THE VALUE LINE

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Special Situations Service®

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Company Updates*

*Each review in the Company Updates section is a follow-up to an original recommendation and is not necessarily sufficient by itself to form the basis for an investment decision. A subscriber interested in purchasing any of the securities currently rated "Buy/Hold" or "Especially Recommended," who does not have available Value Line's original recommendation of the security, should feel free to request from us a copy of the original recommendation so that he or she will have more information on which to base a decision.

Value Line®

Economic view

A few nicks and dents are visible on the employment front. True, job growth is still formidable, with an average of over 200,000 positions a month being created in the past year; the jobless rate is down to 5.3%—the lowest level since 2008—and initial jobless claims remain low for the most part. Conversely, it is also the case that neither hourly wages nor the average workweek are showing any gains, while the percentage of adults either working or looking for a job is at its lowest level since 1977.

The employment situation is reflecting the economy as a whole. That is, we are taking three steps forward for every two steps backward. Specifically, consumers are more active, with spending on autos and housing generally on the increase. Also, non-manufacturing rose last month, pointing to further resilience in the key services sector. Here, too, though, there are some concerns, as manufacturing, albeit up a bit in June, is still lackluster worldwide; exports continue to be hurt by the strong dollar; and factory orders are showing further malaise, falling by 1.0% in the latest survey. In sum, our economy, after stumbling at the start of the year, should revert to its underlying 2.5%-3.0% growth rate in the current half. Meanwhile . . .

Challenges now lie ahead. For openers, there are second-quarter earnings, which should show further modest growth, excluding the energy sector. That is likely to help anchor a stock market that is feeling pressure from the ill-defined outlook in Greece (things were in flux there as we went to press after that nation's initial refusal to accede to tougher bailout terms) and the recent stock market turmoil in China. Then, there is the Fed, which could raise interest rates by September, particularly if things quiet down in Europe and the stock markets stabilize across Asia. For now, though . . .

Our stock market is being tested. Volatility is up and prices are down in the aggregate. But the uptrend could still be intact, as investors continue to bargain hunt following most selloffs. Such buying has been a staple of this long market up cycle.

Conclusion: This resilience aside, we remain wary about earnings, the soap opera in Greece, the unsettled markets in China, and the uncertain interest-rate outlook at the Fed. V

Newswire

Acadia Healthcare Company, Inc. announced three acquisitions. In the United Kingdom, it acquired 15 inpatient facilities with approximately 300 beds from Care UK, and an inpatient behavioral health facility with 42 beds from Choice Lifestyles. In the United States, it acquired an inpatient behavioral health facility, with 147 beds that serves the Philadelphia, PA market, from Belmont Behavioral Health, which is part of the Einstein Healthcare Network. The total consideration for the three acquisitions, which together generated revenues of about $82 million last year, was $145 million.

Ambarella acquired VisLab S.r.I., a privately held Italian company that develops

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Value Line®

Stocks currently being followed by The Special Situations Service. Prices quoted are those at the close of the market, July 10, 2015

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Edward W. Ulrich, *Editor*

The Value Special Situations Service

AGGRESSIVE STOCK PORTFOLIO

Stocks with above-average growth potential

Latest Review Issue	Name	Ticker	Current Advice	Recent Price	Estimated Yield Next 12 Months	Originally Recommended		% Gain
						Price	Date	
Jun-15	Ambarella, Inc.	AMBA	Buy/Hold	99.61	Nil	21.97	Nov-13	353.4
Mar-15	AmSurg Corp.	AMSG	Esp. Rec.	70.31	Nil	64.75	Mar-15	8.6
Jun-15	BioSpecifics Technologies Corp.	BSTC	Hold	50.96	Nil	25.62	May-14	98.9
Apr-15	BroadSoft, Inc.	BSFT	Esp. Rec.	33.90	Nil	34.69	Apr-15	-2.3
Jul-15	Cardtronics, Inc.	CATM	Hold*	34.58	Nil	34.80	Sep-14	-0.6
May-15	Cavium, Inc.	CAVM	Esp. Rec.	63.36	Nil	47.50	Jul-14	33.4
Jul-15	Depomed, Inc.	DEPO	Esp. Rec.	30.14	Nil	10.28	Dec-13	193.2
Mar-15	EPAM Systems, Inc.	EPAM	Hold	74.79	Nil	42.46	Oct-14	76.1
Jun-15	Evercore Partners, Inc.	EVR	Buy/Hold	55.30	2.10%	45.60	Aug-13	21.3
May-15	Fiesta Restaurant Group, Inc.	FRGI	Esp. Rec.	49.37	Nil	60.28	Dec-14	-18.1
Apr-15	FleetCor Technologies, Inc.	FLT	Buy/Hold	154.25	Nil	43.80	Sep-12	252.2
May-15	Insulet Corporation	PODD	Hold	31.26	Nil	14.70	Mar-10	112.7
Jun-15	InvenSense, Inc.	INVN	Esp.Rec.	13.33	Nil	16.21	Jul-13	-17.8
Jun-15	Jazz Pharmaceuticals plc	JAZZ	Buy/Hold	178.77	Nil	58.75	Mar-13	204.3
Jul-15	Lannett Company, Inc.	LCI	Buy/Hold	59.93	Nil	47.46	Jun-14	26.3
Mar-15	NetScout Systems, Inc.	NTCT	Buy/Hold	36.26	Nil	45.02	Aug-14	-19.5
Apr-15	Paycom Software, Inc.	PAYC	Buy/Hold	34.46	Nil	24.85	Nov-14	38.7
May-15	PolyOne Corp.	POL	Buy/Hold	37.87	1.00%	19.47	Nov-12	94.5
Mar-15	PowerSecure International, Inc	POWR	Buy/Hold	15.46	Nil	7.72	Dec-12	100.3
May-15	Qualys, Inc	QLYS	Esp. Rec.	37.22	Nil	46.31	Feb-15	-19.6
May-15	Tableau Software, Inc.	DATA	Esp. Rec.	121.01	Nil	111.91	May-15	8.1
Jun-15	Ultimate Software, Inc.	ULTI	Esp. Rec.	167.20	Nil	162.32	Jun-15	3.0
Jun-15	Veeva Systems, Inc.	VEEV	Esp. Rec.	28.10	Nil	28.00	Jan-15	0.4
Feb-15	WisdomTree Investments, Inc.	WETF	Buy/Hold	21.90	Nil	12.45	Jun-13	75.9
Jan-15	W.R. Grace & Co.	GRA	Buy/Hold	102.35	Nil	55.79	Apr-12	83.5

CONSERVATIVE STOCK PORTFOLIO

Stocks for investors seeking growth and/or income

Latest Review Issue	Name	Ticker	Current Advice	Recent Price	Estimated Yield Next 12 Months	Originally Recommended		% Gain
						Price	Date	
May-15	Acadia Healthcare Co., Inc.	ACHC	Esp. Rec.	80.58	Nil	72.18	May-15	11.6
May-15	AmTrust Finc'l Services, Inc.	AFSI	Esp. Rec.	66.32	1.50%	57.30	Dec-14	15.7
Jul-15	Broadridge Finc'l Sol'ns., Inc.	BR	Hold*	53.37	2.10%	36.47	Nov-13	46.9
Jul-15	Cantel Medical Corp.	CMN	Hold	54.71	0.20%	14.83 (a)	May-12	268.9
Apr-15	Centene Corp.	CNC	Buy/Hold	72.91	Nil	37.58 (a)	Jun-14	94.0
Jun-15	Compass Diversified Hldngs.	CODI	Buy/Hold	16.68	8.80%	15.93	Apr-10	4.7
Jul-15	(The) Ensign Group, Inc.	ENSG	Buy/Hold	52.91	0.60%	35.37	Aug-14	49.6
Apr-15	Euronet Worldwide, Inc.	EEFT	Esp. Rec.	62.81	Nil	55.19	Nov-14	13.8
May-15	Fidelity Nat'l. Info. Svcs.	FIS	Hold	63.57	1.70%	32.88	Mar-12	93.3
Jul-15	G-III Apparel, Inc.	GIII	Hold*	71.77	Nil	41.87 (a)	Sep-14	71.4
May-15	GP Strategies Corp.	GPX	Esp. Rec.	33.82	Nil	37.18	Mar-15	-9.0
May-15	Grand Canyon Education, Inc.	LOPE	Hold	43.59	Nil	44.51	Dec-13	-2.1
Dec-14	Heartland Payment Sys., Inc.	HPY	Hold	54.82	0.70%	38.03	Sep-13	44.2
May-15	KAR Auction Services, Inc.	KAR	Buy/Hold	37.52	2.90%	24.90	Jul-13	50.7
Jul-15	Lydall, Inc.	LDL	Hold*	29.79	Nil	26.34	Jul-14	13.1
Feb-15	MarketAxess Hldngs, Inc.	MKTX	Buy/Hold	103.28	0.80%	55.99	Apr-14	84.5
Mar-15	Martin Midstream Prtns., L.P.	MMLP	Hold	31.62	10.20%	45.68	May-13	-30.8
Jun-15	Molina Healthcare, Inc.	MOH	Esp. Rec.	69.71	Nil	68.20	Jun-15	2.2
Feb-15	Natural Grocers by Vitamin Cottage	NGVC	Esp. Rec.	24.80	Nil	30.25	Feb-15	-18.0
Apr-15	PRA Group	PRAA	Hold	63.67	Nil	62.00	Oct-13	2.7
Apr-15	SS&C Tech. Hldngs, Inc.	SSNC	Esp. Rec.	64.36	0.80%	62.94	Apr-15	2.3
Jul-15	STRATTEC SECURITY CORP.	STRT	Sell*	68.91	0.70%	29.15	Jan-13	136.4
Mar-15	Super Micro Computer, Inc.	SMCI	Buy/Hold	25.85	Nil	22.45	Feb-14	15.1
Mar-15	Syntel, Inc.	SYNT	Esp. Rec.	43.97	Nil	45.69 (a)	Mar-14	3.8
Apr-15	U.S. Physical Therapy, Inc.	USPH	Buy/Hold	54.80	1.10%	39.43	Oct-14	39.0
Feb-15	Unitil Corp.	UTL	Buy/Hold	33.72	4.20%	20.40	Feb-09	65.3
Jun-15	Vantiv, Inc.	VNTV	Esp. Rec.	38.98	Nil	34.19	Jan-15	14.0
Feb-15	Virtusa Corp.	VRTU	Buy/Hold	49.74	Nil	22.08	Feb-13	125.3

*Current advice change. (a) Adjusted for stock splits and/or stock dividends.

Cardtronics, Inc. shares fell sharply after the company announced major customer 7-Eleven has decided not to renew a contract with the company to operate ATMs at its stores. Seven Bank, which operates in the United States as Financial Consulting and Trading International, Inc. (FCTI) and shares 7-Eleven's parent company Seven & i Holdings Company, Ltd., will install and operate ATMs at these locations beginning in July, 2017. The 7-Eleven deal represented about 17% of Cardtronics revenues and, given their high traffic, probably an even greater percentage of earnings. There is some speculation that FCTI will enter into an agreement with Cardtronics to use its surcharge-free Allpoint network, as there is some concern that surcharges on these ATMs might lead to an overall decline in foot traffic, with customers switching to other convenience stores that still offer no-fee ATM transactions. Cardtronics has been working for the past few years to reduce its exposure to 7-Eleven in anticipation of such a deal, making acquisitions such as last year's purchase of retail ATM services company Welch ATM, which added more than 26,000 ATMs to its network, including several thousand at high-traffic Walgreen's and Rite-Aid locations. It is also acquiring international companies. We still think Cardtronics has good growth potential through its Allpoint surcharge-free business, acquisitions, and international expansion, and can also benefit from bank branch closures, which reduce the overall number of ATMs and the growing popularity of prepaid cards. Nevertheless, the loss of 7-Eleven will likely weigh on the shares until a new catalyst for growth is announced, either in the form of a major acquisition or substantial business win, and we are lowering our ranking on the shares to Hold.

Depomed shares soared after Horizon Pharma plc made an unsolicited bid valued at $29.25 a share to acquire the company. Horizon has been aggressively pursuing acquisitions, purchasing Vidara Pharmaceuticals last September for about $660 million and Hyperion Therapeutics in May for $1.1 billion. Depomed's board unanimously decided to reject the offer, noting the share price hit a high of $28.16 in April, representing a premium of only about 4%. (The shares fell sharply after it announced first-quarter results that were hurt by inventory destocking by wholesalers, however, and the bid represents a 42% premium over the share price at the time of the offer.) Depomed issued a poison pill plan that would dilute the holdings of any person or group that tries to acquire the company without the board's approval, so Horizon will now have to decide whether to up the offer or walk away. Given that it has proposed an all-stock transaction, Horizon could increase its offer and maintain its capital structure, enabling other deals that would fit its aggressive acquisition strategy. We believe this will likely be the case but, given the fact that the stock has gained more than 200% as we go to press, investors with a more-conservative bent may want to consider taking profits now.

RANK CHANGES

Company	Ticker	Prev. Rank	Curr. Rank
Broadridge Fin'l. Sol'ns	BR	*Buy/Hold*	*Hold*
Cardtronics	CATM	*Esp. Rec.*	*Hold*
G-III Apparel	GIII	*Esp. Rec.*	*Hold*
Lydall	LDL	*Esp. Rec.*	*Hold*
STRATTEC	STRT	*Hold*	*Sell*

RECENT DIVIDENDS

Company	Amount Per Share	Payable Date	Record Date
Compass Div. Hldgs. (CODI)	$0.36	Jul. 29	Jul. 22

STRATTEC Security Corp. shares have been trending downward in recent months. The provider of automotive access control products, including mechanical and electronic locks and keys, ignition lock housings, latches, power sliding door, lift gate, and deck lid systems, door handles, and other products, struggled a bit in the first quarter due to a temporary shutdown at a Chrysler plant to re-tool for the new Chrysler minivan. In addition, sales to GM were down from the same period a year ago due to price concessions, and Ford sales were also down because of lower production of vehicles for which STRATTEC supplies parts, particularly the F-150 pickup, where production of the new model had been slow to ramp. It also reported equity earnings for its VAST LLC joint venture of $301 million, down from $365 million a year ago. Offsetting this was higher sales to Tier 1 customers, on demand for latches, fobs, and driver controls that have been developed in recent years to complement the company's locks and keys business. Sales were up 4% overall, while earnings rose $0.20, to $1.20 a share. STRATTEC recently announced that VAST became a joint partner with Minda Management Services Ltd., through which it acquired a 50% interest in Minda-Valeo Security Systems for approximately $12 million. The joint venture will be renamed Minda-VAST Access Systems. Minda supplies security and access products, handles, restraint systems, and driver information systems to auto, motorcycle, commercial vehicle, tractor, and off-road manufacturers in India. This partnership appears to be a good fit for VAST, which is a supplier of similar components throughout North America, Europe, and Asia. STRATTEC will own one-third of the venture, which will initially add about $7 million to STRATTEC's top line. While we are encouraged by this development, we have seen the shares fall quite a bit recently. The stock has appreciated by about 136% since our initial recommendation in January, 2013 and, considering its recent performance, we think now would be a good time for investors to take profits. V

Portfolio Updates

RECENT EARNINGS

There are no earnings to report this issue.

Newswire

(cont. from page 1)

automotive and commercial applications, for $30 million in cash.

AmSurg Corp. acquired Florida-based Coastal Anesthesiology Consultants, P.A, which provides anesthesia services for hospitals in the St. Augustine market. The practice has more than 25 providers, including physicians, certified registered nurse anesthetists, and anesthesiologist assistants.

AmTrust Financial Services, Inc. closed on a public offering of $150.0 million of its 7.25% subordinated notes due 2055. The net proceeds from the sale will be used for general corporate purposes, which include acquisitions.

Cardtronics, Inc. announced that client 7-Eleven will not renew its ATM placement agreement after the existing agreement expires in mid-2017, citing the desire to move the business to a related entity of 7-11's parent company. Elsewhere, the company acquired Columbus Data Services, LLC, a Dallas, TX-based independent processor of ATM and payment card transactions. CDS services more than 90,000 ATM terminals. It will continue to operate as a separate division and retain current management. Cardtronics also completed the divestiture of the retail portion of its U.K.-based cash-in-transit operation, for approximately £18 million.

Centene Corp announced it will acquire Health Net, Inc., a publicly traded managed care organization that delivers healthcare services through managed health plans and government-sponsored managed care plans, for approximately $6.8 billion in cash and stock. Centene will also assume about $500 million in debt. The combined companies are projected to generate pro forma premium and service revenues of about $37 billion this year.

Compass Diversified Holdings acquired an 87% stake in Fresh Hemp Foods Ltd., a pioneer in hemp-based foods, for C$132.5 million. Marketed as Manitoba Foods, the products are carried in about 7,000 retail locations in the U.S. and Canada. Fresh Hemp had sales for the year ended November 30th of about C$37.9 million, which was an increase of 24% over the year before. It also generated sales of C$27.6 million through the six month-period ended May 31st. The transaction was funded using an existing credit facility.

Epam Systems, Inc. acquired NavigationArts, a digital strategy and experience design firm with several notable clients including Ernst & Young, Marriott International, General Dynamics, and Time Warner Cable. Terms were not disclosed. Elsewhere, Epam announced the expansion of its European operations through the opening of offices in Austria.

Euronet Worldwide, Inc. acquired XE, a provider of digital foreign exchange information that annually fulfills more than 2.9 billion requests. XE earns subscription-based fees for delivering global currency exchange rate data, and transaction-based revenue for money transfers. Euronet drew about $60 million from an existing credit facility, as well as an undisclosed amount of cash, to fund the transaction. Euronet's Ria Money Transfer subsidiary acquired for an undisclosed sum IME Sdn Bhd, a money-transfer provider based in Malaysia that handles about $115 billion in remittances per year. The acquisition adds 17,000 locations to Ria's network.

Insulet Corporation assumed the full rights to distribute its OmniPod System in Canada. GlaxoSmithKline introduced the system to that market in 2011.

NetScout Systems, Inc. completed the acquisition of Danaher Corporation's Communications Business. The transaction was valued at $2.3 billion, based on the issuance of 62.5 million shares at a price of $36.89 a share.

SS&C Technologies Holdings, Inc. acquired for approximately $2.63 billion Advent Software, Inc., a provider of software and services to the global investment management industry. Advent has more than 4,300 customers, and generated revenues of $397 million last year. It issued $600 million in 5.875% senior notes due 2023 to help fund the acquisition.

U.S. Physical Therapy, Inc. acquired a 70% interest in a four-location physical therapy practice, for $4.3 million. The practice has about 50,000 patient visits a year, and generates annual revenues of $5.5 million. V

FOR AGGRESSIVE INVESTORS

Inphi Corp.

RECENT PRICE: **$22.36** TRADED: **NYSE-IPHI**
CURRENT DIVIDEND YIELD: **Nil**

2018-20 PROJECTED VALUATION

REVENUES: **$445 million**
EARNINGS PER SHARE: **$1.85**
THREE- TO FIVE-YEAR PRICE TARGET: **$55**
COMPANY WEBSITE: **www.inphi.com**

Inphi is a fabless provider of high-speed analog and mixed-signal semiconductor solutions. It serves the communications, data center, and computing markets. Its solutions address bandwidth bottlenecks in networks, a major concern for customers in these markets because over the past 10 years, the bandwidth handling capability of digital chips has improved 100 times, while analog has only improved 15 times. Inphi's solutions maximize throughput, minimize latency, and provide a high-speed interface between analog signals and digital information for telecommunications transport systems, enterprise networking equipment, data center and enterprise servers, storage platforms, test and measurement equipment, and military equipment. They deliver high signal integrity at industry-leading data speeds while reducing power consumption. And they enable the rollout of next-generation communications, data center, and computing infrastructures. Its optical interconnect products, which include amplifiers and drivers, are designed into routers, switches, and fiber optics. Telecom providers are in the early stages of transitioning to high-speed 100Gb solutions, and will eventually upgrade to 400Gb, in order to reduce costs. Data centers are also making the transition to 100Gb. Inphi's solutions are also used to connect CPUs to memory, which ease traffic jams in servers. The company is well positioned to capitalize on these trends. It posted revenue growth of 90% year over year in the first quarter, helped by last year's acquisition of Cortina Systems, Inc., a provider of high-speed interconnect and optical transport products, as well as strong organic growth. We believe Inphi will experience increased demand for its products in the coming quarters as communications providers, cloud data centers, and enterprise data centers upgrade their networks.

Inphi collaborates with industry and technological leaders including Advanced Micro Devices, Alcatel-Lucent, ARM Ltd., Ciena Corp., Cisco Systems, Huawei Technologies, Juniper Networks, Intel, Micron Technology, and Samsung, designing architectures and products that solve bandwidth bottlenecks in existing and next-generation communications and computing systems. Its products are designed into systems sold by OEMs that include many of the aforementioned companies, as well as Dell, EMC, H3C Technologies, Hewlett-Packard, IBM, and Oracle.

Its high-speed analog semiconductor solutions are designed to work in complex systems. It works with system vendors to develop proprietary component, channel, and system simulation models. These tools are used to predict system performance before a semiconductor is fabricated in order to identify and optimize critical parameters and meet a customer's system requirements. These simulations reduce a customer's engineering costs and time to market.

Inphi believes it is the leader in developing broadband analog semiconductors that operate at high frequencies of up to 100 GHz. Designing analog circuits that perform at these frequencies is especially challenging because they are much more sensitive to temperature, power supply noise, process variation, and interaction with neighboring circuits. Its experience in this field has enabled it to design and commercially ship several first-in-the-world technologies, including the first 100G linear transimpedance amplifier (TIA) that is now being widely deployed on a global basis in Long Haul networking infrastructures. It also developed the industry's first complementary metal oxide semiconductor (CMOS) based on 100G physical layers (PHYs) for Ethernet and optical transport network applications. These consume significantly less power than traditional silicon germanium (SiGe) products, and also take up less space and are easier to manufacture.

Many of its high-speed analog semiconductor solutions are developed for applications and systems of industry leaders in the communications, data center, and computing markets. For example, its high-speed memory interface designs have been validated for Intel's Xeon Core i7 and its next-generation platforms.

Inphi employs process technology experts, device technologists, and circuit designers that have extensive experience in several process technologies, including CMOS, SiGe, and III-IV technologies that include gallium arsenide (GaAs) and indium phosphide (InP). And it has developed specific internal models

(cont. on page 7)

INPHI CORP. NYSE--IPHI

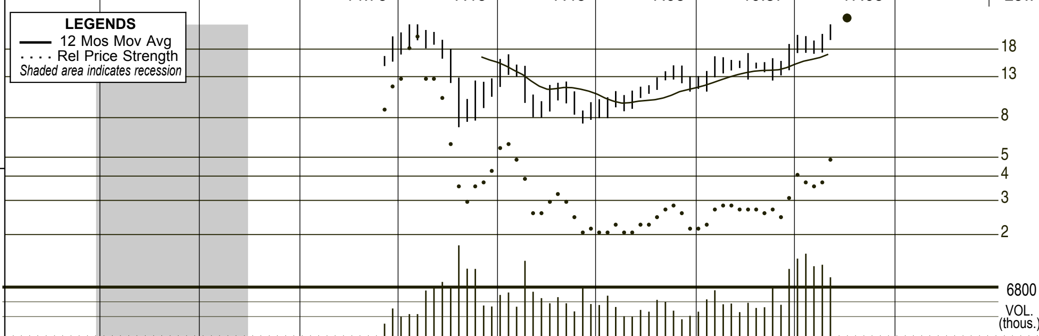
RECENT PRICE	TRAILING P/E RATIO	RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
26.09	NMF	NMF	Nil	

RANKS

PERFORMANCE	3	Average
Technical	3	Average
SAFETY	4	Below Average
BETA 1.35		(1.00 = Market)

Financial Strength	B
Price Stability	5
Price Growth Persistence	NMF
Earnings Predictability	25

	2010	2011	2012	2013	2014	2015	
High	20.94	27.20	16.94	14.88	19.14	27.11	High
Low	14.73	7.13	7.45	7.95	10.87	17.05	Low



© VALUE LINE PUBLISHING LLC	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016/2017
SALES PER SH	--	--	--	3.32	2.84	3.17	3.39	4.18	--	
"CASH FLOW" PER SH	--	--	--	.28	.18	d.55	d.19	d.23	--	
EARNINGS PER SH	--	--	--	.61	.07	d.73	d.45	d.69	***.31*** A,B	***.53*** C***/NA***
DIV'DS DECL'D PER SH	--	--	--	--	--	--	--	--	--	
CAP'L SPENDING PER SH	--	--	--	.21	.19	.29	.55	.57	--	
BOOK VALUE PER SH	--	--	--	5.69	5.68	5.32	5.27	6.41	--	
COMMON SHS OUTST'G (MILL)	--	--	--	25.09	27.88	28.73	30.24	37.31	--	
AVG ANN'L P/E RATIO	--	--	--	28.6	NMF	--	--	--	***84.2***	***49.2/NA***
RELATIVE P/E RATIO	--	--	--	1.82	NMF	--	--	--	--	
AVG ANN'L DIV'D YIELD	--	--	--	--	--	--	--	--	--	
SALES ($MILL)	--	--	58.9	83.2	79.3	91.2	102.7	156.1	--	***Bold figures***
OPERATING MARGIN	--	--	15.7%	16.5%	4.3%	NMF	NMF	NMF	--	***are consensus***
DEPRECIATION ($MILL)	--	--	1.2	1.8	3.2	4.9	7.5	14.1	--	***earnings***
NET PROFIT ($MILL)	--	--	7.3	26.1	1.9	d20.7	d13.2	d22.6	--	***estimates***
INCOME TAX RATE	--	--	10.2%	--	--	--	--	--	--	***and, using the***
NET PROFIT MARGIN	--	--	12.5%	31.4%	2.4%	NMF	NMF	NMF	--	***recent prices,***
WORKING CAP'L ($MILL)	--	--	20.1	116.9	129.4	131.3	129.0	108.4	--	***P/E ratios.***
LONG-TERM DEBT ($MILL)	--	--	--	--	--	--	--	--	--	
SHR. EQUITY ($MILL)	--	--	22.9	142.7	158.4	153.0	159.4	239.2	--	
RETURN ON TOTAL CAP'L	--	--	32.0%	18.3%	1.2%	NMF	NMF	NMF	--	
RETURN ON SHR. EQUITY	--	--	32.0%	18.3%	1.2%	NMF	NMF	NMF	--	
RETAINED TO COM EQ	--	--	--	3.7%	1.2%	NMF	NMF	NMF	--	
ALL DIV'DS TO NET PROF	--	--	--	80%	--	--	--	--	--	

A No. of analysts changing earn. est. in last 12 days: 0 up, 0 down, consensus 5-year earnings growth 22.5% per year. B Based upon 5 analysts' estimates. C Based upon 5 analysts' estimates.

ANNUAL RATES

of change (per share)	5 Yrs.	1 Yr.
Sales	--	23.5%
"Cash Flow"	--	--
Earnings	--	--
Dividends	--	--
Book Value	--	21.5%

Fiscal Year	QUARTERLY SALES ($mill.) 1Q	2Q	3Q	4Q	Full Year
12/31/13	22.6	24.4	26.6	29.1	102.7
12/31/14	31.2	33.9	36.3	54.7	156.1
12/31/15	59.2				
12/31/16					

Fiscal Year	EARNINGS PER SHARE 1Q	2Q	3Q	4Q	Full Year
12/31/12	d.05	d.06	d.04	d.58	d.73
12/31/13	d.27	d.05	d.09	d.04	d.45
12/31/14	d.03	.08	d.22	d.52	d.69
12/31/15	d.26	***.05***	***.08***	***.10***	
12/31/16					

Cal-endar	QUARTERLY DIVIDENDS PAID 1Q	2Q	3Q	4Q	Full Year
2012	--	--	--	--	--
2013	--	--	--	--	--
2014	--	--	--	--	--
2015	--	--			

INSTITUTIONAL DECISIONS

	3Q'14	4Q'14	1Q'15
to Buy	65	76	71
to Sell	51	53	75
Hld's(000)	24177	27837	31522

ASSETS ($mill.)	2013	2014	3/31/15
Cash Assets	122.6	69.3	78.2
Receivables	13.1	36.9	36.7
Inventory (FIFO)	6.8	26.7	23.3
Other	3.6	7.6	4.8
Current Assets	146.1	140.5	143.0
Property, Plant & Equip, at cost	47.9	71.4	- -
Accum Depreciation	25.4	35.9	- -
Net Property	22.5	35.5	34.5
Other	13.7	102.7	100.3
Total Assets	182.3	278.7	277.8
LIABILITIES ($mill.)			
Accts Payable	7.3	7.9	8.2
Debt Due	.0	.0	.0
Other	9.8	24.2	24.1
Current Liab	17.1	32.1	32.3

LONG-TERM DEBT AND EQUITY as of 3/31/15

Total Debt None **Due in 5 Yrs.** None
LT Debt None
Including Cap. Leases None
Leases, Uncapitalized Annual rentals NA

Pension Liability None in '14 vs. None in '13

Pfd Stock None **Pfd Div'd Paid** None

Common Stock 37,951,150 shares (100% of Cap'l)

INDUSTRY: Semiconductor

BUSINESS: Inphi Corporation is a fabless provider of high-speed analog and mixed-signal semiconductor solutions for the communications, datacenter, and computing markets. Its analog and mixed-signal semiconductor solutions provide high signal integrity at leading-edge data speeds while reducing system power consumption. Its semiconductor solutions are designed to address bandwidth bottlenecks in networks, maximize throughput and minimize latency in computing environments, and enable the rollout of next-generation communications, datacenter, and computing infrastructures. Inphi's solutions provide a high-speed interface between analog signals and digital information in high-performance systems such as telecommunications transport systems, enterprise networking equipment, and military systems. The company also provides 40G and 100G high-speed analog semiconductor solutions for the communications market and high-speed memory interface solutions for the computing market. Has 446 employees. C.E.O. & President: Ford G.Tamer. Address: 2953 Bunker Hill Lane, Suite 300, Santa Clara, CA 95054. Tel.: (408) 217-7300. Internet: http://www.inphi.com. *N.A.*

July 3, 2015

TOTAL SHAREHOLDER RETURN

Dividends plus appreciation as of 5/31/2015

3 Mos.	6 Mos.	1 Yr.	3 Yrs.	5 Yrs.
28.43%	62.97%	58.96%	188.09%	--

(cont. from page 5)

and design kits for each process in order to support a uniform design methodology across all its semiconductor solutions. Accurate model development is necessary in this field because these processes have complex material and device interactions, giving Inphi a substantial competitive advantage. Its ability to design high-speed analog semiconductors in a wide range of materials and process technologies enables it to provide superior performance, power, cost, and reliability for any particular market requirement.

The company has also invested to develop expertise in high-speed package modeling and design. At high frequencies, the interaction between an analog device, its package, and the external environment can significantly affect product performance. Accurate modeling and developing advanced packaging are required to address this challenge. This requires a deep skill set, and there is a limited number of engineers with experience in high-speed package modeling and design. Inphi has developed the infrastructure to simulate electrical, mechanical, and thermal properties of devices and packages that are used in the semiconductor design process and implemented at third-party packaging providers. Since its model libraries are used extensively by its circuit designers, their accuracy and value increases over time.

In addition to being the first to commercialize 100G Ethernet PHYs and CDRs in standard CMOS process, Inphi has applied its analog signal processing expertise to develop its isolation memory buffer (iMB) technology, which can expand the memory capacity in existing servers and computing platforms four times.

Owing to Inphi's engineering expertise, it is often among a limited number of semiconductor designers that can provide solutions for a customer. For the broadband communications market, it believes its products achieve the highest signal integrity while attaining superior signal transmission distance at error-free or low-error rates. For the computing and data center markets, its products achieve industry-leading data transfer rates at the smallest die size.

Moreover, its high-speed analog signal processing solutions enable customers to implement system architectures that reduce power consumption. The power budget of an overall system is a key consideration for system designers. Power consumption affects system operation costs, overall footprint, cooling requirements, and is increasingly becoming a point of focus for customers. Its high-speed analog semiconductors typically consume less power than competing designs that often incorporate power-consuming digital signal processing. In addition, for many applications Inphi is able to deliver semiconductors that have a smaller footprint, which can reduce the overall size of a system. And its extensive internal library of proven building block circuits, which include amplifiers, phase frequency detectors, and transmitters, can be reused to shorten design cycles and speed time to market.

Its products address bandwidth bottlenecks throughout the network communications and computing infrastructure market, from "fiber to memory." And its high-speed memory interface products are used in servers in order to enable CPUs to better utilize available memory resources. Inphi has a wide-ranging product portfolio that performs many functions including amplifying, encoding, multiplexing, demultiplexing, retiming, and buffering data and clock signals at speeds up to 100 Gbps. These products enable servers, routers, switches, storage, and other components to process, store, and transport data traffic. It introduced 15 new products last year, and 20 in 2013. In addition, the acquisition of Cortina brought with it a product portfolio of roughly 130 products, including high-speed interconnect and optical transport products. The products it designs for the communications and computing markets typically have two- to three-year design cycles, and product life cycles of five years or more.

Products in development include a linear coherent driver that extends the reach of transmission for long-distance communications. It will also provide customers with a single set of hardware that can serve both the long-distance and metro market segments. This raises the bar on technical performance, while also bringing down system costs, which should accelerate the adoption of the system. It has also developed a road map to 400 gigabit for intra- and inter-data center connectivity. This will provide four-times the bandwidth of current systems using one-quarter of the power of current systems at a projected cost that is one-quarter or less than current solutions. The data center interconnect market is expected to grow from $400 million in 2013 to $4 billion by 2019. Inphi is developing new architectures that will be able to accommodate the expected exponential growth in data center servers over that time.

We have set a three- to five-year price target of $55 a share. The stock trades on the New York Stock Exchange under the symbol IPHI. We recommend the use of limit orders, as well as a stop loss to mitigate downside risk. V

FOR CONSERVATIVE INVESTORS

Universal Insurance Holdings, Inc.

RECENT PRICE: **$26.73** TRADED: **NYSE-UVE**
CURRENT DIVIDEND YIELD: **1.9%**

2018-20 PROJECTED VALUATION

REVENUES: **$750 million**
EARNINGS PER SHARE: **$3.20**
THREE-TO FIVE-YEAR PRICE TARGET: **$48**
COMPANY WEBSITE: **www.universalinsuranceholdings.com**

Universal Insurance Holdings is a vertically integrated insurance holding company. Its insurance products are offered through Universal Property & Casualty Insurance Company (UPCIC) and American Platinum Property and Casualty Insurance Company (APPCIC). It is principally engaged in the property and casualty insurance business in Florida, where policies are offered through a network of about 7,000 independent agents. UPCIC is one of the three leading writers of homeowners' insurance in Florida, and is now fully licensed and has commenced operations in North Carolina, South Carolina, Hawaii, Georgia, Massachusetts, Maryland, Delaware, and Indiana. APPCIC (originally known as Infinity Property and Casualty Insurance Company) writes homeowners' multiperil insurance on Florida homes valued in excess of $1 million, which are limits and coverages currently not targeted through UPCIC. The company posted very good first-quarter results, with net income rising 65% year over year, to $22.3 million, through a 50% increase in net premiums written. Its goal is to grow its business by expanding into other states, managing rates, lowering its quota-share cession rates (the amount paid to reinsurers to carry risk), and operational improvements aimed at streamlining claims and underwriting.

Universal organized UPCIC in 1997 to take advantage of opportunities in Florida's residential property and casualty insurance marketplace. It was formed to participate in the transfer of homeowners' insurance policies from the Florida Residential Property and Casualty Joint Underwriting Association (JUA). UPCIC began operating in Florida that same year as a licensed property and casualty insurance company, acquiring policies issued by the JUA. Since then, it has produced its insurance policies through a network of independent agents.

Universal's insurance entities generate revenues primarily from the collection of premiums. In addition, its managing general agent, Universal Risk Advisors, Inc. (URA), generates revenue through policy fee income and other administrative fees from the marketing of its insurance products distributed through its network of independent agents. URA performs underwriting, rating, policy issuance, reinsurance negotiations, and administrative functions for Universal's insurance entities.

In 2006, Universal acquired Atlas Florida Financial Corporation, owners of Sterling Premium Finance Company, Inc. Sterling was later renamed Atlas Premium Finance Company. Atlas offers premium finance services to Universal's policyholders.

Universal formed the Blue Atlantic Reinsurance Corporation (BARC) in 2007. This was set up as a wholly owned subsidiary, and acts as a reinsurance intermediary broker. It also formed Universal Adjusting Corporation, which adjusts claims for its insurance entities, and Universal Inspection Corporation, which performs property inspections for homeowners' insurance policies underwritten by Universal. In February, it acquired Aplin Peer & Associates, Inc., a privately held claims adjusting company.

Coastal Homeowners Insurance Specialists, Inc. is another wholly owned subsidiary, incorporated in Florida in 2001. The agency generates income from commissions and other charges for servicing policies when agents leave Universal's agent network. Coastal also serves as an alternative to independent agents and provides quotes on Universal's Web sites.

In addition to these entities, Universal generates income by investing funds in excess of those retained for claims-paying obligations and insurance operations. Investment activities are conducted through each of its insurance entities, and through Universal Insurance Holdings. Universal has retained investment advisors to manage the investment portfolio. Universal's investment committee reports investment results to the company's board of directors on a quarterly basis. Investment activities are subject to regulation by the

(cont. on page 10)

UNIVERSAL INSURANCE AMEX--UVE

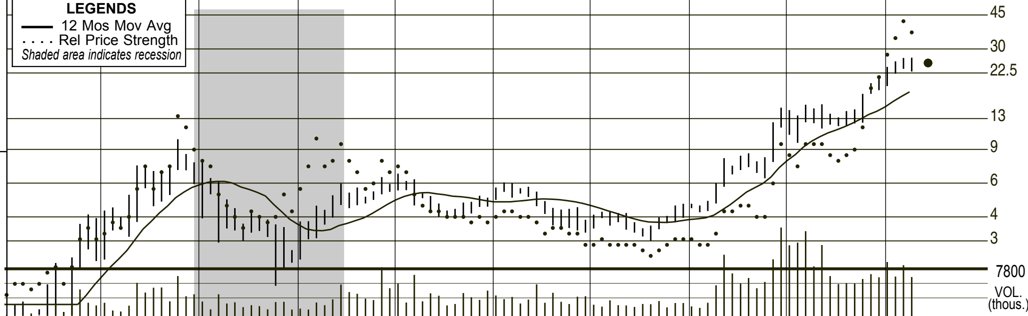
RECENT PRICE	TRAILING P/E RATIO	RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
25.29	10.9	0.56	1.9%	

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
High	4.12	10.15	7.74	6.45	6.72	6.05	4.69	14.83	21.14	27.73
Low	0.71	2.40	1.75	2.40	3.98	3.31	3.01	4.23	9.71	19.19

RANKS

PERFORMANCE	1	Highest
Technical	3	Average
SAFETY	3	Average
BETA 1.10		(1.00 = Market)

Financial Strength	B
Price Stability	20
Price Growth Persistence	60
Earnings Predictability	45



© VALUE LINE PUBLISHING LLC	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015/2016
P/C PREM EARNED PER SH	1.55	4.29	3.93	3.75	4.33	4.96	5.82	7.57	9.78	
INVESTMENT INC PER SH	.11	.29	.10	.04	.03	.02	.01	.05	.07	
UNDERWRITING INC PER SH	.84	2.63	1.76	.94	1.45	1.86	2.64	4.50	6.09	
EARNINGS PER SH	.44	1.31	.99	.71	.92	.50	.75	1.56	2.08	***2.38*** [A,B]***/2.63*** [C]
DIV'DS DECL'D PER SH	.18	.24	.40	.54	.32	.32	.34	.32	.40	
BOOK VALUE PER SH	.59	1.98	2.67	2.99	3.54	3.74	4.11	4.96	6.55	
COMMON SHS OUTST'G (MILL)	34.95	36.01	37.54	37.77	39.39	40.08	39.72	35.37	33.43	
PRICE TO BOOK VALUE	294%	290%	143%	155%	139%	127%	93%	145%	216%	
AVG ANN'L P/E RATIO	3.9	4.4	3.9	6.5	5.3	9.5	5.1	4.6	6.8	***10.6/9.6***
RELATIVE P/E RATIO	.21	.23	.23	.43	.34	.60	.33	.26	.36	
AVG ANN'L DIV'D YIELD	10.4%	4.2%	10.5%	11.7%	6.5%	6.8%	8.9%	4.4%	2.8%	
P/C PREMIUMS EARNED	54.1	154.4	147.4	141.7	170.4	199.0	231.1	267.7	326.9	***Bold figures are consensus earnings estimates and, using the recent prices, P/E ratios.***
LOSS TO PREM EARNED	46.1%	38.7%	55.2%	74.9%	66.5%	62.5%	54.6%	40.6%	37.7%	
EXPENSE TO PREM WRIT	--	--	--	--	--	--	--	--	--	
UNDERWRITING MARGIN	53.9%	61.3%	44.8%	25.1%	33.5%	37.5%	45.4%	59.4%	62.3%	
INCOME TAX RATE	35.5%	39.7%	39.3%	37.6%	40.6%	40.4%	42.3%	41.3%	42.8%	
NET PROFIT ($MILL)	17.2	54.0	40.0	28.8	37.0	20.1	30.3	59.0	73.0	
INV INC/TOTAL INV	122.5%	306.8%	41.1%	1.2%	.4%	.8%	.5%	.5%	.6%	
TOTAL ASSETS ($MILL)	482	491	545	678	766	894	926	920	912	
SHR. EQUITY ($MILL)	22.0	72.6	101.6	113.3	139.8	150.0	163.5	175.6	218.9	
RETURN ON SHR. EQUITY	78.2%	74.4%	39.4%	25.4%	26.5%	13.4%	18.5%	33.6%	33.3%	
RETAINED TO COM EQ	61.5%	65.6%	21.7%	7.5%	17.5%	4.9%	9.9%	23.5%	27.0%	
ALL DIV'DS TO NET PROF	26%	14%	46%	71%	34%	64%	47%	30%	19%	

[A]No. of analysts changing earn. est. in last 22 days: 0 up, 0 down, consensus 5-year earnings growth not available. [B]Based upon one analyst's estimate. [C]Based upon one analyst's estimate.

ANNUAL RATES

of change (per share)	5 Yrs.	1 Yr.
Premium Inc	14.0%	29.0%
Invest Income	-20.5%	30.5%
Earnings	8.0%	33.5%
Dividends	-2.0%	25.0%
Book Value	15.5%	32.0%

Fiscal Year	NET PREMIUM EARNED ($mill.) 1Q	2Q	3Q	4Q	Full Year
12/31/12	48.6	55.7	59.5	67.3	231.1
12/31/13	65.4	66.9	68.9	66.5	267.7
12/31/14	63.8	73.4	94.3	95.4	326.9
12/31/15	94.4				

Fiscal Year	EARNINGS PER SHARE 1Q	2Q	3Q	4Q	Full Year
12/31/11	.35	.19	.02	d.06	.50
12/31/12	.25	.19	.20	.11	.75
12/31/13	.28	.44	.40	.44	1.56
12/31/14	.39	.49	.61	.59	2.08
12/31/15	.62	***.55***	***.55***	***.67***	

Cal-endar	QUARTERLY DIVIDENDS PAID 1Q	2Q	3Q	4Q	Full Year
2012	--	.10	.08	.16	.34
2013	--	.16	--	.16	.32
2014	.10	--	.10	.40	.60
2015	.12				

INSTITUTIONAL DECISIONS

	2Q'14	3Q'14	4Q'14
to Buy	69	68	69
to Sell	57	52	63
Hld's(000)	20022	19142	19396

ASSETS ($mill.)	2012	2013	12/31/14
Bonds	4.0	289.4	353.9
Stocks	85.0	65.0	19.6
Mortgages	.0	.0	.0
Policy Loans	.0	.0	.0
Real Estate	.0	.0	.0
Othr Invest Assets	347.8	119.9	165.5
Totl Invest Assets	436.8	474.3	539.0
Premiums Due	50.1	46.5	51.0
Accrued Investment Inc	.0	.0	.0
Receivables	119.2	108.1	71.1
Def'd Acq Costs	17.3	15.9	25.7
Separate Accts	.0	.0	.0
Other Assets	302.3	275.3	225.0
Total Assets	925.7	920.1	911.8
LIABILITIES ($mill.)			
Unearned Prems	403.1	406.5	413.6
Policy & Loss Resrvs	193.2	159.2	134.4
Separate Accts & Other	.0	.0	.0
Total Reserves	596.3	565.7	548.0
Total Debt	46.2	53.7	36.5
Other Liabilities	119.7	125.1	108.4
Total Liabilities	762.2	744.5	692.9

LONG-TERM DEBT AND EQUITY as of 12/31/14
Total Debt $36.5 mill. **Due in 5 Yrs.** $18.5 mill.
LT Debt $30.6 mill.
Including Cap. Leases None
(12% of Cap'l)
Leases, Uncapitalized Annual rentals $.1 mill.
Pension Liability None in '14 vs. None in '13
Pfd Stock $.1 mill. **Pfd Div'd Paid** $.0 mill.
Common Stock 33,427,000 shares
(88% of Cap'l)

INDUSTRY: Insurance (Prop/Cas.)

BUSINESS: Universal Insurance Holdings, Inc., with its wholly-owned subsidiaries, is a vertically integrated insurance holding company performing all aspects of insurance underwriting, distribution, and claims. Universal Property & Casualty Insurance Company (UPCIC), a wholly-owned subsidiary, is one of the leading writers of homeowners' insurance in Florida and is now fully licensed. It has commenced operations in Georgia, Hawaii, Maryland, Massachusetts, North Carolina, and South Carolina. American Platinum Property and Casualty Insurance Company, also a wholly-owned subsidiary, currently writes homeowners' multi-peril insurance on Florida homes valued in excess of $1 million, which are limits and coverages currently not targeted through its affiliate, UPCIC. The company paid special dividends of $0.12 per share in 2012, $0.17 2013, and $0.15 in 2014. Has 335 employees. Chairman, C.E.O. & President: Sean P. Downes. Address: 1110 W Commercial Boulevard, Suite 100, Fort Lauderdale, FL 33309. Tel.: (954) 958-1200. Internet: http://www.universalinsuranceholdings.com.

N.A.

June 5, 2015

TOTAL SHAREHOLDER RETURN

Dividends plus appreciation as of 4/30/2015

3 Mos.	6 Mos.	1 Yr.	3 Yrs.	5 Yrs.
3.93%	39.73%	69.68%	596.23%	559.50%

(cont. from page 8)

Florida Office of Insurance Regulation (OIR). Investments must be consistent with regulatory guidelines, and its investment policies for its insurance entities have limits for noninvestment grade fixed-maturity securities and common and preferred stock. UIH itself is not restricted by Florida, and investments made outside the insurance entities may differ, although it does not purchase securities on margin. Nonetheless, about 99% of the portfolio is held by the insurance entities, and only 1% by UIH.

Universal's insurance entities are exposed to a large number of potential losses. These may arise out of a single occurrence or multiple occurrences, including natural catastrophes such as hurricanes and windstorms. Universal uses standard industry modeling techniques to manage its exposure to these potential losses. To mitigate the risk of catastrophic loss, it obtains annual reinsurance coverage at the beginning of the hurricane season on June 1st of each year.

Universal's insurance entities must participate in the Florida Hurricane Catastrophe Fund (FHCF). Residential insurers transacting business in Florida must purchase certain reimbursement protection from the FHCF. The entities are subject to assessment if the FHCF lacks claims-paying resources to meet its reimbursement obligations to insurers. Universal obtains a significant portion of their reinsurance coverage from the FHCF.

Universal believes that the overall terms for its reinsurance program this year are more favorable than last year's, realizing cost reductions due to market conditions and efforts to manage risk exposure. It is also retaining a greater percentage of gross written premiums with wind risk than it did under last year's reinsurance program by reducing its quota-share cession rate by 15 percentage points. (The cession rate is the portion of risk transferred to the reinsurance company.) This will increase profitability, but also increase its exposure to risk.

The reserves, or liability for unpaid losses and loss adjustment expenses (LAEs) periodically established by Universal's insurance entities, are estimates of amounts needed to pay reported and unreported claims and related loss adjustment expenses. There is an inherent degree of uncertainty here, and there may be substantial differences between reserve estimates and actual losses. Universal relies on industry data and the expertise of independent actuaries to establish estimates. Factors including storms, climate change, inflation, claims settlement patterns, legislative activity, and litigation can have an impact on future losses.

When a claim involving a probable loss is reported, Universal establishes a liability for the estimated amount of the loss and LAE payments. In some cases, especially those involving liability rather than property damage, several years may elapse before a claim is settled. An estimate for the ultimate loss is based on several factors, including type of loss, jurisdiction of the occurrence, circumstances surrounding the claim, severity of damage or injury, and past experience with similar claims.

In January, UPCIC became a licensed insurance entity in Pennsylvania. It also began writing homeowners' insurance policies in Indiana. In April, UPCIC received approval from the OIR for premium rate increases for its homeowners' and dwelling fire programs in Florida. The increases are expected to average 2.2% statewide for its homeowners' program and 4.9% for fire. The rate increases took effect April 15th for new business and May 25th for renewals.

Universal has had significant growth in its policy count over the past few quarters by managing rates and expanding into states other than Florida. The policy count grew 38% year over year in the first quarter, to 571,350. Net earned premiums grew 48%, to $94.4 million. Net investment income and policy fees were also up, partially offset by lower commission revenue and net realized gains on investments, as well as higher operating expenses, all of which were mainly related to the reduction in its cession rate of its quota-share reinsurance contracts. Earnings rose to $0.62 a share, up from $0.39 the year before. In January, it declared a quarterly dividend of $0.12 a share.

We have set a three- to five-year price target of $48. The stock trades on the New York Stock Exchange under the symbol UVE. We recommend using a stop loss to mitigate the potential for losses. V

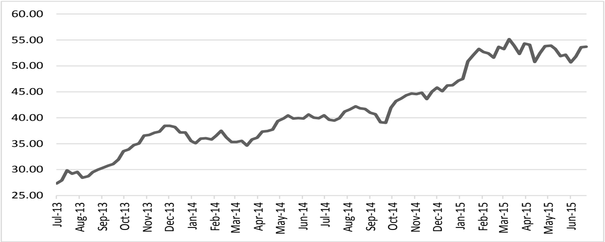
FOR CONSERVATIVE INVESTORS

Broadridge Financial Solutions, Inc.

(NYSE-BR)

RECOMMENDATION: Hold
RECENT PRICE: $53.57
ESTIMATED DIVIDEND YIELD: 2.10%
THREE-TO FIVE-YEAR PRICE TARGET: $85 (+31%)
ORIGINALLY RECOMMENDED AT: $36.47 in November 2013
PERFORMANCE RECORD: +46.9%
RECOMMENDED STOP LOSS: $44
COMPANY WEBSITE: www.broadridge.com

Annual Stock Price	2011	2012	2013	2014	2015
High	24.84	24.94	40.36	46.78	55.78
Low	19.01	19.75	21.84	34.94	44.64



QUARTERLY REVENUES ($MILL.)

Fiscal Year [1]	Sep. Per.	Dec. Per.	Mar. Per.	Jun. Per.	Full Year
2013	495.8	493.2	576.7	865.1	2430.8
2014	545.2	520.6	606.3	885.9	2558.0
2015	555.8	574.6	634.2	*935.4*	*2700.0*
2016	*605.0*	*625.0*	*680.0*	*985.0*	*2895.0*

QUARTERLY EARNINGS (PER SHARE)

Fiscal Year	Sep. Per.	Dec. Per.	Mar. Per.	Jun. Per.	Full Year
2013	0.14	0.13	0.35	1.09	[2] 1.69
2014	0.36	0.22	0.41	1.13	2.12
2015	0.27	0.27	0.43	*1.38*	*2.35*
2016	*0.35*	*0.35*	*0.40*	*1.55*	*2.65*

[1] Fisc. Yrs. end on June 30th [2] Quarters do not sum due to rounding.

Broadridge, a provider of proxy services and technology solutions for broker-dealers, banks, and mutual funds, recently acquired the Fiduciary Services and Competitive Intelligence unit from Thomson Reuters' Lipper division. The acquisition expands Broadridge's enterprise data and analytics solutions for mutual fund managers, ETF issuers, and fund administrators, through additional data and research capabilities. It provides global market intelligence for fund industry flows by country and distribution channel, as well as 15(c) advisory contract renewal services for validating benchmarking fee and expense agreements for more than 250 mutual fund families. The business will be integrated within Broadridge's existing Access Data suite of market intelligence solutions, which include compliance and reporting tools for over 90% of all U.S. long-term mutual fund assets and 95% of all ETF assets. As regulatory pressures increase and new digital opportunities are created, these solutions will help clients mitigate risk, meet fiduciary responsibilities, and improve sales productivity. The terms of the deal were not disclosed. Earlier in the year, Broadridge acquired Direxxis LLC, a provider of cloud-based marketing solutions and services, for approximately $33 million. Its platform enables wealth and asset management companies and insurers to implement and manage marketing activities efficiently across field offices and branch locations using consistent standards. Direxxis was integrated into Broadridge's Wealth and Advisor Solutions suite, which includes marketing communications, client on-boarding, retirement plan solutions, performance reporting, and data aggregation solutions. In April, Broadridge completed its acquisition of the trade processing business of the Wilmington Trust Retirement and Institutional Services unit of M&T Bank Corp., for approximately $61 million. We provided details of this acquisition in our February review. Tuck-in acquisitions such as these are an important part of Broadridge's growth strategy, and it has a solid track record of integrating them, as evidenced by its client revenue retention rate of 97%. Management reported in May that the pipeline of potential deals is strong. It has set high acquisition standards, including a 20% or greater internal rate of return, earnings accretion in about one year, accelerating organic growth, and strong margins.

Revenues for the fiscal third quarter ended March 31st rose 5% year over year, to $634.2 million. Revenues for the Investor Communication Solutions segment were up 7%, to $466 million, through higher recurring fees driven by acquisitions and new business, and an increase in event-driven fees, through increased mutual fund proxy communications activity. The Global Technology and Operations segment (formerly known as Security Processing Solutions) had growth of 3%, to $178 million, through acquisitions and new business. Total recurring revenue closed sales, which are anticipated revenues for new client contracts signed during the quarter, grew 14%, to $27 million. Earnings were up two cents, to $0.43 a share. During the quarter, the company repurchased 2.4 million shares at an average price of $52.90 a share.

Broadridge shares have performed very well since our initial recommendation in November, 2013, and we are lowering our ranking on the shares due to valuation concerns. V

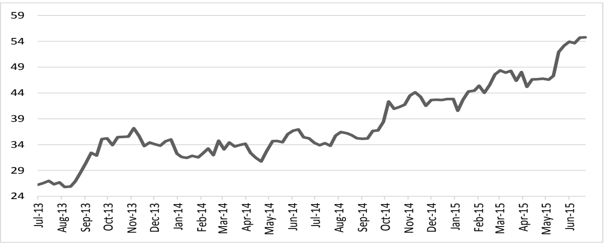
FOR CONSERVATIVE INVESTORS

Cantel Medical Corp.

(NYSE—CMN)

RECOMMENDATION: Hold
RECENT PRICE: $54.71
ESTIMATED DIVIDEND YIELD: 0.20%
THREE-TO FIVE-YEAR PRICE TARGET: $75 (+37%)
ORIGINALLY RECOMMENDED AT: $14.83 in May 2012
PERFORMANCE RECORD: +268.9%
RECOMMENDED STOP LOSS: $43
COMPANY WEBSITE: www.cantelmedical.com

Annual Stock Price	2011	2012	2013	2014	2015
High	12.68	20.17	38.04	45.84	54.85
Low	8.45	12.00	19.11	29.60	40.18



QUARTERLY REVENUES ($MILL.)

Fiscal Year	Oct. Per.	Jan. Per.	Apr. Per.	Jul. Per.	Full Year
2013	99.6	106.4	105.0	114.0	425.0
2014	118.3	119.0	120.1	131.3	488.7
2015	136.8	135.4	141.5	*146.3*	*560.0*
2016	*150.0*	*155.0*	*160.0*	*165.0*	*630.0*

QUARTERLY EARNINGS (PER SHARE)

Fiscal Year	Oct. Per.	Jan. Per.	Apr. Per.	Jul. Per.	Full Year
2013	0.23	0.25	0.22	0.25	0.95
2014	0.27	0.27	0.25	0.26	(3)1.04
2015	0.27	0.27	0.30	*0.32*	*1.16*
2016	*0.34*	*0.35*	*0.36*	*0.40*	*1.45*

(1)Fiscal years end July 31st. (2)Share data adjusted for a stock split in February, 2012 and July, 2013. (3)Quarters do not sum due to rounding.

Cantel shares rose sharply after the company reported results for its fiscal third quarter ended April 30th. The provider of disinfection products for the healthcare industry notched record sales of $141.5 million, an increase of nearly 18% year over year, through acquisitions and organic growth of 10%. And despite some acquisition-related costs and increased spending for research and development and sales and marketing, earnings were up five cents, to $0.35 a share. Further, management stated its total addressable market has grown to more than $6 billion, and reaffirmed its conviction that it can substantially grow the business over the next few years by taking market share, international expansion, and acquisitions.

Cantel's Endoscopy segment performed especially well in the period. The acquisition of two manufacturers of automated endoscopy reprocessors (AERs) and disinfectant chemistries, Italy-based IMS and U.K.-based PuriCor International, helped it expand into international markets, but the segment also grew 17% organically. Sales were driven by the placement of AERs that, in turn, spurred demand for high-margin disinfectant chemistries, including its proprietary Rapicide PA product. Equipment placement also helped drive demand for service and spare parts. Going forward, the segment should benefit from the launch of several new and improved endoscopy disposable product lines, including a new pass-through endoscope reprocessor that was recently launched in the U.K. and will soon be available in continental Europe. The Water Purification and Filtration segment also delivered solid results in the period, with sales rising nearly 18%, helped by an acquisition and organic growth of 14%. The segment benefited from strong demand for heat-based disinfection water purification systems used for dialysis, as well as for consumables and services. The heat-based systems provide a higher standard of water purification than older technologies, and carry higher average selling prices, which helped drive operating profits for the segment. And backlog rose significantly due to an increase in dialysis water purification system renovations. Management also noted that the majority of the nearly 6,300 dialysis clinics in the United States still run older, manual, chemically disinfected equipment that will ultimately need to be replaced.

On the downside, the healthcare disposables segment reported a 3% decline in sales, to $24.8 million. Cantel's distributors had made significant purchases earlier in the year ahead of price increases, and because of the Ebola virus threat, and worked down their inventories during the quarter. The recent acquisition of the DentaPure Dental Waterline Disinfection System has solidified Cantel's position as a leader in infection prevention and control in the dental market, however, and management thinks this has great potential through international expansion.

We believe Cantel has very good long-term potential through the development of new products, international expansion, and acquisitions, but most of this appears to be reflected in the price of the shares, and we are maintaining our Hold ranking on the stock. V

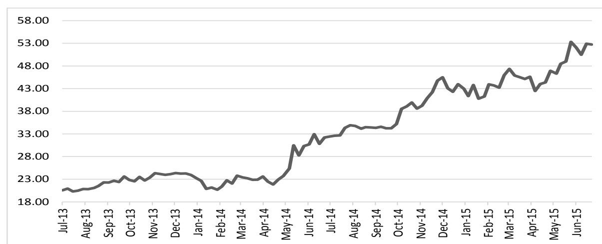
FOR CONSERVATIVE INVESTORS

The Ensign Group, Inc.

(NDQ-ENSG)

RECOMMENDATION: Buy/Hold
RECENT PRICE: $52.91
ESTIMATED DIVIDEND YIELD: 0.60%
2018-20 POTENTIAL VALUE: $80 (+51%)
ORIGINALLY RECOMMENDED AT $35.37 in August 2014
PERFORMANCE RECORD: +49.6%
RECOMMENDED STOP LOSS: $40
COMPANY WEBSITE: www.ensigngroup.net

Annual Stock Price	2011	2012	2013	2014	2015
High	34.85	31.25	46.39	47.78	53.88
Low	19.61	23.40	27.54	27.54	40.41



QUARTERLY REVENUES ($MILL.)

Fiscal Year	Mar. Per.	Jun. Per.	Sep. Per.	Dec. Per.	Full Year
2012	202.2	204.3	207.1	211.1	824.7
2013	218.2	220.1	229.3	237.0	904.6
2014	239.7	250.0	260.8	276.9	1027.4
2015	306.5	*320.0*	*330.0*	*343.5*	*1300.0*

QUARTERLY EARNINGS (PER SHARE)

Fiscal Year	Mar. Per.	Jun. Per.	Sep. Per.	Dec. Per.	Full Year
2012	0.59	0.57	0.60	0.09	1.85
2013	d0.56	0.55	0.47	0.59	(1)1.07
2014	0.60	0.09	0.38	0.49	1.56
2015	0.61	*0.64*	*0.68*	*0.72*	*2.65*

(1)Qtrs. Do not sum due to rounding.

The Ensign Group shares have appreciated about 50% since our initial recommendation last August. The provider of skilled nursing, rehabilitation, home, hospice, assisted living, and urgent care has been highly successful in acquiring facilities, many of which were distressed at the time of purchase, and turning them into more-profitable institutions by providing a wider range of post-acute services that generate higher revenues and greater profit margins. The sizzling acquisition pace that it set last year has continued into 2015, with roughly 32 new facilities brought on board since the beginning of the year. In February, the company raised approximately $106 million through a follow-on public offering, giving it the dry powder necessary to keep up the pace. Management raised its revenue and net income guidance for the full year when it announced first-quarter results, and maintained earnings guidance of between $2.44 and $2.53 a share, despite the follow-on offering of 2.7 million additional shares. Ensign operates in a highly fragmented industry, and has a solid track record of improving the operations of the facilities it acquires. We believe the company has very good long-term growth potential, and are maintaining our Buy/Hold ranking on the shares.

Revenues for the first quarter rose 28% year over year, to a record $306.5 million. In addition to acquisitions, the top line included 7% growth in same-facility revenues and 11.5% growth at transitioning facilities that were acquired between the beginning of 2012 and the end of 2013. These facilities each benefited from improved occupancy rates and a higher percentage of skilled services. Operating expenses climbed nearly 31%, however, although this was mainly due to higher rent-cost of services related to last year's spin-off of CareTrust, whereby its real estate assets were set up as a real estate investment trust. Earnings were thus only a penny higher, at $0.61 a share.

Ensign currently operates in 12 western and midwestern states. In its first quarter conference call to investors, management stated that it continued to see a very healthy pipeline of potential acquisitions in all of the states in which it operates, and is also considering opportunities in new markets. Given its track record, it is considered a preferred buyer for small owner-operators, regional operators, REITs, and larger national operators that are looking to divest certain facilities that are geographic or operational outliers. It also stated that it is seeing an increase in supply that is favoring buyers, which is enabling it to be very selective when evaluating potential acquisitions. And over the longer term, the company stands to benefit from the fact that the overall number of skilled nursing facilities has been on the decline for several years, even though the population of those aged 85 and older is growing at a compound annual rate of about 3%. Buy/Hold. V

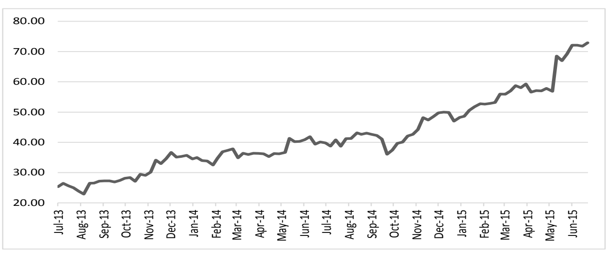
FOR CONSERVATIVE INVESTORS

G-III Apparel Group, Ltd.

(NDQ—GIII)

RECOMMENDATION: Hold
RECENT PRICE: $71.77
ESTIMATED DIVIDEND YIELD: Nil
2018-20 POTENTIAL VALUE: $105 (+46%)
ORIGINALLY RECOMMENDED AT: $41.87 in September 2014
PERFORMANCE RECORD: +71.4%
RECOMMENDED STOP LOSS: $58
COMPANY WEBSITE: www.g-iii.com

Annual Stock Price	2011	2012	2013	2014	2015
High	22.69	19.69	37.44	51.59	72.47
Low	8.66	10.60	16.58	32.00	46.45



QUARTERLY REVENUES ($MILL.)

Fiscal Year Begins	Apr. Per.	Jul. Per.	Oct. Per.	Jan. Per.	Full Year
2012	229.4	251.5	543.5	375.3	1399.7
2013	272.6	304.1	668.7	472.8	1718.2
2014	366.3	424.0	812.3	514.3	2116.9
2015	433.0	*470.0*	*910.0*	*587.0*	*2400.0*

QUARTERLY EARNINGS (PER SHARE)

Fiscal Year Begins	Apr. Per.	Jul. Per.	Oct. Per.	Jan. Per.	Full Year
2012	d0.02	0.04	1.19	0.20	[3]1.40
2013	0.03	0.09	1.45	0.31	[3]1.86
2014	0.03	0.15	1.77	0.48	[3]2.49
2015	0.15	*0.20*	*1.85*	*0.55*	*2.75*

[1]Fisc. Yrs. end on Jan. 31st of the following year. [2]Share data adjusted for two-for-one stock split in May, 2015. [3]Quarters do not sum due to rounding.

G-III Apparel Group shares split two-for-one on May 1st. The stock has performed very well lately, and has now gained about 71% since our initial recommendation in September of last year. In June, it announced yet another joint venture, this time with Karl Lagerfeld, to develop the brand in North America. G-III acquired a 49% interest in the venture, and was granted a five-year license (with two renewals of five years each) for women's apparel, women's handbags, and men's outerwear. Additional licenses may be granted over time. The company expects to begin shipping product for the Spring 2016 season. We believe this is an excellent opportunity for G-III, which has been very successful at building other renowned brands, including Calvin Klein.

For the fiscal first quarter ended April 30th, G-III reported revenues of $433.0 million, an increase of 18% over the prior-year period. Results are now being reported in two segments–Wholesale Operations and Retail Operations. The Wholesale segment includes products sold under license agreements, as well as products sold under its own brands, while the Retail segment includes its Wilson's Leather and G.H. Bass stores, as well as a limited number of Calvin Klein performance stores. Net sales for the Wholesale segment grew 24% year over year, to $352.5 million, driven by strong demand for products licensed under the Calvin Klein brand, especially women's performance wear, suits, and dresses. It also reported strong demand for dresses through its private-label Eliza J and Vince Camuto brands, and the Ivanka Trump brand gained traction after a rocky launch last year that was attributed to a lack of sportswear for the line. It now has a full collection of sportswear, dresses, suit separates, and coats for the Trump line, and management reported margins have been very good.

Meanwhile, the Retail segment had revenue growth of 8%, to $102.5 million, through an increase in the number of Wilson's stores, although same-store sales were flat. Management believes the brand is well-positioned for the coming coat season, however, and has also been remodeling these stores. Meanwhile, G.H. Bass reported a same-store sales increase of about 17%. G-III has done very well in turning this acquisition around in short order, and management expects continued double-digit same-store sales growth and improved margins for the next few quarters. On the downside, Vilebrequin stores struggled a bit due to the strengthening of the U.S. dollar, which hurt international sales. With overall gross margins holding the line and SG&A expenses falling as a percentage of sales, earnings rose to $0.15 a share, up from $0.03 a share last year.

With the strong start to the fiscal year, management raised its guidance, expecting revenues of approximately $2.4 billion, with earnings of between $2.66 and $2.76 a share, versus prior estimates of between $2.52 and $2.62. With no debt and cash on hand of approximately $86 million as of the end of the quarter, G-III has the potential to make acquisitions and sign new licensing agreements. However, with the strong recent performance in the shares, we think a lot of G-III's upside potential is already priced into the stock, and are reducing our ranking to Hold. V

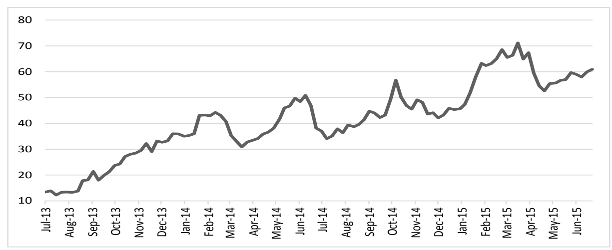
FOR AGGRESSIVE INVESTORS

Lannett Company, Inc.

(NYSE—LCI)

RECOMMENDATION: **Buy/Hold**
RECENT PRICE: **$59.93**
ESTIMATED DIVIDEND YIELD: **Nil**
2018-20 POTENTIAL VALUE: **$105 (+75%)**
ORIGINALLY RECOMMENDED AT: **$47.46 in June 2014**
PERFORMANCE RECORD: **+26.3%**
RECOMMENDED STOP LOSS: **$50**
COMPANY WEBSITE: **www.lannett.com**

Annual Stock Price	2011	2012	2013	2014	2015
High	5.95	5.29	33.95	59.44	72.44
Low	3.41	3.72	4.86	29.12	40.34



QUARTERLY REVENUES ($MILL.)

Fiscal Year [1]	Sep. Per.	Dec. Per.	Mar. Per.	Jun. Per.	Full Year
2012	35.3	36.6	39.0	40.2	151.1
2013	45.8	67.4	80.0	80.6	273.8
2014	93.4	114.8	99.4	*97.4*	*405.0*
2015	*100.0*	*105.0*	*110.0*	*115.0*	*430.0*

QUARTERLY EARNINGS (PER SHARE)

Fiscal Year	Sep. Per.	Dec. Per.	Mar. Per.	Jun. Per.	Full Year
2012	0.10	0.10	0.14	0.12	0.46
2013	d0.20	0.46	0.63	0.64	[2] 1.62
2014	0.94	1.21	0.97	*0.83*	*3.95*
2015	*0.90*	*0.92*	*0.93*	*0.95*	*3.70*

[1]Fiscal yrs. end June 30th. [2]Qtrs. do not sum due to chg. in wtd. avg. no. of shs. outstdng.

Lannett recently acquired privately held Silarx Pharmaceuticals, a manufacturer of generic liquid pharmaceuticals, for $42.0 million. Silarx's product portfolio includes lamivudine, a generic version of Epivir, which is used to treat hepatitis B and HIV. Silarx was the first to secure FDA approval for the generic form of the drug, which gave it 180-day generic market exclusivity beginning in March of this year. This is important because the first to market with a generic has the opportunity to capture a significant portion of that market before other generics become available. In addition, it manufactures several antidepressants, including generic versions of Prozac and Celexa, as well as cough and cold remedies and nutritional products. It also has several drugs in its pipeline, including four Abbreviated New Drug Applications (ANDAs) with Paragraph four (P-IV) certification (this is required for generic pharmaceutical companies that want to manufacture drugs that are still patent-protected and grants the 180-day market exclusivity to the first generic manufacturer to file if it is approved) pending at the FDA. While the acquisition is not expected to be material to earnings, Silarx recently moved into a 110,000-square-foot facility, which will provide Lannett with additional space for manufacturing and drug development.

The shares fell after the company reported results for the fiscal third quarter ended March 31st. Sales for the period of $99.4 million were slightly below investor expectations, and due to a $2.4 million voluntary recall of its C-Topical product at its Cody Laboratory facility. C-Topical is a cocaine-based topical analgesic used in ear, nose, and throat surgery, and was recalled because some bottles were mislabeled. Management considered this a minor issue, and has taken steps to prevent it from happening again. Moreover, sales of digoxin, used to treat congestive heart failure, were hurt by increased generic competition, although this was expected. And while sales volumes of other products were down slightly overall, price increases resulted in top-line growth of 24% over the same period last year. The price increases also drove the gross profit margin to 76.1% of sales, a 590-basis-point improvement. Earnings thus rose to $0.97 a share, up 54%. Management raised its guidance for the full year, with sales expected to range between $403 million and $408 million. It also raised projections for gross margins, but this will be offset by greater R&D and SG&A expenses.

In addition to the four ANDAs acquired through Silarx, Lannett has 20 of its own ANDAs pending at the FDA, including five with paragraph IV certification. It has an additional 42 products in various stages of development. It has a unique opportunity to grow its business as a vertically integrated manufacturer of controlled substances, as one of seven companies licensed to import raw poppy straw derived from the opium plant. Out of this can be derived eight active pharmaceutical ingredients (APIs) and a total of 44 products. It is currently a vertical manufacturer of only one (hydromorphone), so it has the opportunity to develop several more. Near term, it is working to vertically integrate morphine, hydrocodone, fentanyl, and oxycodone. Having the license to import raw poppy straw, together with vertical manufacturing capabilities, creates a highly profitable opportunity, and because the products are generics there is no concern about patent cliffs. Management estimates the generic portion of this market is $9.7 billion. Buy/Hold. V

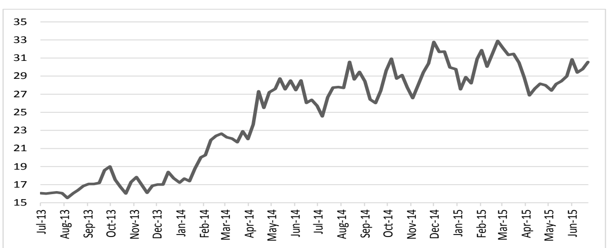
FOR CONSERVATIVE INVESTORS

Lydall, Inc.

(NYSE-LDL)

RECOMMENDATION: Hold
RECENT PRICE: $29.79
ESTIMATED DIVIDEND YIELD: Nil
2018-20 POTENTIAL VALUE: $45 (+51%)
ORIGINALLY RECOMMENDED AT: $26.34 in July 2014
PERFORMANCE RECORD: +13.1%
RECOMMENDED STOP LOSS: $25
COMPANY WEBSITE: www.lydall.com

Annual Stock Price	2011	2012	2013	2014	2015
High	12.5	14.65	19.27	33.57	33.10
Low	7.28	8.79	13.29	16.55	26.13



QUARTERLY REVENUES ($MILL.)

Fiscal Year[2]	Mar. Per.	Jun. Per.	Sep. Per.	Dec. Per.	Full Year
2013	96.8	97.5	94.2	90.4	378.9
2014	99.0	101.1	98.0	99.9	398.0
2015	125.2	148.8	134.2	127.6	535.8
2016	127.3	*140.0*	*125.0*	*117.7*	*510.0*

QUARTERLY EARNINGS (PER SHARE)

Fiscal Year	Mar. Per.	Jun. Per.	Sep. Per.	Dec. Per.	Full Year
2013	0.23	0.39	0.23	0.14	0.99
2014	0.26	0.35	0.27	0.25	[1]1.14
2015	0.22	0.49	0.24	0.34	[1]1.28
2016	1.11	*0.45*	*0.40*	*0.39*	*2.35*

[1]IPO October 2013. Prior results pro forma. [2]Fiscal years end January 31st of the following year.

Early this year, Lydall sold its Charter Medical, Ltd. subsidiary, a designer and manufacturer of single-use products for the collection, processing, and storage of biological fluids, for $30.1 million. The sale was made to enable the company to focus resources on core businesses in the Thermal/Acoustical, Filtration, and Engineered Materials segments.

The shares are down about 11% since February. Sales in the first quarter were up only 2% year over year, to $127.3 million, due to foreign currency translation headwinds and lower tooling revenue related to the timing of new customer product launches and the planned shutdown at a customer's facility. However, Lydall's Industrial Filtration segment, which provides air filtration products, that was acquired in February of last year, had sales of $34.2 million, up 14% on a sequential basis. And operating margins for this segment reached 9.2%, versus adjusted operating margins of 7.5% for all of 2014, accomplished despite an unfavorable shift in the product mix, especially for sales in China. But its other business segments struggled in the quarter. The Thermal/Acoustical Metals business, which supplies engineered stamped metal thermal-insulation and noise-reduction materials for the automotive industry, had sales of $38.1 million, down 10% year over year due to the foreign currency headwinds and decline in tooling sales. This segment has struggled recently owning to material sourcing issues at its facility in China, which created a drag on profitability for the segment, but management expects the facility to reach the break-even point in the second half of the year. On a positive note, automotive parts sales for the segment were up 5% on a constant-currency basis due to improved European auto sales. Lydall's Thermal/Acoustical Fibers business, which produces fiber-composite products to reduce noise and dissipate heat in motor vehicles, had a 4% decline in sales, to $31.1 million, as a slight improvement in automotive parts sales was offset by the planned customer facility shutdown. And the Performance Materials segment, which produces filtration media and thermal insulation products, had a decline in sales of 13%, to $25.1 million, due to lower demand for cryogenic insulation products used within the liquefied natural gas market, which was attributed to a decline in the price of oil, and lower sales to a key customer, which was likely due to a pull through of sales into last year's fourth quarter ahead of January price increases. Earnings for the period totaled $1.11 a share, which included a gain of $0.69 a share for the sale of Charter Medical, versus earnings of $0.22 a share in the prior-year period, which included charges related to the acquisition of its Industrial Filtration business of $0.18 a share.

Headwinds from the currency translations aside, management believes the company is on track to execute its long-term growth strategy, which includes new product development, Lean Six Sigma initiatives that will generate more than $4 million in annual cost savings by the end of next year, geographic expansion, and acquisitions. It is especially interested in companies in the Filtration and Specialty Engineered Material arenas, the latter of which could conceivably generate high margins. In the near term, however, we think the foreign currency headwinds will be a drag on profitability, and we are reducing our ranking on the shares to Hold. V