

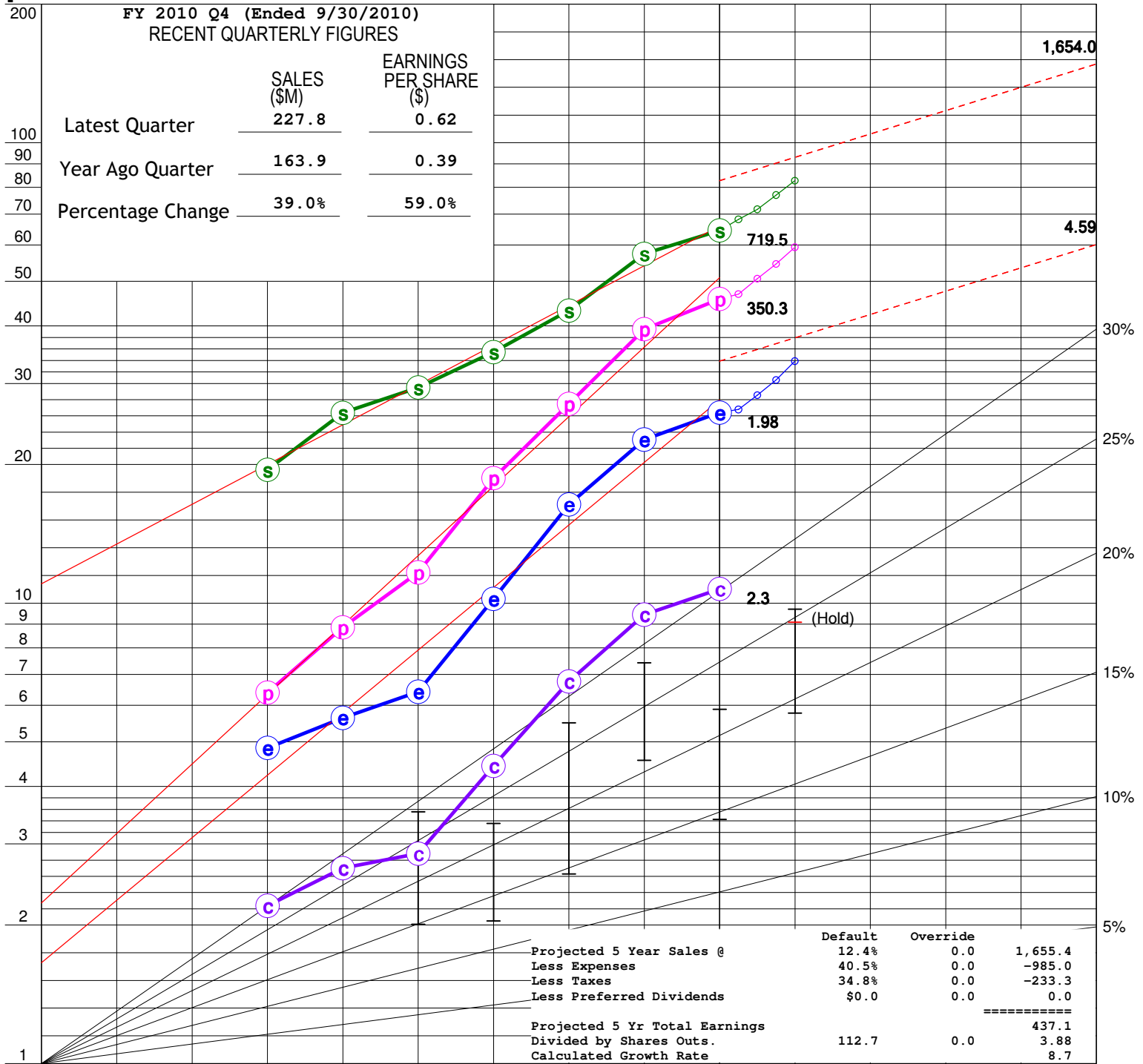


Stock Study

Company	DOLBY LABORATORIES IN..	Price Date	11/11/10
Study by	pwoodring	Data Date	11/10/10
Sector	Information Technology	Data Source	NAIC Data
Industry	Electronic Components	Reference	
Preferred(\$M)	0.0		
Common(M Shares)	112.7	% Insiders	0.0
Debt(\$M)	0.0	% Institutions	0.0
% Debt to Tot.Cap.	0.0	Quality	(S&P)

1 Growth Analysis

NYSE: DLB



(1) Historical Sales Growth	22.0 %	(3) Historical Earnings Per Share Growth	36.7 %	www.iclub.com
(2) Estimated Future Sales Growth	12.4 %	(4) Estimated Future Earnings Per Share Growth	12.4 %	
(5) Sales Growth R ²	0.99	(6) Earnings Per Share Growth R ²	0.97	

2 QUALITY ANALYSIS

Company **DOLBY LABORATORIES INC**

(DLB)

11/11/10

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	5 YEAR AVG.	TREND UP / DOWN
A % Pre-tax Profit on Sales				22.5	23.5	27.2	36.5	43.0	47.1	48.7	40.5	UP
B % ROE (Beginning Yr)					39.0	29.6	17.6	22.6	23.9	21.2	23.0	DOWN
C % Debt to Equity	0.0	0.0	0.0	15.5	9.5	2.6	1.8	1.2	0.7	0.4	1.4	DOWN

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE 65.690 52-WEEK HIGH 70.140 52-WEEK LOW 41.670

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1 2005	25.5	14.5	0.49	52.0	29.6	0.000	0.0	0.0
2 2006	24.0	14.8	0.78	30.8	19.0	0.000	0.0	0.0
3 2007	39.7	18.6	1.25	31.8	14.9	0.000	0.0	0.0
4 2008	53.6	32.9	1.73	31.0	19.0	0.000	0.0	0.0
5 2009	42.5	24.5	1.98	21.5	12.4	0.000	0.0	0.0
6 AVERAGE		21.1		33.4	19.0		0.0	
AVERAGE P/E RATIO		26.2	PROJECTED P/E RATIO		22.8	TTM EPS		2.56
CURRENT P/E RATIO		25.7	PEG RATIO		1.8	FTM EPS		2.88
RELATIVE VALUE		98.1%	PROJ. RELATIVE VALUE		87.1%			

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS -- NEXT 5 YEARS

Selected High P/E ~~33.4~~ 28.7 X Estimated High Earnings/Share 4.59 = Forecast High Price \$ 131.7

B FUTURE LOW PRICE ANALYSIS -- NEXT 5 YEARS

(a) Sel. Low P/E 19.0 X Estimated Low Earnings/Share ~~1.98~~ 2.56 = \$ 48.6
(as adj.)

(b) Average 5-Year Low Price = 21.1

(c) Recent Severe Low Price = 24.5

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

Selected Estimated Low Price = \$ 43.0

C PRICE RANGES

Forecast High Price 131.7 - Estimated Low Price 43.0 = Range 88.7 25% of Range = 22.2

BUY (Lower 25% of Range) = 43.0 to 65.2

MAYBE (Middle 50% of Range) = 65.2 to 109.5

SELL (Upper 25% of Range) = 109.5 to 131.7

Current Price 65.690 is in the Hold Range

D REWARD/RISK ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price 131.7 - Current Price 65.690) ÷ (Current Price 65.690 - Estimated Low Price 43.0) = 2.9 To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD

Present Full Year's Dividend \$ 0.000 ÷ Current Price of Stock \$ 65.690 = 0.0 % Present Yield or % Returned on Purchase Price

B AVERAGE YIELD OVER NEXT 5 YEARS

(Avg. EPS Next 5 Years 3.63 X Avg. % Payout 0.0) ÷ Current Price \$ 65.690 = 0.0 %

C % COMPOUND ANNUAL TOTAL RETURN

Average Yield 0.0 % + Annual Appreciation 14.9 % = Compound Annual Total Return 14.9 %

D % PROJECTED AVERAGE RETURN

Average Yield 0.0 % + Annual Appreciation 10.8 % = Projected Average Total Return 10.8 %