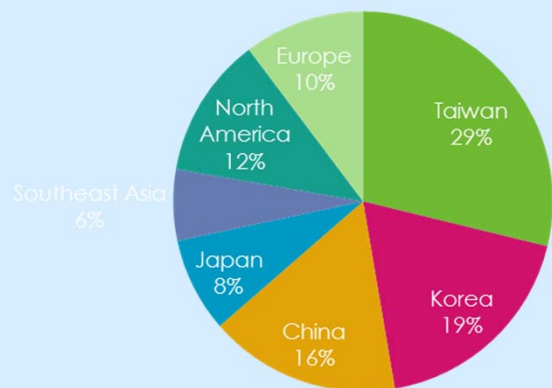
- › Cyclical
- › European Competition
- › Loss of Chinese Market Share
- › Another Industrial



# Sell Proposal: Applied Materials Inc.

Applied Materials, Inc. is the global leader in providing innovative equipment, services and software to enable the manufacture of advanced semiconductor, flat panel display and solar photovoltaic products. Their technologies help make innovations like smartphones, flat screen TVs and solar panels more affordable and accessible to consumers and businesses around the world.

AMAT Net Sales Distribution



<b>Open Price</b>	<b>Day Range</b>	<b>52-Week Range</b>	<b>Proj. Yield</b>	<b>Market Cap</b>	
\$10.26	10.08-10.60	9.70-16.93	3.02	14.4 bil	
<b>Volume</b>	<b>Avg Vol.</b>	<b>Forward P/E</b>	<b>P/B</b>	<b>P/S</b>	<b>P/CF</b>
16.7 mil	18.7 mil	11.2	1.7	1.3	6.5

# Sources

- ⦿ Bloomberg Terminal
- ⦿ Zacks Investment Research
- ⦿ SEC Filing
- ⦿ Company Websites
- ⦿ Morningstar
- ⦿ Cascade Corp. Direct Communications
- ⦿ Qcharts
- ⦿ Valueline
- ⦿ Joey, Brennen, Craig, and many others 😊

# Risk-Adjusted Performance



- Well-diversified portfolio: Approximately 40 positions
  - Current value: Approximately \$650,000
- Sector Weighting
  - Active weight controls & monitoring
- Market Capitalization
  - The SIF Average: \$61 billion, Median: \$26 billion
  - Standard & Poor's Index Average: \$2 billion, Median: \$12 billion
- 10-Year Portfolio Beta: 0.88
- 10-year Annualized Alpha: 6.03%
  - t-stat: 2.51
  - P-value: 1.3%

# Performance through 1/31/12

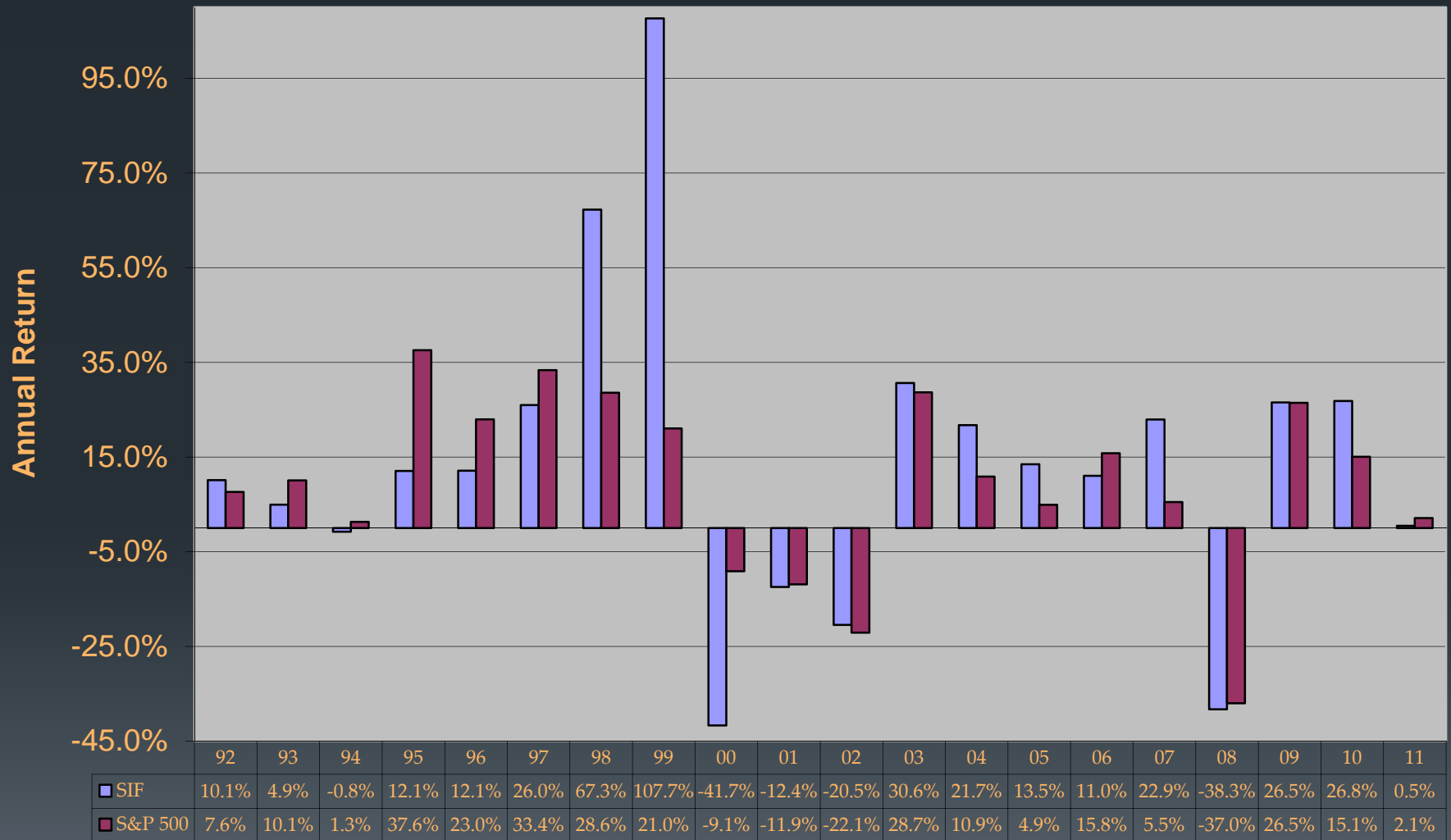


Cumulative Returns	UAF Student Investment Fund	Large Stocks S&P 500	Small Stocks Russell 2000
YTD Return **	7.84%	4.48%	7.07%
1 Year	6.93%	4.22%	3.10%
2 Year	19.42%	12.84%	16.36%
3 Year	21.11%	19.24%	21.77%
4 Year	3.68%	1.00%	3.00%
5 Year	5.33%	0.33%	0.31%
10 Year	7.88%	3.52%	5.99%
Inception	9.78%	7.84%	*

\* Russell 2000 data is not available

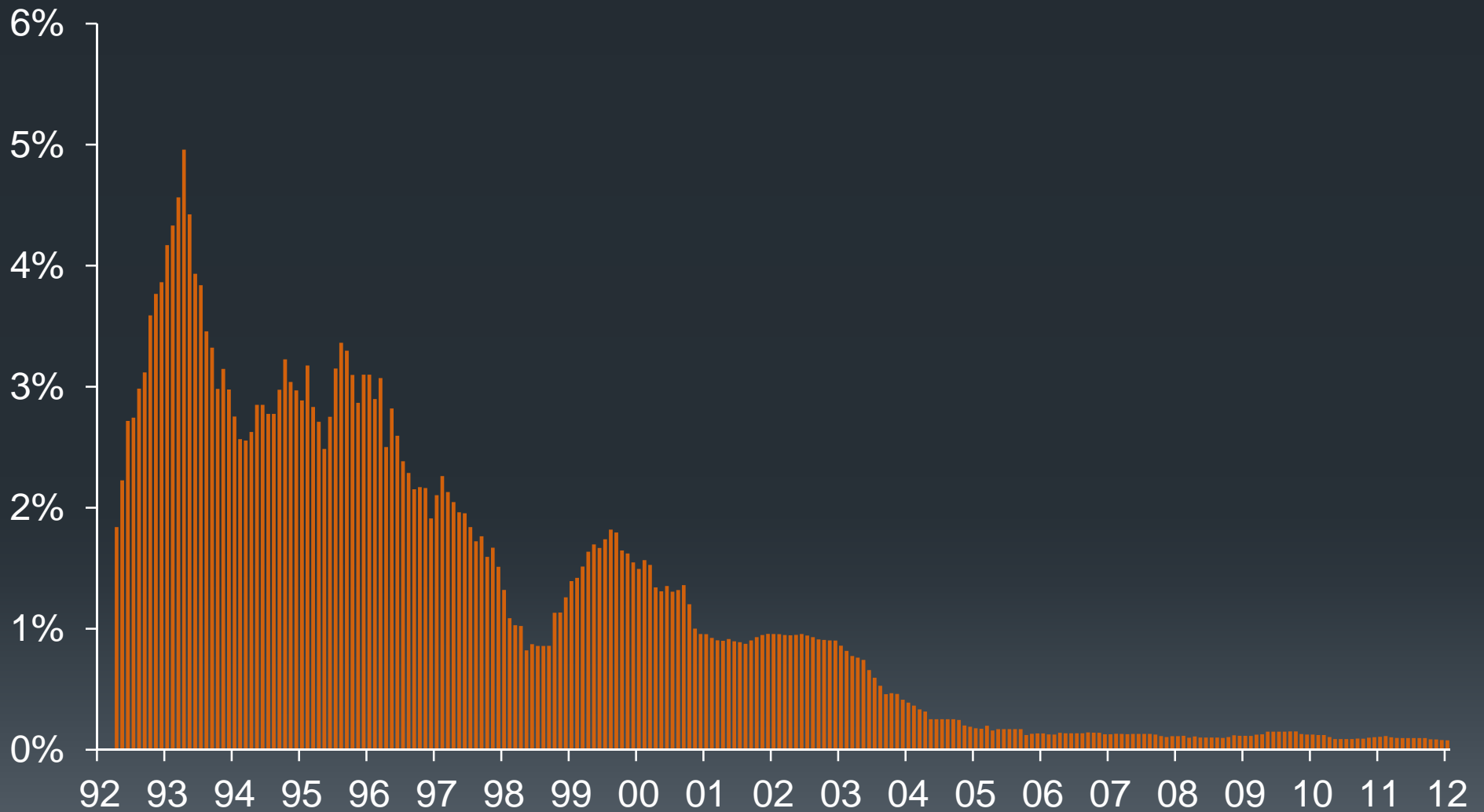
\*\* Year-to-date (YTD) returns thru 1/31/12 are not annualized

# Calendar Year Returns



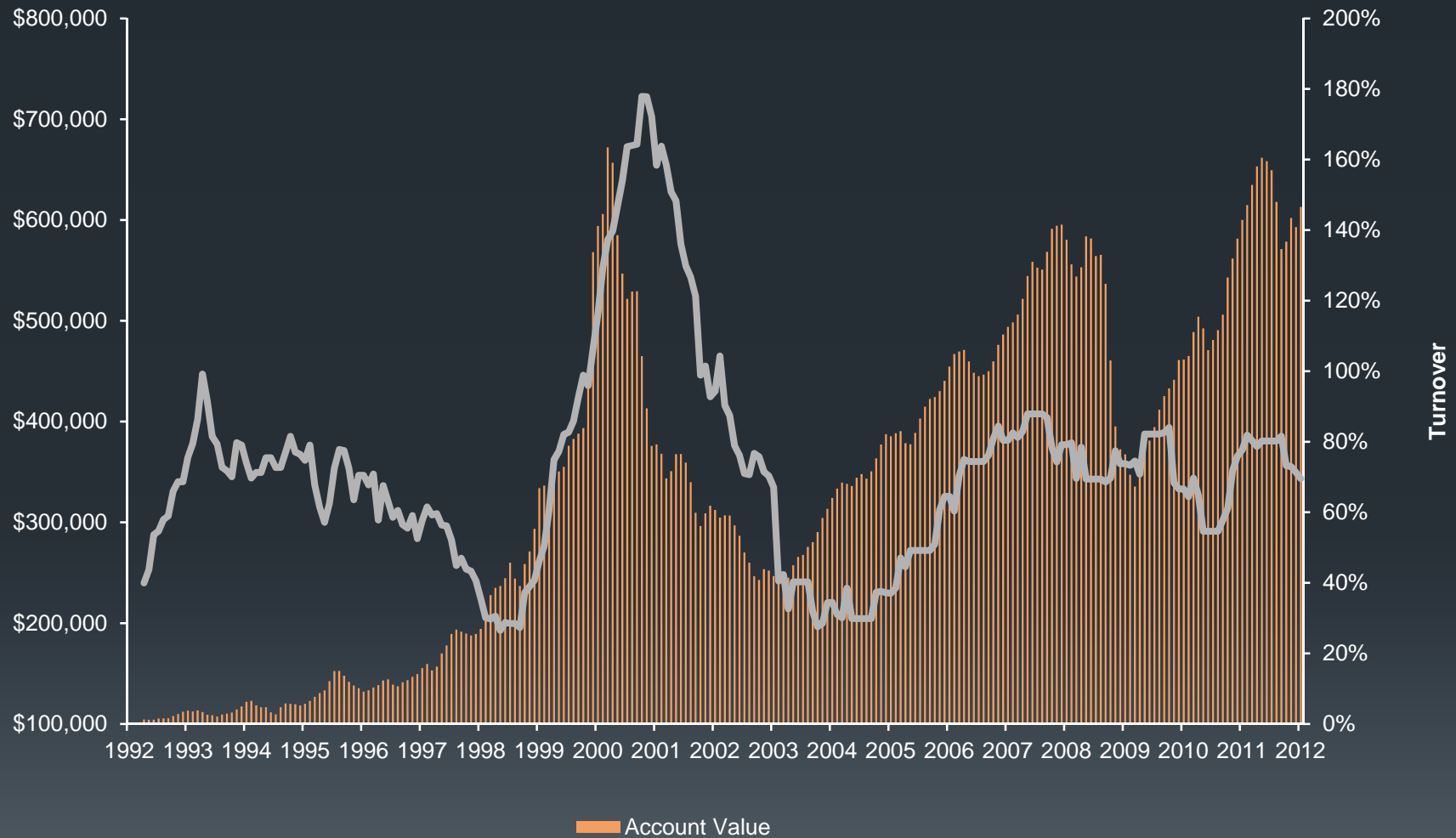
■ SIF  
■ S&P 500

# Annualized Commissions

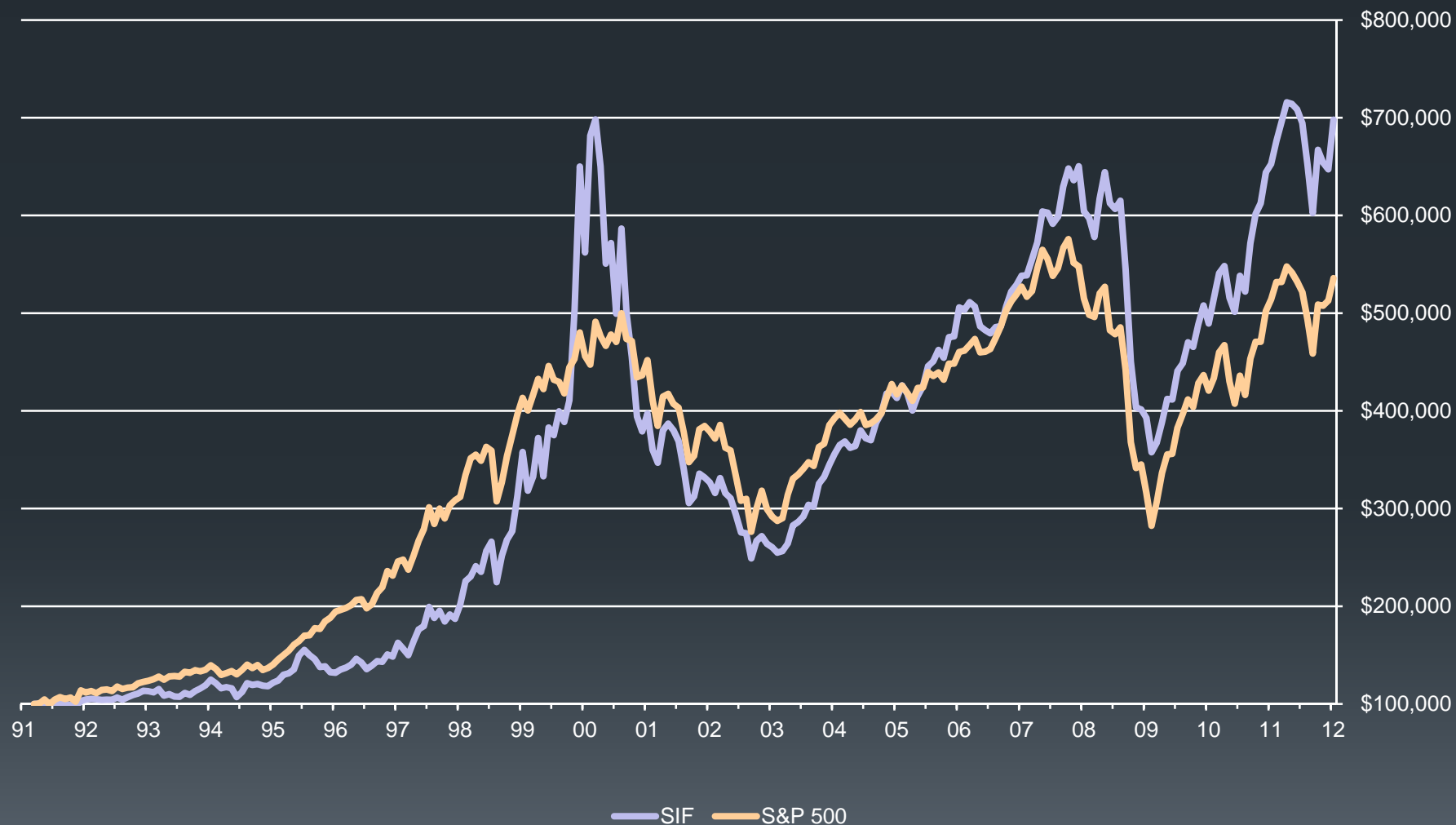




# Average Holding Period

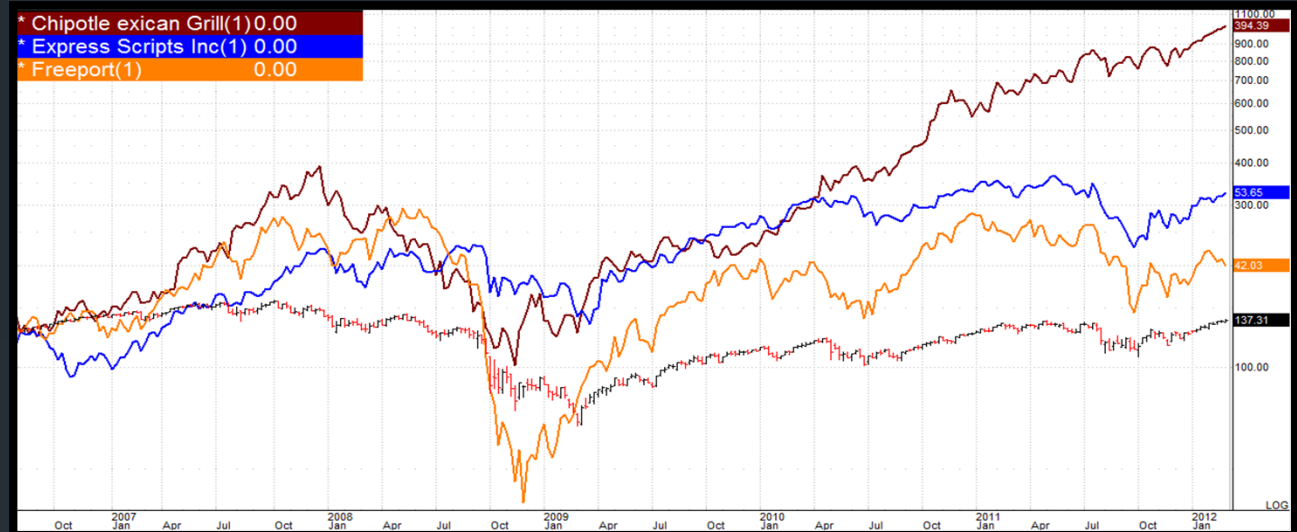


# Growth of \$100K – SIF vs. S&P 500

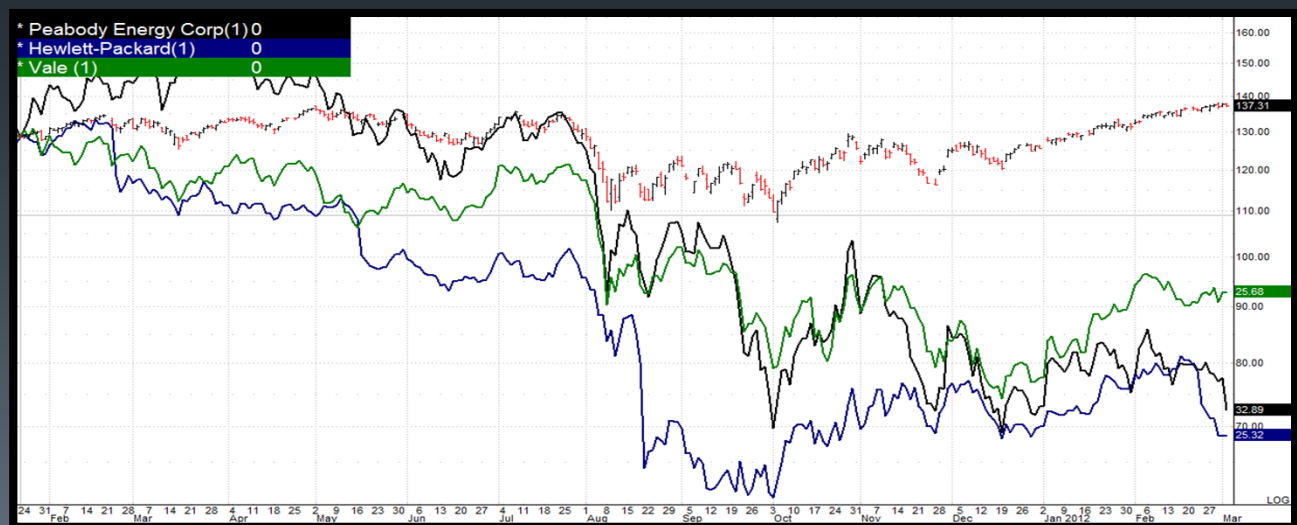


# Best & Worst Performers 03/2/12

Company Name	Gain Since Purchase
Express Scripts Inc.	186.6%
Freeport	102.3%
Chipotle Mexican Grill*	277.88%



Company Name	Loss Since Purchase
Hewlett-Packard*	-38.8%
Peabody Energy Corp.	-25.6%
Vale	-15.4%



# Partnerships

- SIF Board of Advisors
  - Bob Gillam, President & CEO, McKinley Capital Management, LLC
  - Joe Beedle, President & CEO, Northrim Bank
  - Mark Herrmann, Ph.D., Dean of UAF SOM
  - Greg Krier, Executive Officer, Administrative Services
  - Jim Lynch, Associate Vice President, Finance
  - Tammi Weaver, CIO UA Systems
- Alaska Permanent Fund Corp.
  - Internship program
- McKinley Capital Management
  - Bloomberg terminal provided by Bob Gillam
- Northrim Bank
  - Long-term financial support
- Sam Enoka,
  - Alumni & Networking
- Faculty Advisor
  - Craig Wisen, CFA



# Recent Developments



- Goal: Establishment of REIT student-managed fund
  - Expand experiential learning opportunities
  - Provide need and merit-based scholarships
  - Pioneer student managed REIT funds
  - Prepare for careers in real estate
  - Innovative way of improving life decisions involving real estate, management of debt, and retirement planning
- Strategy
  - Focused class on managing a REIT fund
  - Follow established guidelines from SIF
  - Raise seed investment capital