

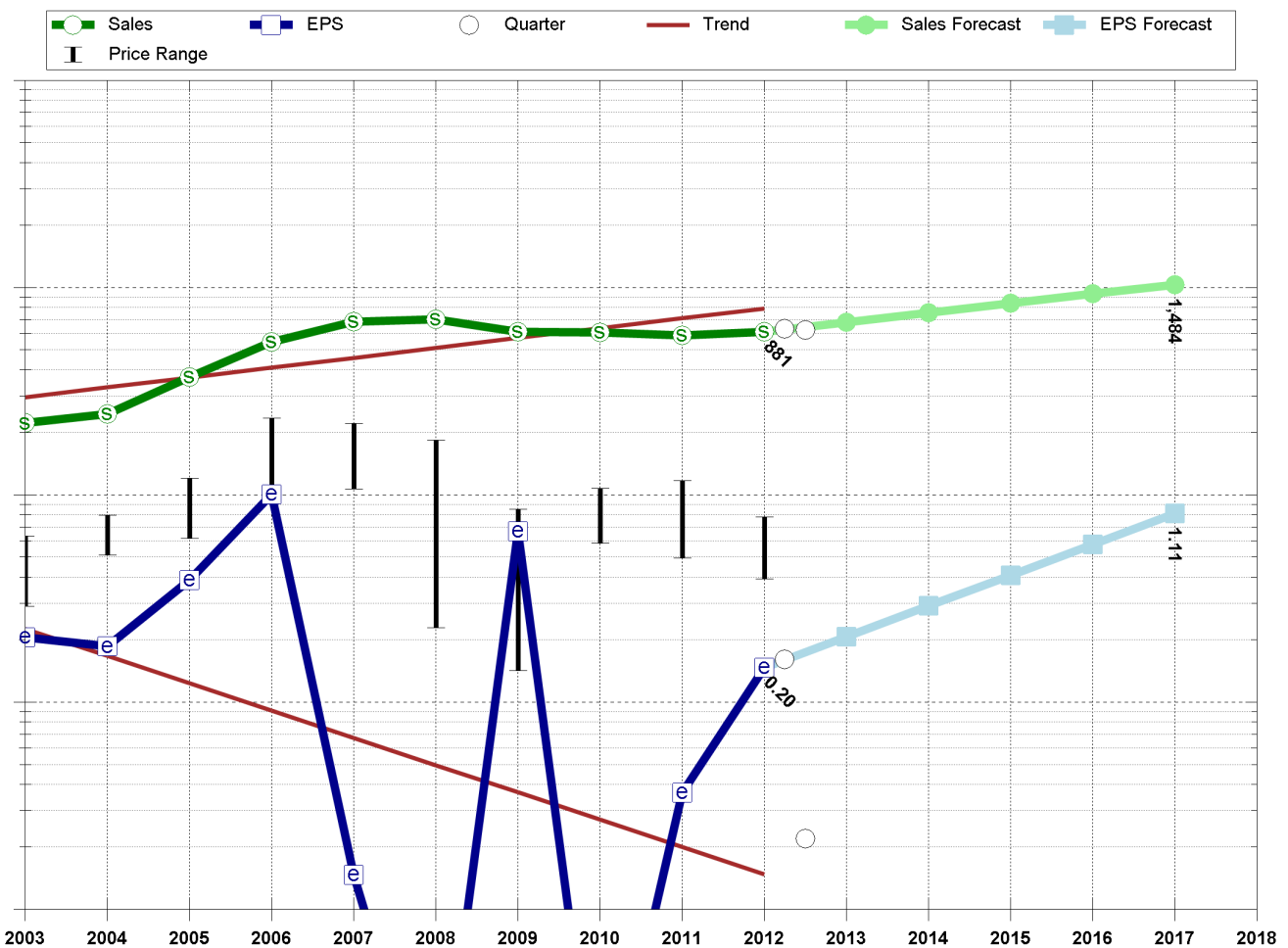
Company	Tetra Technologies,		Date	9/23/2013	
Prepared by	DIKEMAN		Data taken from	BI Stock Data	
Where traded	NYSE		Industry	Oil & Gas Equipment & Services	
Capitalization ---	Outstanding Amounts		Reference		
Preferred (\$M)	0.0	% Insiders	% Institution		
Common (M Shares)	77.9	5.1		91.4	
Debt (\$M)	346.0	% to Tot Cap	38.9	% Pot Dil	0.0

## Stock Selection Guide

Symbol: TTI

### 1 VISUAL ANALYSIS of Sales, Earnings, and Price

FY2012 Quarter Ending (06/13)	Sales (\$M)	Earnings Per Share
Latest Quarter	221.1	-0.04
Year Ago Quarter	234.9	0.15
Percentage Change	-5.88%	-126.67%



- |                                   |        |                                                |        |
|-----------------------------------|--------|------------------------------------------------|--------|
| (1) Historical Sales Growth       | 11.6%  | (3) Historical Earnings Per Share Growth       | -37.5% |
| (2) Estimated Future Sales Growth | 11.00% | (4) Estimated Future Earnings Per Share Growth | 40.90% |

## 2 EVALUATING Management

Tetra Technologies,

	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	Last 5 Year Avg.
Pre-tax Profit on Sales (Net Before Taxes/Sales)	9.20%	7.46%	10.77%	19.99%	0.22%	4.28%	11.99%	-8.46%	0.74%	3.20%	2.35%
% Earned on Equity (E/S / Book Value)	8.73%	7.21%	12.94%	23.43%	0.33%	-1.89%	11.92%	-8.42%	0.73%	2.83%	1.04%

## 3 PRICE-EARNINGS HISTORY as an indicator of the future

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

PRESENT PRICE 12.2

HIGH THIS YEAR 12.97

LOW THIS YEAR 5.35

	A	B	C	D	E	F	G	H
Year	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100
1 2008	25.00	3.12	NMF	NMF	NMF	0.000	NMF	0.00
2 2009	11.62	1.94	0.91	12.77	2.13	0.000	0.00	0.00
3 2010	14.64	8.00	NMF	NMF	NMF	0.000	NMF	0.00
4 2011	16.00	6.77	0.05	320.00	135.40	0.000	0.00	0.00
5 2012	10.66	5.35	0.20	53.30	26.75	0.000	0.00	0.00
6 TOTAL		25.2		386.1	164.3		0.0	
7 AVERAGE		5.0		128.7	54.8		0.0	
8 AVERAGE PRICE EARNINGS RATIO 91.7					9 CURRENT PRICE EARNINGS RATIO 405.7			

## 4 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 91.00 X Estimate High Earnings/Share 1.11 = Forecasted High Price \$ 101.01

### B LOW PRICE - NEXT 5 YEARS

(a) Avg. Low P/E 54.00 X Estimate Low Earnings/Share 0.20 = Forecasted Low Price \$ 10.80

(b) Avg. Low Price of Last 5 Years 5.04

(c) Recent Market Low Price 5.35

(d) Price Dividend Will Support  $\frac{\text{Present Dividend}}{\text{High Yield}} = \frac{0.000}{0.00\%} = 0.00$

Selected Forecasted Low Price 10.80

### C ZONING using 25%-50%-25%

Forecasted High Price 101.01 Minus Forecasted Low Price 10.80 = 90.21 Range. 25% of Range 22.55

Buy Zone 10.80 to 33.35

Hold Zone 33.35 to 78.46

Sell Zone 78.46 to 101.01

Present Market Price of 12.17 is in the **Buy** Zone

### D UPSIDE DOWNSIDE RATIO (POTENTIAL GAIN VS. RISK OR LOSS)

$\frac{\text{High Price} - \text{Present Price}}{\text{Present Price} - \text{Low Price}} = \frac{101.01 - 12.17}{12.17 - 10.80} = \frac{88.84}{1.37} = 64.8$  To 1

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

$\frac{\text{High Price} - \text{Present Market Price}}{\text{Present Market Price}} = \frac{101.01 - 12.17}{12.17} = 8.30$  X 100 = 829.99 - 100 = 729.99 % Appreciation

## 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.

A  $\frac{\text{Present Full Year's Dividend \$}}{\text{Present Price of Stock}} = \frac{0.000}{12.17} = 0.00 = 0.00\%$  Present Yield

### B AVERAGE YIELD - USING FORECAST HIGH P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast High PE}} = \frac{0.00\%}{91.00} = 0.00\%$

### C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation 52.69 %

Average Yield 0.00 %

Annualized Rate of Return 52.69 %