



# Aldila, Inc. (Buy)

**Summary:** Aldila, Inc., through its subsidiaries, engages in the design and manufacture of graphite (carbon fiber-based composite) golf shafts in the United States.

ALDILA INC  
 as of 17-Oct-2005

Splits: ▼



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**Revenues (Million \$)**

	2005	2004	2003	2002	2001
1Q	17.8	15.3	10.2	11.4	14.6
2Q	21.8	14.3	9.9	10.6	9.8
3Q		10.8	8.0	6.5	6.8
4Q		12.4	9.8	9.1	8.3
Yr.	N/A	52.8	37.8	37.4	40.0

**Earnings Per Share (\$)**

	2005	2004	2003	2002	2001
1Q	.64	.47	-.03	-.04	.26
2Q	.7	.44	-.1	-.03	.05
3Q		.65	.04	-.14	-.03
4Q		.30	.03	-.32	-3.04
Yr.	1.85	1.85	-.06	-.54	-2.74

**Company Highlights**

- Aldila is diversified within the carbon fiber industry. The company manufactures golf shafts, hockey sticks and blades, and its subsidiary, Carbon Fiber LLC manufactures its own carbon fiber.
- Over the past year, the company has outperformed the S&P 500 by 90%.
- The company has ZERO debt.
- The company more than doubled its cash and marketable securities during 2004.

**Major Risks**

- Aldila has only shown significant profit over the short-term.
- The company lacks any major analyst coverage.
- Past trends have shown uncertainty within the carbon fiber industry.

**Analysts Opinion:** It is our opinion that this company will continue to grow and is a solid long-term investment. The discounted cash flows model effectively illustrates our projected outcome.

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Symbol: ALDA  
 Sector: Consumer Goods  
 Industry: Sporting Goods  
 Industry Outlook: Negative

Market Cap: 122.15M  
 Shares Outstanding: 5.33M  
 Avg. Daily Volume: 57,700  
 52-Wk Range: \$11.00-\$30.00

DCF Valuation: \$35.00

Net Profit Margin: 18.82%  
 Return on Equity: 35.40%  
 Dividend Yield: 1.55%  
 Debt to Equity: 0  
 Forward P/E: 10.48

**Growth Rates (5 yr.)**

	Company	Industry
Sales	3.19%	10.1%
EPS	N/A	24.6%

**Company Efficiency/Profitability (TTM)**

	Comp.	Ind.
ROE	35.4%	22.2%
ROA	28.6%	13.3%
Gross Margin	34.1%	40.0%
Rec Turnover	9.0	7.7