

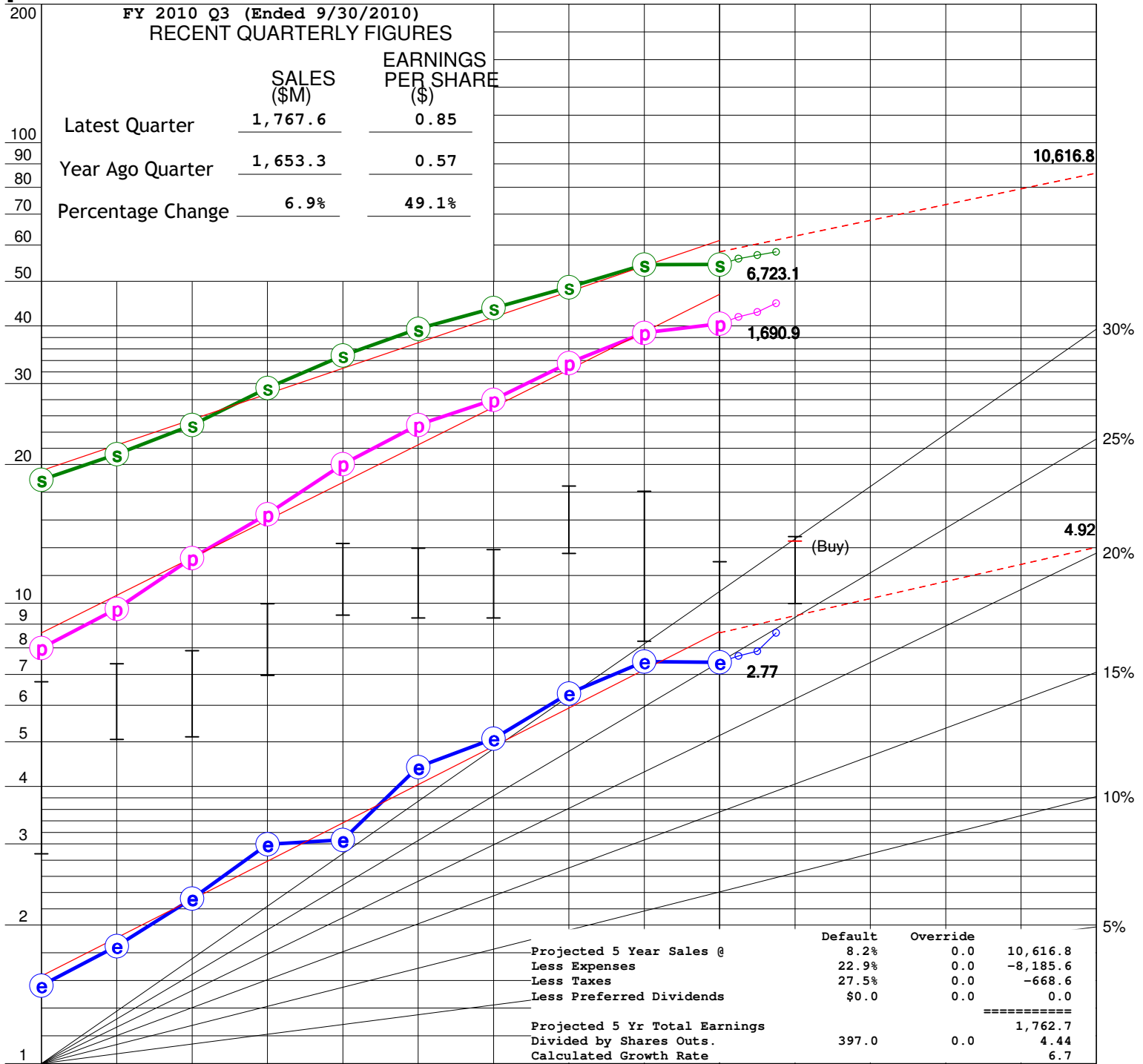


Stock Study

Company	STRYKER CORP	Price Date	02/02/11
Study by	ETANA	Data Date	01/27/11
Sector	Healthcare	Data Source	BI
Industry	Medical Instruments & Su	Reference	
Preferred(\$M)	0.0		
Common(M Shares)	397.0	% Insiders	1.3
Debt(\$M)	1,015.5	% Institutions	66.8
% Debt to Tot.Cap.	13.4	Quality	

1 Growth Analysis

NYSE: SYK



(1) Historical Sales Growth	13.7 %	(3) Historical Earnings Per Share Growth	21.1 %	www.iclub.com
(2) Estimated Future Sales Growth	8.2 %	(4) Estimated Future Earnings Per Share Growth	8.9 %	
(5) Sales Growth R ²	0.98	(6) Earnings Per Share Growth R ²	0.98	

2 QUALITY ANALYSIS

Company **STRYKER CORP (SYK)**

02/02/11

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	5 YEAR AVG.	TREND UP / DOWN
A % Pre-tax Profit on Sales	14.6	15.6	17.4	18.0	19.7	20.9	21.4	23.2	24.0	25.2	22.9	UP
B % ROE (Beginning Yr)	NMF	30.7	31.6	29.5	21.1	24.0	23.5	23.0	21.2	20.7	22.5	DOWN
C % Debt to Equity	102.6	68.4	32.9	0.9	0.0	5.7	0.0	0.0	0.0	0.0	1.1	DOWN

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE 58.350 52-WEEK HIGH 59.720 52-WEEK LOW 42.740

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1 2005	56.3	39.7	1.64	34.3	24.2	0.110	6.7	0.3
2 2006	55.9	39.8	1.89	29.6	21.1	0.220	11.6	0.6
3 2007	76.9	54.9	2.37	32.4	23.2	0.330	13.9	0.6
4 2008	74.9	35.4	2.78	26.9	12.7	0.400	14.4	1.1
5 2009	52.7	30.8	2.77	19.0	11.1	0.150	5.4	0.5
6 AVERAGE		40.1		28.4	18.5		10.4	
AVERAGE P/E RATIO	23.4	PROJECTED P/E RATIO		16.7	TTM EPS		3.21	
CURRENT P/E RATIO	18.2	PEG RATIO		1.9	FTM EPS		3.50	
RELATIVE VALUE	77.8%	PROJ. RELATIVE VALUE		71.3%				

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS – NEXT 5 YEARS

Selected High P/E ~~28.4~~ 23.0 X Estimated High Earnings/Share 4.92 = Forecast High Price \$ 113.2

B FUTURE LOW PRICE ANALYSIS – NEXT 5 YEARS

(a) Sel. Low P/E ~~18.5~~ 10.0 X Estimated Low Earnings/Share ~~2.77~~ 2.83 = \$ 28.3
(as adj.)

(b) Average 5-Year Low Price = 40.1

(c) Recent Severe Low Price = 30.8

(d) Price Dividend Will Support = Present Divd. + High Yield = 0.720 + 0.011 = 63.7

Selected Estimated Low Price _____ = \$ 40.1

C PRICE RANGES

Forecast High Price 113.2 - Estimated Low Price 40.1 = Range 73.1 25% of Range = 18.3

BUY (Lower 25% of Range) = 40.1 to 58.4

MAYBE (Middle 50% of Range) = 58.4 to 94.9

SELL (Upper 25% of Range) = 94.9 to 113.2

Current Price 58.350 is in the Buy Range

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

(Forecast High Price 113.2 - Current Price 58.350) ÷ (Current Price 58.350 - Estimated Low Price 40.1) = 3.0 To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD

Present Full Year's Dividend \$ 0.720 ÷ Current Price of Stock \$ 58.350 = 1.2 % Present Yield or % Returned on Purchase Price

B AVERAGE YIELD OVER NEXT 5 YEARS

(Avg. EPS Next 5 Years 4.15 X Avg. % Payout ~~10.4~~ 10.3) ÷ Current Price \$ 58.350 = 0.7 %

C % COMPOUND ANNUAL TOTAL RETURN

Average Yield 0.4 % + Annual Appreciation 14.2 % = Compound Annual Total Return 14.6 %

D % PROJECTED AVERAGE RETURN

Average Yield 0.6 % + Annual Appreciation 6.8 % = Projected Average Total Return 7.5 %

Trailing 4 quarters

Quarterly Trend Graph

Company STRYKER CORP

(SYK)

