

COMPUTER SERVICES, INC. & SUBSIDIARIES
SELECTED FINANCIAL DATA
FY2009 - FY2019

(in thousands, except share, per share and employee data)

| | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Income Summary | | | | | | | | | | | |
| Revenues | \$ 266,494 | \$ 249,558 | \$ 234,901 | \$ 224,725 | \$ 221,385 | \$ 212,914 | \$ 198,256 | \$ 178,224 | \$ 163,776 | \$ 153,985 | \$ 150,649 |
| Operating expenses | 213,256 | 201,839 | 184,920 | 176,608 | 175,568 | 168,821 | 156,395 | 137,839 | 123,898 | 118,253 | 116,441 |
| Operating income | 53,238 | 47,719 | 49,981 | 48,117 | 45,817 | 44,093 | 41,861 | 40,385 | 39,878 | 35,732 | 34,208 |
| Non-operating income | 4,093 | | | | | | | | | | |
| Interest income (expense) | 796 | 124 | 93 | 48 | 9 | (34) | (16) | (60) | (182) | (264) | (271) |
| Income before income taxes and minority interest | 58,127 | 47,843 | 50,074 | 48,165 | 45,826 | 44,059 | 41,845 | 40,325 | 39,696 | 35,468 | 33,937 |
| Provision for income taxes | 13,169 | 9,012 | 19,153 | 19,025 | 17,987 | 17,403 | 16,006 | 14,819 | 15,680 | 13,833 | 13,235 |
| Net income before minority interest | 44,958 | 38,831 | 30,921 | 29,140 | 27,839 | 26,656 | 25,839 | 25,506 | 24,016 | 21,635 | 20,702 |
| Minority interest in net loss of consolidated entity | - | - | - | - | - | - | - | - | - | - | 12 |
| Net income attributable to Computer Services, Inc. | \$ 44,958 | \$ 38,831 | \$ 30,921 | \$ 29,140 | \$ 27,839 | \$ 26,656 | \$ 25,839 | \$ 25,506 | \$ 24,016 | \$ 21,635 | \$ 20,714 |

Financial Position

| | | | | | | | | | | | |
|---|------------|------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Working capital | \$ 58,218 | \$ 52,388 | \$ 44,017 | \$ 30,387 | \$ 22,923 | \$ 9,233 | \$ 7,498 | \$ 13,097 | \$ 9,483 | \$ 7,742 | \$ 9,161 |
| Current ratio | 2.0 | 2.3 | 2.3 | 2.1 | 1.8 | 1.3 | 1.3 | 1.5 | 1.5 | 1.4 | 1.6 |
| Net tangible assets | \$ 153,977 | \$ 125,131 | \$ 103,753 | \$ 89,469 | \$ 77,238 | \$ 62,952 | \$ 55,878 | \$ 55,088 | \$ 56,442 | \$ 44,510 | \$ 46,231 |
| Property and equipment, net | \$ 41,600 | \$ 37,044 | \$ 35,420 | \$ 34,655 | \$ 33,079 | \$ 35,252 | \$ 34,996 | \$ 32,341 | \$ 30,008 | \$ 30,857 | \$ 28,357 |
| Capital expenditures, net | \$ 18,023 | \$ 20,630 | \$ 13,678 | \$ 19,914 | \$ 11,407 | \$ 13,421 | \$ 21,025 | \$ 10,382 | \$ 16,729 | \$ 10,640 | \$ 8,600 |
| Depreciation and amortization | \$ 17,686 | \$ 16,322 | \$ 15,489 | \$ 15,024 | \$ 14,576 | \$ 15,524 | \$ 14,932 | \$ 13,529 | \$ 14,224 | \$ 13,537 | \$ 12,674 |
| Total debt | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7 | \$ 67 | \$ 222 | \$ 3,290 | \$ 8,478 | \$ 5,041 |
| Total debt to total capitalization | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.2% | 3.0% | 8.3% | 5.6% |
| Earnings before interest, taxes, depreciation and amortization (EBITDA) | \$ 70,924 | \$ 64,041 | \$ 65,470 | \$ 63,141 | \$ 60,393 | \$ 59,617 | \$ 56,793 | \$ 53,914 | \$ 54,102 | \$ 49,269 | \$ 46,882 |
| Net cash provided by operating activities | \$ 55,179 | \$ 46,485 | \$ 49,650 | \$ 45,064 | \$ 38,550 | \$ 36,625 | \$ 41,102 | \$ 45,783 | \$ 38,533 | \$ 35,586 | \$ 34,766 |
| Free cash flow | \$ 37,158 | \$ 25,855 | \$ 35,972 | \$ 25,150 | \$ 27,143 | \$ 23,204 | \$ 20,077 | \$ 35,401 | \$ 21,803 | \$ 24,946 | \$ 26,166 |
| Return on average shareholders' equity | 22.2% | 22.0% | 19.5% | 19.7% | 20.2% | 20.8% | 20.6% | 21.9% | 24.0% | 24.4% | 25.0% |

Per Common Share

| | | | | | | | | | | | |
|---|----------|----------|----------|------------|------------|------------|------------|------------|------------|----------|----------|
| Net income, basic | \$ 3.23 | \$ 2.78 | \$ 2.21 | \$ 2.07 | \$ 1.97 | \$ 1.85 | \$ 1.76 | \$ 1.74 | \$ 1.64 | \$ 1.48 | \$ 1.36 |
| Weighted average common and common equivalent shares outstanding, basic | ##### | ##### | ##### | 14,106,805 | 14,160,707 | 14,440,668 | 14,695,122 | 14,649,630 | 14,609,566 | ##### | ##### |
| Net income, diluted | \$ 3.23 | \$ 2.78 | \$ 2.21 | \$ 2.07 | \$ 1.97 | \$ 1.85 | \$ 1.76 | \$ 1.72 | \$ 1.61 | \$ 1.43 | \$ 1.31 |
| Weighted average common and common equivalent shares outstanding, diluted | ##### | ##### | ##### | 14,106,805 | 14,160,707 | 14,440,668 | 14,721,622 | 14,792,213 | 14,875,352 | ##### | ##### |
| Cash dividends paid, regular | \$ 1.34 | \$ 1.18 | \$ 1.06 | \$ 0.94 | \$ 0.76 | \$ 0.60 | \$ 0.53 | \$ 0.47 | \$ 0.41 | \$ 0.36 | \$ 0.33 |
| Cash dividends paid, special | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1.00 | \$ - | \$ - | \$ - | \$ - |
| Book value at year-end | \$ 15.80 | \$ 13.39 | \$ 11.88 | \$ 10.85 | \$ 10.23 | \$ 9.23 | \$ 8.57 | \$ 8.56 | \$ 7.32 | \$ 6.38 | \$ 5.69 |
| Market value at year-end | \$ 58.00 | \$ 45.50 | \$ 45.00 | \$ 35.96 | \$ 40.55 | \$ 33.25 | \$ 29.69 | \$ 32.80 | \$ 26.75 | \$ 18.05 | \$ 13.00 |
| Price-earnings ratio at year-end, diluted | 18.0 | 16.4 | 20.4 | 17.4 | 20.6 | 18.0 | 16.9 | 19.1 | 16.6 | 12.6 | 9.9 |
| Dividend yield, regular | 2.3% | 2.6% | 2.4% | 2.6% | 1.9% | 1.8% | 1.8% | 1.4% | 1.5% | 2.0% | 2.6% |
| Dividend yield, including special dividend | | | | | | | 5.2% | | | | |
| Dividend payout ratio, regular | 41.5% | 42.4% | 48.0% | 45.5% | 38.7% | 32.6% | 30.2% | 27.0% | 25.0% | 24.4% | 24.5% |
| Dividend payout ratio, including special dividend | | | | | | | 87.1% | | | | |

Margins

| | | | | | | | | | | | |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| EBITDA as a percent of total revenue | 26.6% | 25.7% | 27.9% | 28.1% | 27.3% | 28.0% | 28.6% | 30.3% | 33.0% | 32.0% | 31.1% |
| Operating income as a percent of total revenue | 20.0% | 19.1% | 21.3% | 21.4% | 20.7% | 20.7% | 21.1% | 22.6% | 24.3% | 23.2% | 22.7% |
| Income before taxes as a percent of total revenue | 21.8% | 19.2% | 21.3% | 21.4% | 20.7% | 20.7% | 21.1% | 22.6% | 24.2% | 23.0% | 22.5% |
| Net income as a percent of total revenue | 16.9% | 15.6% | 13.2% | 13.0% | 12.6% | 12.5% | 13.0% | 14.3% | 14.7% | 14.1% | 13.7% |
| Effective tax rate | 22.7% | 18.8% | 38.2% | 39.5% | 39.3% | 39.5% | 38.3% | 36.7% | 39.5% | 39.0% | 39.0% |

Growth Rates

| | | | | | | | | | | | |
|------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|------|-------|
| Revenue | 6.8% | 6.2% | 4.5% | 1.5% | 4.0% | 7.4% | 11.2% | 8.8% | 6.4% | 2.2% | 3.5% |
| Net income | 15.8% | 25.6% | 6.1% | 4.7% | 4.4% | 3.2% | 1.3% | 6.2% | 11.0% | 4.4% | 14.5% |
| Earnings per common share, diluted | 16.2% | 25.8% | 6.8% | 5.1% | 6.5% | 5.1% | 2.3% | 6.8% | 12.6% | 9.2% | 19.1% |
| Cash dividends per common share | 13.6% | 11.3% | 12.8% | 23.7% | 26.7% | 13.2% | 12.8% | 14.6% | 13.6% | 8.6% | 14.4% |

Other

| | | | | | | | | | | | |
|-----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-----|-----|-----|
| Employees at year-end | 1,176 | 1,161 | 1,135 | 1,109 | 1,094 | 1,104 | 1,099 | 1,053 | 917 | 909 | 902 |
|-----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-----|-----|-----|