

National Presto Industries

Stock Symbol: npk

Recent Price: \$52.38

Estimated Current Intrinsic Value: \$32.83

Graham/Dodd Bargain Value: \$24.97

Alternate Price/Book Ratio: 1.60

Alternate PE Ratio: 18.3

Alternate Earnings Yield: 5.5%

Appraisal:

Year	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Intrinsic value per share	\$58.70	\$62.02	\$67.86	\$54.10	\$32.84	\$35.26	\$41.89	\$59.64	\$87.31	\$59.07
Intrinsic value per share (convertible dilution)	\$58.70	\$62.02	\$67.86	\$54.10	\$32.84	\$35.26	\$41.89	\$59.64	\$87.31	\$59.07
Graham/Dodd bargain value per share	\$47.68	\$50.38	\$54.17	\$44.70	\$28.81	\$30.98	\$35.61	\$46.13	\$64.12	\$43.23
Graham/Dodd bargain value per share (convertible dilution)	\$47.68	\$50.38	\$54.17	\$44.70	\$28.81	\$30.98	\$35.61	\$46.13	\$64.12	\$43.23
Smoothed free cash flow per share	\$3.49	\$4.11	\$2.82	\$1.21	\$1.29	\$1.88	\$4.05	\$6.96	\$4.75	\$2.36
Smoothed free cash flow per share (convertible dilution)	\$3.49	\$4.11	\$2.82	\$1.21	\$1.29	\$1.88	\$4.05	\$6.96	\$4.75	\$2.36
PPE per share	\$2.98	\$3.37	\$3.82	\$2.82	\$3.31	\$3.95	\$8.02	\$9.97	\$12.73	\$13.22
PPE per share (convertible dilution)	\$2.98	\$3.37	\$3.82	\$2.82	\$3.31	\$3.95	\$8.02	\$9.97	\$12.73	\$13.22
Smoothed return on PPE (4- year average)	117.2%	121.9%	73.9%	42.9%	38.8%	47.7%	50.5%	69.8%	37.3%	17.8%
Net liquidity per share	\$27.08	\$26.79	\$25.88	\$20.74	\$22.41	\$23.05	\$19.12	\$17.73	\$11.56	\$9.24
Net liquidity per share (convertible dilution)	\$27.08	\$26.79	\$25.88	\$20.74	\$22.41	\$23.05	\$19.12	\$17.73	\$11.56	\$9.24

Company Performance Data:

Year	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Smoothed return on PPE (4- year average)	null	null	null	121.6%	117.2%	121.9%	73.9%	42.9%	38.8%	47.7%	50.5%	69.8%	37.3%	17.8%
Unsmoothed return on PPE	148.4%	47.4%	213.9%	76.9%	130.6%	66.1%	22.2%	- 47.4%	114.4%	101.5%	33.6%	29.6%	- 15.4%	23.6%
Free cash flow (\$millions)	19.2797	6.5002	35.6004	13.2704	26.1392	14.5175	5.3912	- 12.4638	22.1082	23.0103	9.0653	16.2168	- 10.5002	20.5125
Normalized capital spending (\$millions)	1.2993	1.3718	1.6646	1.7256	2.0008	2.1975	2.4328	2.6278	1.9328	2.2667	2.6977	5.4752	6.8102	8.6975
Cash flow (\$millions)	20.579	7.872	37.265	14.996	28.14	16.715	7.824	- 9.836	24.041	25.277	11.763	21.692	- 3.69	29.21
PPE(\$millions)	13.718	16.646	17.256	20.008	21.975	24.328	26.278	19.328	22.667	26.977	54.752	68.102	86.975	90.391

Cash Flow:

Year	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Cash flow (\$millions)	16.855	20.579	7.872	37.265	14.996	28.14	16.715	7.824	- 9.836	24.041	25.277	11.763	21.692	- 3.69	29.21

Plant, Property, and Equipment At Cost:

Year	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
PPE(\$millions)	12.993	13.718	16.646	17.256	20.008	21.975	24.328	26.278	19.328	22.667	26.977	54.752	68.102	86.975	90.391

Shares:

Year	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Total shares (millions)	7.338	7.34	7.354	7.356	7.362	7.371	7.22	6.886	6.844	6.841	6.822	6.825	6.83	6.834	6.84
Total shares with convertible dilution (millions)	7.338	7.34	7.354	7.356	7.362	7.371	7.22	6.886	6.844	6.841	6.822	6.825	6.83	6.834	6.84
Split factor	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total pre-split shares (millions)	7.338	7.34	7.354	7.356	7.362	7.371	7.22	6.886	6.844	6.841	6.822	6.825	6.83	6.834	6.84
Total pre-split shares with convertible dilution (\$millions)	7.338	7.34	7.354	7.356	7.362	7.371	7.22	6.886	6.844	6.841	6.822	6.825	6.83	6.834	6.84

Liquidity:

Year	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Net liquidity (\$millions)	174.9	175.4	166.0	189.8	188.8	199.6	193.4	178.3	141.9	153.3	157.2	130.5	121.1	79.0	63.2
Net liquidity with convertible dilution (\$millions)	174.9	175.4	166.0	189.8	188.8	199.6	193.4	178.3	141.9	153.3	157.2	130.5	121.1	79.0	63.2
Total liquid assets (\$millions)	230.6	231.5	213.2	235.7	239.8	249.2	246.6	231.5	201.0	215.7	223.9	180.8	173.6	143.6	143.3
Total liabilities (\$millions)	55.7	56.1	47.1	45.9	51.0	49.6	53.2	53.2	59.1	62.4	66.7	50.4	52.5	64.6	80.1
Total liabilities with convertible dilution (\$millions)	55.7	56.1	47.1	45.9	51.0	49.6	53.2	53.2	59.1	62.4	66.7	50.4	52.5	64.6	80.1