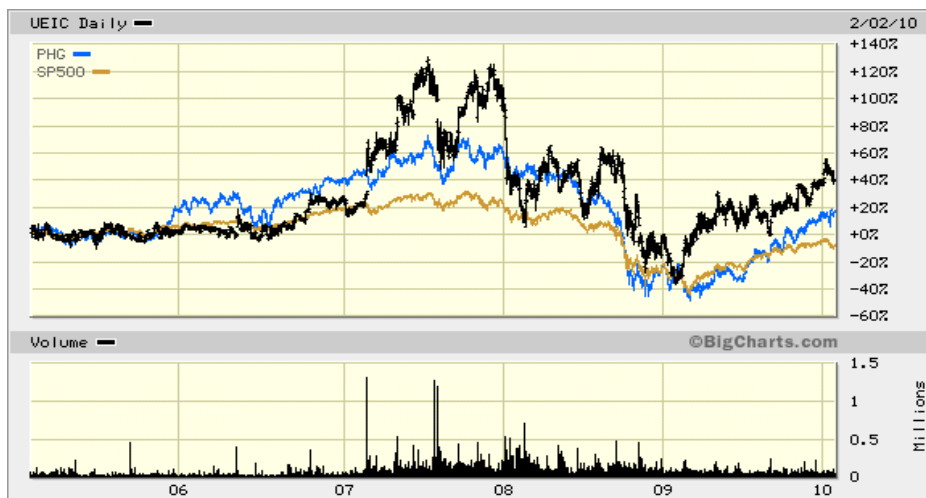


Universal Electronics Inc. (UEIC) 2/2/10

UEIC operates as a designer and manufacturer of universal remotes and other wireless/audio/peripheral devices. The company sells its products to consumers, private labels, custom installers, cable companies, and satellite providers. UEIC was founded in 1986 and is headquartered in Cypress, California.

Current Price	\$24.07
52 Week High	\$26.55
52 Week Low	\$10.85
One Yr Target	\$26.75
Market Cap (in billions)	\$0.33
P/E (Trailing)	22.86
P/E(1 Yr Forward)	16.83
P/E/G	1.45
ROA	6.64%
ROE	10.79%
EPS	\$1.05
Beta	1.03
Annualized Dividend	\$0.00
Dividend Yield	0.00%
Analyst Consensus	1.50
Debt to Equity	0.38



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Annual EPS

2006	\$0.72	
2007	\$0.97	34.71%
2008	\$1.39	43.88%
2009	\$1.16	-16.58%
ttm	\$1.05	-9.09%

Annual Revenue (in millions)

2006	\$181.35	
2007	\$235.85	30.05%
2008	\$272.68	15.62%
2009	\$287.10	5.29%

Annual Net Income (in millions)

2006	\$9.70	
2007	\$13.52	39.38%
2008	\$20.23	49.63%
2009	\$15.81	-21.85%

Free Cash Flows (in millions)

2006	\$10.99	
2007	\$13.15	19.65%
2008	\$15.14	15.13%
2009	\$24.20	59.84%

Required Rate of Return

10.75%

Dividend Growth Model

Present Value of 2015 Price	n/a
Holding Period Return (5 years)	n/a

Expected Annualized Return Model

Present Value of 2015 Price	\$26.55
Holding Period Return (5 years)	1.67%

Residual Income Model

Intrinsic Stock Price	\$11.04
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Analysis

Positives

Solid financial ratios, very low Debt/Equity and well liked by analysts

Negatives

Financial Statements

Income Statement has nice growth but margins are low

Balance Sheet is very good, no Debt and Retained Earnings and Treasury Stock growing

Cash Flows are good but very subject to foreign exchange risk

Industry Analysis

UEIC is a small player in a marginally competitive industry

UEIC has some of the best financial ratios in its industry

Summary

UEIC operates as a solid company and one that has a surprisingly strong financial position. Its financial ratios are solid as are its financial statements, with the strong Balance Sheet standing out. UEIC is its specific industry leader and is focused on expanding its geographic operating area as well as increasing share in existing markets. Its current products are in high and stable demand with the growing number of different electronic devices in the household that use remotes. Also UEIC is looking to expand its product line to integrate all remotes and systems as households become more electronically integrated. Overall the stock looks good as a company but fundamental price valuations say the price is a bit high, yet it could still be a good pick for those looking for a speculative stock.