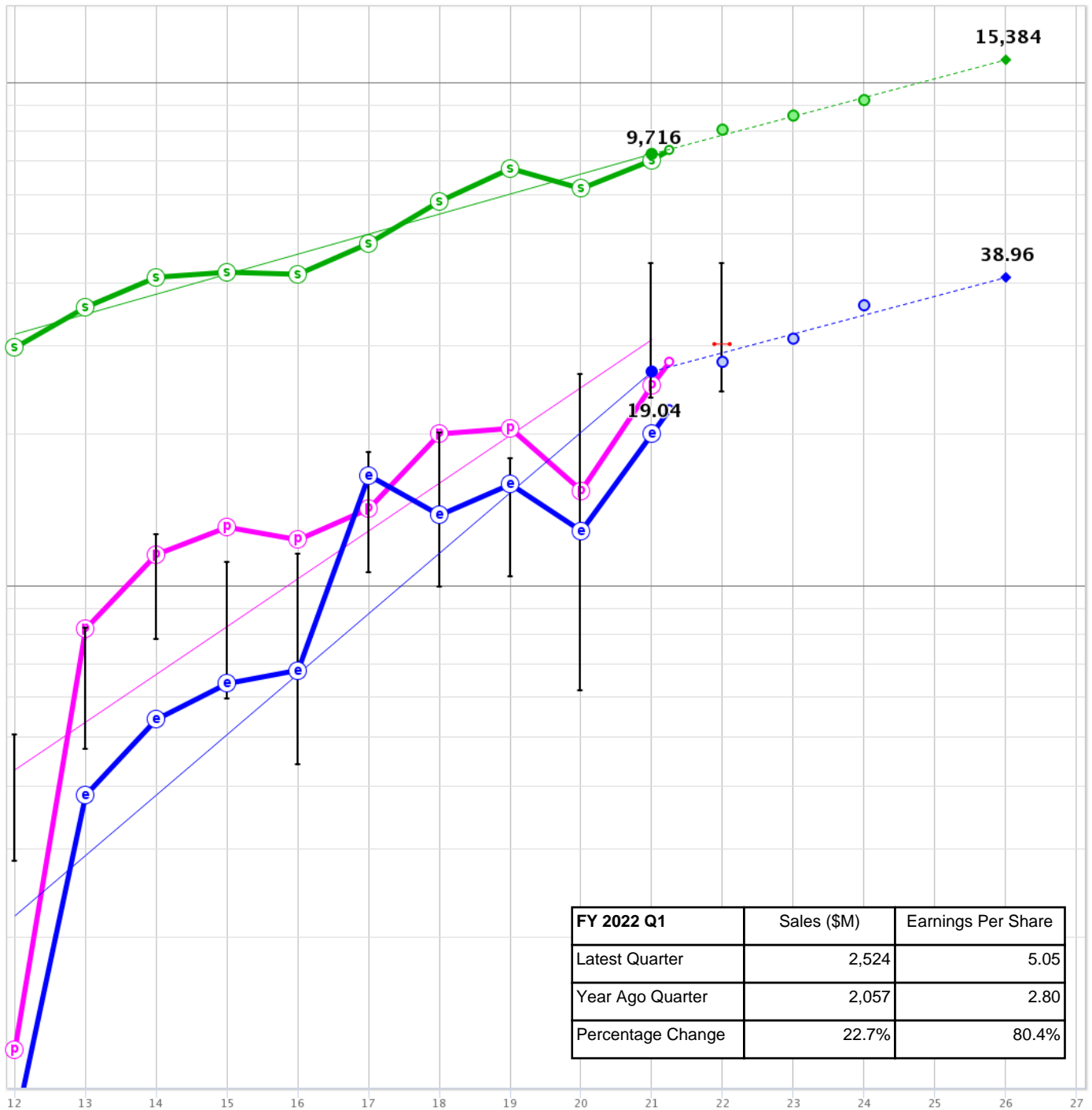


Stock Selection Guide

Company	United Rentals		Date	07/27/22	
Prepared by	HENRIKSON		Data taken from	BI Stock Data	
Where traded	NYS	Industry	Rental & Leasing Services		
Capitalization --- Outstanding Amounts	Reference				
Preferred (\$M)	0.0	% Insiders	% Institution		
Common (M Shares)	72.7	5.9	98.4		
Debt (\$M)	10,113.0	% to Tot Cap	62.4	% Pot Dil	0.4

Symbol: URI

1 VISUAL ANALYSIS of Sales, Earnings, and Price



FY 2022 Q1	Sales (\$M)	Earnings Per Share
Latest Quarter	2,524	5.05
Year Ago Quarter	2,057	2.80
Percentage Change	22.7%	80.4%

- | | | | |
|-----------------------------------|------|--|-------|
| (1) Historical Sales Growth | 9.6% | (3) Historical Earnings Per Share Growth | 31.9% |
| (2) Estimated Future Sales Growth | 9.0% | (4) Estimated Future Earnings Per Share Growth | 9.0% |

2 EVALUATING Management

United Rentals

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Last 5 Year Avg.
% Pre-tax Profit on Sales	2.1%	12.2%	15.0%	16.6%	15.8%	15.8%	18.3%	16.2%	13.4%	19.0%	16.5%
% Earned on Equity	4.7%	19.6%	27.8%	37.2%	35.3%	60.1%	31.4%	30.8%	21.2%	25.2%	33.7%
% Debt To Capital	82.4%	79.5%	81.7%	84.7%	82.5%	75.2%	77.5%	76.0%	69.6%	63.7%	72.4%

3 PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is building block for translating earnings into future stock prices.

CLOSING PRICE 287.23 (07/27/22)

52-WEEK HIGH 414.99

52-WEEK LOW 230.54

	A	B	C	D	E	F	G	H	
Year	Price		Earnings	Price Earnings Ratio		Dividend	% Payout	% High Yield	
	High	Low	Per Share	High A / C	Low B / C	Per Share	F / C * 100	F / B * 100	
2017	174.4	100.6	15.73	11.1	6.4	0.00	0.0	0.0	
2018	190.7	94.3	13.12	14.5	7.2	0.00	0.0	0.0	
2019	170.0	99.0	15.11	11.3	6.6	0.00	0.0	0.0	
2020	249.6	58.9	12.20	20.5	4.8	0.00	0.0	0.0	
2021	415.0	224.5	19.04	21.8	11.8	0.00	0.0	0.0	
AVERAGE		115.5		15.8	7.4		0.0		
CURRENT/TTM			21.31			0.00	0.0		
AVERAGE PRICE EARNINGS RATIO: 11.6					CURRENT PRICE EARNINGS RATIO: 13.5				

4 EVALUATING RISK and REWARD over the next 5 years

Assuming one recession and one business boom every 5 years, calculations are made of how high and how low the stock might sell. The upside-downside ratio is the key to evaluating risk and reward.

A HIGH PRICE - NEXT 5 YEARS

Avg. High P/E 15.8 X Estimate High Earnings/Share 38.96 = Forecasted High Price \$ 615.6

B LOW PRICE - NEXT 5 YEARS

(a) Avg. Low P/E 7.4 X Estimate Low Earnings/Share 21.31 = Forecasted Low Price \$ 157.7

(b) Avg. Low Price of Last 5 Years 115.5

(c) Recent Market Low Price 58.9

(d) Price Dividend Will Support $\frac{\text{Indicated Dividend}}{\text{High Yield}} = \frac{0.00}{0.00\%} = 0.0$

Selected Forecasted Low Price \$ 220.0

C ZONING using 25%-50%-25%

Forecasted High Price 615.6 Minus Forecasted Low Price 220.0 = 395.6 Range. 25% of Range 98.9

Buy Zone 220.0 to 318.9

Hold Zone 318.9 to 516.7

Sell Zone 516.7 to 615.6

Present Market Price of 287.23 is in the **BUY** Zone

D UPSIDE DOWNSIDE RATIO (POTENTIAL GAIN VS. RISK OR LOSS)

$\frac{\text{High Price} - \text{Present Price}}{\text{Present Price}} = \frac{615.6 - 287.23}{287.23} = 1.13$
 $\frac{\text{Present Price} - \text{Low Price}}{\text{Present Price} - \text{Low Price}} = \frac{287.23 - 220.0}{287.23 - 220.0} = 1.0$
 Ratio = 4.9 To 1

E PRICE TARGET (Note: This shows the potential market price appreciation over the next five years in simple interest terms.)

$\frac{\text{High Price} - \text{Closing Price}}{\text{Closing Price}} = \frac{615.6 - 287.23}{287.23} = 2.1433$
 $2.1433 \times 100 = 214.33 - 100 = 114.3\%$ % Appreciation

5 5-YEAR POTENTIAL

This combines price appreciation with dividend yield to get an estimate of total return. It provides a standard for comparing income and growth stocks.

A $\frac{\text{Indicated Annual Dividend}}{\text{Closing Price}} = \frac{0.00}{287.23} = 0.0000 = 0.0\%$ Current Yield

B AVERAGE YIELD - USING FORECAST HIGH P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast High PE}} = \frac{0.0\%}{15.80} = 0.0\%$

AVERAGE YIELD - USING FORECAST AVERAGE P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast Average PE}} = \frac{0.0\%}{11.60} = 0.0\%$

C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation 16.5 %
 Average Yield 0.0 %
 Annualized Rate of Return 16.5 %

COMPOUND ANNUAL RETURN - USING FORECAST AVG P/E

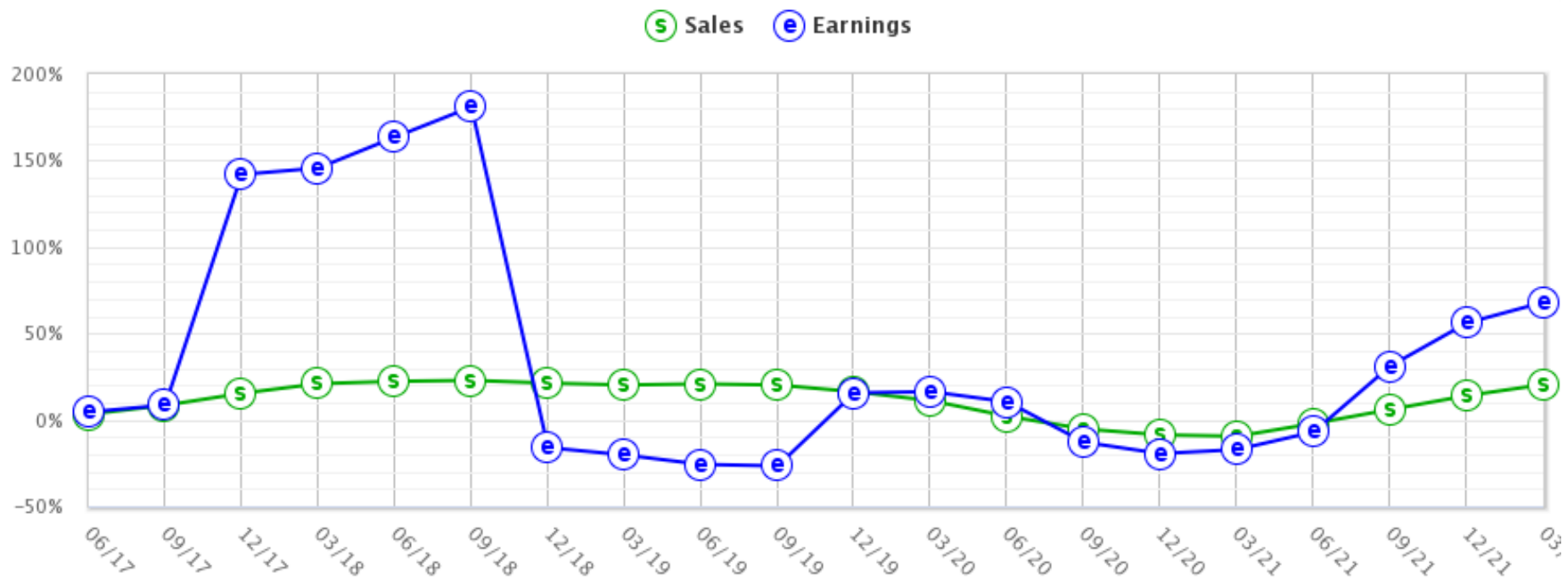
Annualized Appreciation 9.5 %
 Average Yield 0.0 %
 Annualized Rate of Return 9.5 %

Notes: URI 7/29/2022

Date	Subject	Description	Type
07/31/22	URI Judgments as of 7-29-22	<p>I used 9% growth for revenue and EPS. In Q2 2022 Management discussion, CEO expected 10% growth for 2022 with a robust backlog of projects with solidly funded customers. Analysts forecasts ranged from 15% to 5% over 5 years. With stock volatility in a cyclical industry, I was a bit more conservative.</p> <p>For high and low prices, I used average high PE of 15 to calculate high price, and for low price calculated 80% of current price, which was still lower than lowest price in last year,</p>	Study

Quarterly Growth Trend Data

Graph: Trailing 4 Quarters, Last 5 Years of Data



Quarterly Data									Last 12 Months Data								
Period	EPS		Pre-Tax Profit			Sales		Income Tax Rate	EPS	Pre-Tax Profit		Sales	Income Tax		%Change		
	\$	%Change	\$ Mil	%Sales	%Change	\$ Mil	%Change			\$	\$ Mil		%Sales	\$ Mil	%Rate	EPS	Pre-Tax Profit
03/22	5.05	80.4	483.0	19.1	75.6	2,524.0	22.7	24.0	21.31	2,054.0	20.2	10,183.0	499.4	24.3	67.9	72.9	20.3
12/21	6.61	61.6	644.0	23.2	66.4	2,776.0	21.8	25.3	19.06	1,846.0	19.0	9,716.0	458.8	24.9	56.0	62.1	13.9
09/21	5.63	96.2	550.0	21.2	100.0	2,596.0	18.7	25.6	16.54	1,589.0	17.2	9,219.0	386.8	24.3	31.1	34.1	5.9
06/21	4.02	37.2	377.0	16.5	50.2	2,287.0	17.9	22.3	13.78	1,314.0	14.9	8,810.0	315.6	24.0	-7.1	-7.5	-2.2
03/21	2.80	20.2	275.0	13.4	21.7	2,057.0	-3.2	26.2	12.69	1,188.0	14.0	8,462.0	265.3	22.3	-17.3	-21.8	-9.6
12/20	4.09	-8.9	387.0	17.0	-10.6	2,279.0	-7.2	23.3	12.22	1,139.0	13.4	8,530.0	246.6	21.7	-19.6	-24.8	-8.8
09/20	2.87	-43.5	275.0	12.6	-46.1	2,187.0	-12.1	24.4	12.62	1,185.0	13.6	8,707.0	252.7	21.3	-13.0	-21.3	-5.4

Quarterly Growth Trend Data

Graph: Trailing 4 Quarters, Last 5 Years of Data

Quarterly Data									Last 12 Months Data										
Period	EPS		Pre-Tax Profit			Sales		Income Tax Rate	EPS	Pre-Tax Profit			Sales	Income Tax			%Change		
	\$	%Change	\$ Mil	%Sales	%Change	\$ Mil	%Change			\$	\$ Mil	%Sales		\$ Mil	%Rate	EPS	Pre-Tax Profit	Sales	
06/20	2.93	-14.8	251.0	12.9	-28.5	1,939.0	-15.3	15.5	14.83	1,420.0	15.8	9,008.0	299.1	21.1	10.3	-2.5	2.0		
03/20	2.33	6.4	226.0	10.6	2.7	2,125.0	0.4	23.5	15.34	1,520.0	16.2	9,359.0	348.8	23.0	16.2	3.8	11.0		
12/19	4.49	18.2	433.0	17.6	1.9	2,456.0	6.5	21.9	15.20	1,514.0	16.2	9,351.0	336.1	22.2	15.5	2.6	16.2		
09/19	5.08	26.7	510.0	20.5	10.9	2,488.0	17.6	23.3	14.51	1,506.0	16.4	9,201.0	353.6	23.5	-26.8	8.6	20.1		
06/19	3.44	7.5	351.0	15.3	-2.2	2,290.0	21.1	23.1	13.44	1,456.0	16.5	8,829.0	357.4	24.6	-25.9	16.6	20.7		
03/19	2.19	1.9	220.0	10.4	-5.2	2,117.0	22.1	20.5	13.20	1,464.0	17.4	8,430.0	365.7	25.0	-20.4	30.8	20.1		
12/18	3.80	-63.6	425.0	18.4	26.5	2,306.0	20.0	27.1	13.16	1,476.0	18.3	8,047.0	371.1	25.1	-16.2	40.8	21.2		
09/18	4.01	72.1	460.0	21.7	42.9	2,116.0	19.8	27.6	19.81	1,387.0	18.1	7,663.0	-324.0	-23.4	181.0	45.4	22.8		
06/18	3.20	93.9	359.0	19.0	56.8	1,891.0	18.4	24.8	18.13	1,249.0	17.1	7,313.0	-258.7	-20.7	163.5	33.6	22.2		
03/18	2.15	69.3	232.0	13.4	44.1	1,734.0	27.9	21.1	16.58	1,119.0	15.9	7,019.0	-193.6	-17.3	145.6	21.2	20.9		
12/17	10.45	480.6	336.0	17.5	38.8	1,922.0	26.2	-167.0	15.70	1,048.0	15.8	6,641.0	-152.0	-14.5	141.9	15.3	15.3		
09/17	2.33	7.9	322.0	18.2	6.3	1,766.0	17.1	38.2	7.05	954.0	15.3	6,242.0	347.5	36.4	8.5	-0.5	8.3		
06/17	1.65	8.6	229.0	14.3	5.5	1,597.0	12.4	38.4	6.88	935.0	15.6	5,984.0	340.8	36.4	4.4	-6.1	3.1		
03/17	1.27	25.7	161.0	11.9	9.5	1,356.0	3.5	32.3	6.75	923.0	15.9	5,808.0	336.0	36.4	13.4	-0.5	-0.1		
12/16	1.80	-0.6	242.0	15.9	-17.1	1,523.0	0.0	36.8	6.49	909.0	15.8	5,762.0	342.5	37.7	6.4	-5.6	-0.9		
09/16	2.16	-4.0	303.0	20.1	-10.9	1,508.0	-2.7	38.3	6.50	959.0	16.6	5,762.0	374.2	39.0	5.7	-2.3	-1.6		
06/16	1.52	72.7	217.0	15.3	45.6	1,421.0	-0.6	38.3	6.59	996.0	17.2	5,804.0	384.8	38.6	14.8	5.4	-0.8		
03/16	1.01	-12.9	147.0	11.2	-19.2	1,310.0	-0.4	37.4	5.95	928.0	16.0	5,812.0	367.9	39.6	3.3	-1.1	-0.2		
12/15	1.81	-2.7	292.0	19.2	-6.1	1,523.0	-2.6	42.1	6.10	963.0	16.6	5,817.0	380.3	39.5	18.2	13.3	2.3		
09/15	2.25	22.3	340.0	21.9	12.2	1,550.0	0.4	36.8	6.15	982.0	16.8	5,858.0	376.8	38.4	33.4	28.4	7.3		
06/15	0.88	-2.2	149.0	10.4	4.9	1,429.0	2.1	42.3	5.74	945.0	16.1	5,852.0	362.3	38.3	39.3	39.0	12.0		
03/15	1.16	107.1	182.0	13.8	93.6	1,315.0	11.6	36.8	5.76	938.0	16.1	5,822.0	339.7	36.2	44.0	40.2	15.7		
12/14	1.86	42.0	311.0	19.9	37.6	1,564.0	16.9	37.6	5.16	850.0	15.0	5,685.0	306.5	36.1	42.1	40.5	14.7		
09/14	1.84	36.3	303.0	19.6	39.0	1,544.0	17.8	36.6	4.61	765.0	14.0	5,459.0	276.6	36.2	69.5	83.0	12.2		
06/14	0.90	15.4	142.0	10.2	8.4	1,399.0	16.0	33.8	4.12	680.0	13.0	5,226.0	242.1	35.6	99.0	131.3	9.5		
03/14	0.56	194.7	94.0	8.0	213.3	1,178.0	7.1	36.2	4.00	669.0	13.3	5,033.0	242.9	36.3	506.1	575.8	10.3		
12/13	1.31	227.5	226.0	16.9	479.5	1,338.0	7.1	38.1	3.63	605.0	12.2	4,955.0	210.4	34.8	467.2	587.5	20.4		
09/13	1.35	92.9	218.0	16.6	131.9	1,311.0	7.5	34.4	2.72	418.0	8.6	4,866.0	100.2	24.0					
06/13	0.78	223.8	131.0	10.9	304.7	1,206.0	21.5	36.6	2.07	294.0	6.2	4,774.0	61.6	21.0					
03/13	0.19	11.8	30.0	2.7	57.9	1,100.0	67.7	30.0	0.66	99.0	2.2	4,561.0	16.3	16.5					
12/12	0.40		39.0	3.1		1,249.0		-5.1											

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Graph: Trailing 4 Quarters, Last 5 Years of Data

Quarterly Data									Last 12 Months Data								
Period	EPS		Pre-Tax Profit			Sales		Income Tax Rate	EPS	Pre-Tax Profit		Sales	Income Tax		%Change		
	\$	%Change	\$ Mil	%Sales	%Change	\$ Mil	%Change	\$		\$ Mil	%Sales		\$ Mil	%Rate	EPS	Pre-Tax Profit	Sales
09/12	0.70		94.0	7.7		1,219.0		22.3									
06/12	-0.63		-64.0	-6.4		993.0		18.8									
03/12	0.17		19.0	2.9		656.0		31.6									