

**Cavco Industries, Inc.**

 Recommendation [as of February 23, 2023]: **BUY**
**Risk Evaluation:** MODERATE **Price:** 281.01 [Feb 24, 2023 close] **Trading Currency:** USD **Country:** United States

**GICS Sector:** Consumer Discretionary

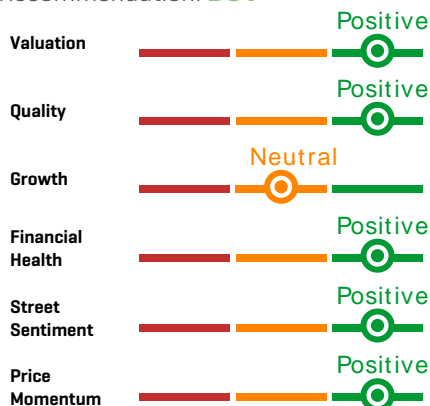
**Sector Ranking:** overweight

**SPGMI's Quality Ranking:** B+

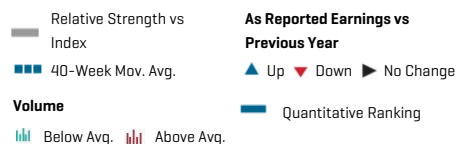
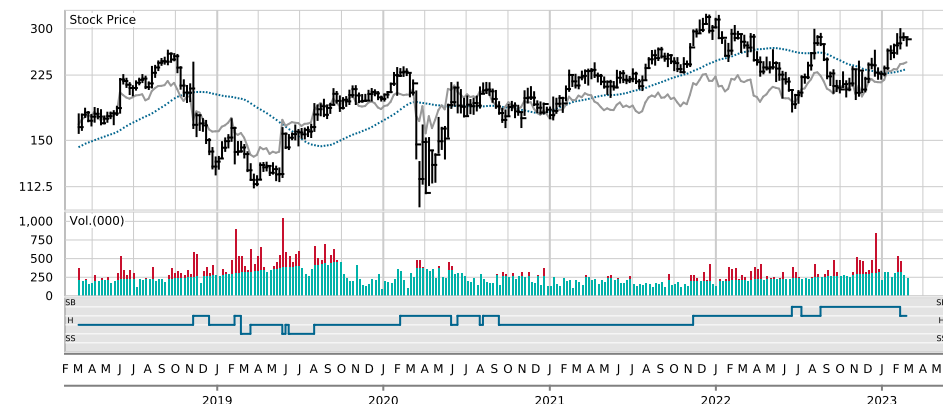
**GICS Industry:** Homebuilding

**Business Summary:** Cavco Industries, Inc. designs, produces, and retails manufactured homes primarily in the United States. It operates in two segments, Factory-Built Housing and Financial Services. The company markets its manufactured homes under the Cavco, Fleetwood, Palm Harbor, Nationwide, Fairmont, Friendship, Chariot contd...

**Quantitative Model Drivers** [as of February 23, 2023]

 Recommendation: **BUY**

**Risk Evaluation :** **MODERATE**

Asset/Market Size Risk	Low
Financial Leverage Risk	Low
Price Volatility Risk	High
Liquidity Risk	Moderate

**Price Performance**


Total Return[%CAGR]	YTD	1Yr	3Yr	5Yr
NasdaqGS:CVCO	310.7	1.5	10.4	10.0
Peer Average	379.1	-5.8	13.7	5.6
S&P 500	36.2	-4.9	9.3	9.8

 Quantitative Rankings: SB = Strong Buy, H = Hold, SS = Strong Sell  
 Past performance is not an indication of future performance and should not be relied upon as such.  
 Source: CFRA, S&P Global Market Intelligence [SPGMI]

**Model Ranking Commentary**

- NasdaqGS: CVCO's BUY recommendation is based on its score from CFRA's quantitative model for the United States.
- Valuation and Quality model sub-categories are the two largest drivers of NasdaqGS: CVCO's BUY recommendation.
- Valuation includes factors such as price to earnings, price to EBITDA, and price to cash flow.
- Quality includes factors that consider profitability, cash flow generation, operating efficiency, and earnings quality.
- NasdaqGS: CVCO's overall score ranked in the 15th percentile of all stocks in the model universe [1 = best and 100 = worst].

**Key Statistics**

Market Cap [Mln of USD]	2,443
52-Wk Range [USD]	179.47 - 299.36
Value of USD 10K Invested 5 Yrs ago	16,108
Beta vs S&P 500	1.19
Common Shares Outstanding[Mln]	8.694
Average Daily Volume [000]	80.2
Insider Ownership[%]	6.57

**Compound Annual Growth Rates**

Revenue - %CAGR	1Yr	3Yr	5Yr
Company	52.1	27.5	21.3
Peer Average	24.0	22.0	15.3
S&P 500	11.9	8.0	7.5

**Operating EPS - %CAGR**

Company	49.6	44.6	37.6
Peer Average	32.8	53.8	49.1
S&P 500	-11.3	8.1	9.7

**Dividend Data**

Currency: USD

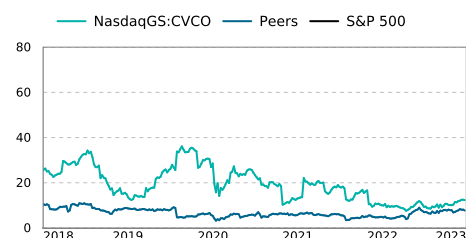
	5Yr Low	5Yr Hi
Indicated Rate/Share		
Yield [%]	Nil	
Payout Ratio [%]	NM	NM

**Payment Details**

-No Dividend Data Available

**5 year P/E Ratio Comparisons** [forward 12-month Diluted EPS estimates]

	Current
NasdaqGS:CVCO	12.3
Peer Average	9.4
S&P 500	18.6
	5-Year Average
NasdaqGS:CVCO	19
Peer Average	11.2
S&P 500	19.3





# Cavco Industries, Inc.

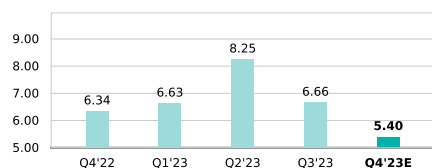
Recommendation [as of February 23, 2023]: **BUY**

Risk Evaluation: MODERATE Price: 281.01 [Feb 24, 2023 close] Trading Currency: USD Country: United States

## EPS Per Share and Revenues [Millions USD, except per share]

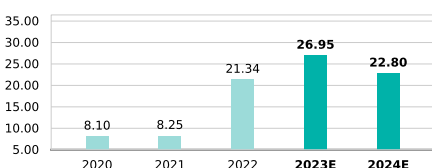
Fiscal year ends Apr Q2

### EPS Quarterly - Actual & Estimated



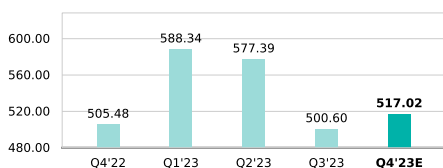
	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23E
%Yr.-Yr. Chg.	123.7	127.1	103.2	24.7	-14.9
% Surprise	34.9	23.9	46.9	17.4	-
No. of Analysts	1	1	2	2	2

### EPS Annual - Actual & Estimated



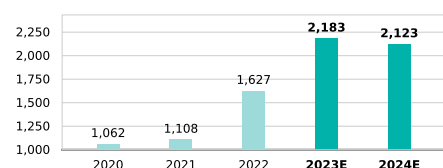
	2020	2021	2022	2023E	2024E
%Yr.-Yr. Chg.	9.5	1.9	158.7	26.3	-15.4
No. of Analysts	1	1	1	2	2

### Revenues Quarterly - Actual & Estimated



	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23E
%Yr.-Yr. Chg.	64.9	78.1	60.6	16	2.3
No. of Analysts	3	3	3	3	3

### Revenues Annual - Actual & Estimated



	2020	2021	2022	2023E	2024E
%Yr.-Yr. Chg.	10.3	4.4	46.8	34.2	-2.8
No. of Analysts	2	3	3	3	3

Source: S&P Global Market Intelligence

Note: EPS & Revenues in graphs above may represent analyst-adjusted actuals and estimates and therefore may not match numbers in the financial data presentation below.

## Key Profitability Ratios

	2018	2019	2020	2021	2022	LTM
% Operating Margin	8.0	8.4	7.9	7.9	12.4	14.3
Peer Average	7.4	6.0	9.2	11.8	14.7	15.4
% Net Margin	7.1	7.1	7.1	6.9	12.2	11.4
Peer Average	4.4	3.3	7.4	11.3	10.7	11.8
% Return on Capital	8.9	9.3	8.7	8.2	16.1	21.4
Peer Average	7.8	4.8	9.1	11.6	13.9	15.4
% Cash Flow to Sales	6.8	3.4	9.6	10.3	8.9	NA
Peer Average	-1.6	0.2	7.2	1.6	3.5	NA

## Key Valuation Ratios

	2018	2019	2020	2021	2022	Current
Fwd P/E - High	49.8	27.7	27.3	39.7	17.9	11.1
Fwd P/E - Low	37.5	21.4	21.3	28.7	13.2	9.9
Peer Average	22.9	22.3	13.0	9.9	7.0	16.2
Avg EV/EBITDA	NM	23.3	22.8	21.7	10.3	NM
Peer Average	52.2	28.1	10.4	6.3	6.7	9.1
Avg Price to Sales	0.2	0.2	0.2	0.2	0.1	0.1
Peer Average	NM	NM	NM	NM	NM	NM
Avg Price to Book	3.9	2.8	2.8	3.2	2.6	2.3
Peer Average	0.5	0.6	0.6	3.8	0.7	0.6

## Income Statement, Cash Flow and Balance Sheet Data [Millions USD, except per share]

Fiscal Year Ending: Apr. 2

	2016	2017	2018	2019	2020	2021	2022
Revenue	NA	NA	871	963	1,062	NA	NA
Operating Income	NA	NA	69.4	80.7	83.4	NA	NA
Net Income	NA	NA	61.5	68.6	75.1	NA	NA
Operating Cash Flow	NA	NA	59.0	32.8	101.7	NA	NA
Capital Expenditures	NA	NA	8.39	7.64	14.34	NA	NA
Earnings Per Share	Nil	Nil	6.68	7.40	8.10	Nil	Nil
Dividends Per Share	NA	NA	NA	NA	NA	NA	NA
Dividend Payout Ratio	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Free Cash Flow Per Share	NA	NA	5.50	2.72	9.43	NA	NA
Cash and Short Term Investments	NA	NA	199	200	256	NA	NA
Long Term Debt	NA	NA	33.8	14.6	12.4	NA	NA
Total Debt	NA	NA	61.0	35.2	25.7	NA	NA
Common Equity	NA	NA	457	530	608	NA	NA

Note: Data may be restated; before results of discontinued operations/special items. Per share data adjusted for stock dividends as of ex-dividend date.

NA = Not Available. NM = Not Meaningful.

Source: S&P Global Market Intelligence [SPGMI]



## Cavco Industries, Inc.

Recommendation [as of February 23, 2023]: **BUY**

Risk Evaluation: MODERATE Price: 281.01 [Feb 24, 2023 close] Trading Currency: USD Country: United States

### Peer Group Comparison

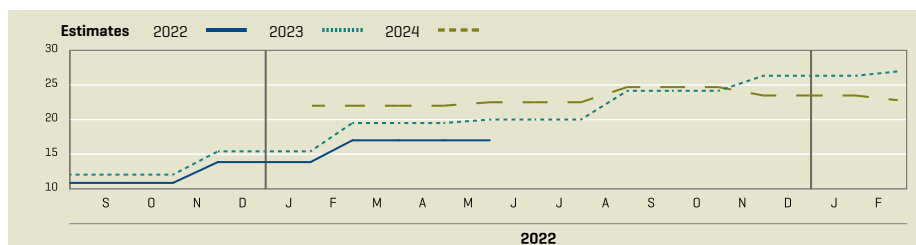
Peer Group	Stock Symbol	Stk.Mkt.Cap [Mln USD]	Beta	Recent	52 Week	Dividend	Fwd P/E	P/B	Ranking <sup>1</sup>	Return On	Return On	LTD to
				Stock								
Cavco Industries, Inc.	NasdaqGS:CVCO	2,443.02	1.19	281.01	184.55/291.02	Nil	10.4	2.6	Buy	11.4	28.0	2.1
Beazer Homes USA, Inc.	NYSE:BZH	444.66	2.16	14.63	9.67/17.32	Nil	4.0	0.5	Hold	9.1	24.5	50.7
Dream Finders Homes, LLC	NYSE:DFH	1,114.05	1.43	12.01	8.37/23.02	Nil	NA	NA	Hold	-	-	-
Green Brick Partners, Inc.	NYSE:GRBK	1,385.73	1.59	30.1	17.5/32.87	Nil	5.0	1.4	Buy	18.0	34.4	27.3
Hovnanian Enterprises, Inc.	NYSE:HOV	373.33	2.56	64.13	33.56/96.12	Nil	16.4	1.6	NA	7.7	NM	78.0
LGI Homes, Inc.	NasdaqGS:LGIH	2,451.30	1.65	105.18	74.23/132.42	Nil	14.0	1.5	Strong Sell	14.2	21.5	40.4
M.D.C. Holdings, Inc.	NYSE:MDC	2,671.15	1.4	36.8	27.42/45.23	5.4	15.2	0.9	Buy	9.8	19.7	31.7
M/I Homes, Inc.	NYSE:MHO	1,556.62	1.9	56.26	35.67/63.21	Nil	5.1	0.7	Strong Buy	11.9	26.6	24.2
Skyline Champion Corporation	NYSE:SKY	3,915.69	1.69	68.64	43.72/73.38	Nil	9.9	3.3	Strong Buy	15.6	45.2	1.0

<sup>1</sup> Quantitative Rankings : Strong Buy , Buy , Hold , Sell , Strong Sell ; Qualitative Rankings(STARS) : 5 = Strong Buy , 4 = Buy , 3 = Hold , 2 = Sell , 1 = Strong Sell

Rankings are not predictive of future performance. For full definitions of Rankings, see the glossary section of this report.

Note: Peer Group selection is performed using CFRA's proprietary peer ranking system. Peers are selected based on factors such as similarity of analyst coverage, industry, size, and region. The subject company is ranked against a universe of companies (the "Universe") which has been compiled by CFRA and consists of a list of companies with similar characteristics, but may not include all the companies within the same industry and/or that engage in the same line of business. The subject company and some of the companies in the Peer Group may be ranked by two different ranking systems. For the purpose of the overall ranking/recommendation, the subject company is ranked against all the companies in the Universe and not necessarily against the companies listed in the Peer Group.

### Wall Street Consensus Estimates



Fiscal Years	Avg Est.	High Est.	Low Est.	# of Est.	Est. P/E
2024	22.80	25.59	20.00	2	12.3
2023	26.95	27.36	26.54	2	10.4
2024 vs. 2023	▼ -15%	▼ -6%	▼ -25%	0%	▲ 18%

Source: S&P Global Market Intelligence (SPGMI)

Forecasts are not reliable indicator of future performance.

Note: A company's earnings outlook plays a major part in any investment decision. S&P Global Market Intelligence organizes the earnings estimates of over 2,300 Wall Street analysts, and provides their consensus of earnings over the next two years, as well as how those earnings estimates have changed over time. Note that the information provided in relation to consensus estimates is not intended to predict actual results and should not be taken as a reliable indicator of future performance.



## Cavco Industries, Inc.

Recommendation [as of February 23, 2023]: **BUY**

**Risk Evaluation:** MODERATE **Price:** 281.01 [Feb 24, 2023 close] **Trading Currency:** USD **Country:** United States

### Business Summary

Cavco Industries, Inc. designs, produces, and retails manufactured homes primarily in the United States. It operates in two segments, Factory-Built Housing and Financial Services. The company markets its manufactured homes under the Cavco, Fleetwood, Palm Harbor, Nationwide, Fairmont, Friendship, Chariot Eagle, Destiny, Commodore, Colony, Pennwest, R-Anell, Manorwood, and MidCountry brands. It also builds park model RVs; vacation cabins; and factory-built commercial structures, including apartment buildings, condominiums, hotels, workforce housing, schools, and housing for the United States military troops. In addition, the company produces various modular homes, which include single and multi-section ranch, split-level, and Cape Cod style homes, as well as two- and three-story homes, and multi-family units. Further, it provides conforming and non-conforming mortgages and home-only loans to purchasers of various brands of factory-built homes sold by company-owned retail stores, as well as various independent distributors, builders, communities, and developers. Additionally, the company offers property and casualty insurance to owners of manufactured homes. As of April 3, 2022, it operated 45 company-owned retail stores in Oregon, Arizona, Nevada, New Mexico, Texas, Indiana, Oklahoma, Florida, and New York. The company also distributes its homes through a network of independent distribution points in 48 states and Canada; and through planned community operators and residential developers. Cavco Industries, Inc. was founded in 1965 and is headquartered in Phoenix, Arizona.

### Key Developments

Feb-03-2023	<b>Earnings Calls</b>	Cavco Industries, Inc., Q3 2023 Earnings Call, Feb 03, 2023
Feb-02-2023	<b>Announcements of Earnings</b>	Cavco Industries, Inc. Reports Earnings Results for the Third Quarter and Nine Months Ended December 31, 2022
Feb-02-2023	<b>Earnings Release Date</b>	Cavco Industries, Inc. to Report Q3, 2023 Results on Feb 02, 2023
Jan-03-2023	<b>M&amp;A Transaction Closings</b>	Cavco Industries, Inc. [NasdaqGS:CVCO] acquired Business of Solitaire Homes, Inc. for \$93 million.
Nov-04-2022	<b>Earnings Calls</b>	Cavco Industries, Inc., Q2 2023 Earnings Call, Nov 04, 2022
Nov-03-2022	<b>Announcements of Earnings</b>	Cavco Industries, Inc. Reports Earnings Results for the Second Quarter and Six Months Ended October 01, 2022
Nov-03-2022	<b>Earnings Release Date</b>	Cavco Industries, Inc. to Report Q2, 2023 Results on Nov 03, 2022
Oct-28-2022	<b>M&amp;A Calls</b>	Cavco Industries, Inc., Solitaire Homes, Inc. - M&A Call
Oct-27-2022	<b>M&amp;A Transaction Announcements</b>	Cavco Industries, Inc. [NasdaqGS:CVCO] signed a binding offer to acquire Business of Solitaire Homes, Inc. for \$93 million.
Oct-04-2022	<b>Business Expansions</b>	Cavco Industries Opens New Manufacturing Facility in the Tarheel State: Cavco Homes of North Carolina
Sep-19-2022	<b>Company Conference Presentations</b>	Cavco Industries, Inc. Presents at Zelman Virtual Housing Summit, Sep-19-2022
Aug-05-2022	<b>Earnings Calls</b>	Cavco Industries, Inc., Q1 2023 Earnings Call, Aug 05, 2022
Aug-04-2022	<b>Announcements of Earnings</b>	Cavco Industries, Inc. Reports Earnings Results for the First Quarter Ended July 02, 2022
Aug-04-2022	<b>Earnings Release Date</b>	Cavco Industries, Inc. to Report Q1, 2023 Results on Aug 04, 2022
Aug-02-2022	<b>Annual General Meeting</b>	Cavco Industries, Inc., Annual General Meeting, Aug 02, 2022
Jul-12-2022	<b>Company Conference Presentations</b>	Cavco Industries, Inc. Presents at 22nd Annual "New Ideas" Summer Conference 2022, Jul-12-2022 08:55 AM
Jun-24-2022	<b>Index Constituent Drops</b>	Cavco Industries, Inc.[NasdaqGS:CVCO] dropped from Russell 3000 Value Index
Jun-24-2022	<b>Index Constituent Drops</b>	Cavco Industries, Inc.[NasdaqGS:CVCO] dropped from Russell 3000E Value Index
Jun-24-2022	<b>Index Constituent Drops</b>	Cavco Industries, Inc.[NasdaqGS:CVCO] dropped from Russell 2500 Value Index

### Corporate Information

**Investor Contact**  
M. Fusler [ 602 256 6263 ]

**Office**  
3636 North Central Avenue  
Suite 1200  
Phoenix  
Arizona  
85012  
United States  
Phoenix , Arizona 85012  
United States

**Telephone**  
602 256 6263

**Web Site**  
www.cavco.com

**Key Officers**  
President, CEO & Director  
W. C. Boor  
President of Manufactured Housing  
B. R. Cira  
Executive VP, General Counsel, Chief Compliance Officer & Corporate Secretary  
M. R. Dragash  
Director of Financial Reporting & Investor Relations  
M. Fusler  
Executive VP, CFO & Treasurer  
A. K. Aden  
Senior Vice President of Marketing & Communications  
C. J. Rogers  
President of Standard Casualty Company  
G. M. Ryan  
President of Retail  
M. A. Nino  
President of CountryPlace Acceptance Corp  
L. D. Zeller  
Chief Accounting Officer  
P. W. Bigbee  
Senior Vice President of Corporate Development  
S. K. Like  
Chief Information Officer  
A. R. Crutcher

**Board Members**  
D. A. Greenblatt, J. W. Sze, R. A. Kerley, S. G. Bunger, S. L. Blount, S. W. Moster, W. C. Boor

**State of Incorporation**  
Delaware

**Employees**  
6,300

## Glossary

### Quantitative Model Overall Recommendation and drivers of the recommendation

CFRA's global quantitative stock reports provide a 5-tier recommendation assigning a Strong Buy, Buy, Hold, Sell, or Strong Sell recommendation based on a series of quantitative inputs from four separate regional models:

- United States
- Canada
- Developed Europe
- Developed Asia excluding Japan

Each of these regional models is based on between 25 and 40 different investment factors (financial ratios), selected from S&P Global Market Intelligence's Alpha Factor Library.

To provide its recommendation, CFRA ranks a universe of common stocks based on 5 measures or model categories: Valuation, Quality, Growth, Street Sentiment, and Price Momentum. In the U.S., a sixth sub-category for Financial Health will also be displayed.

Within these categories, factors are chosen based on their historical predictive strength [alpha] within the region and their correlation with other factors. Each regional model contains two separate sub-models; one that uses factors specific to financial companies and one that focuses on non-financial companies. Due to the large number of banks in the U.S., the U.S. model also has a third sub-model specifically for banks.

Each company within a region is grouped with a universe of stocks and receives a score on each of the five (or six in the U.S.) model categories. Percentile scores are used to compare each company to all other companies in the same universe for each model category. The five [six] model category scores are then weighted and rolled up into a single percentile ranking for that company. Rankings are then assigned investment labels, as follows:

**Strong Buy:** top 10% by model score

**Buy:** next 20%

**Hold:** next 40%

**Sell:** next 20%

**Strong Sell:** bottom 10%

### Risk Evaluation

Risk Evaluation is a relative ranking, which represents an assessment of the risk of investing in a company's stock relative to the risk of investing in other companies' stocks in the same universe. To perform this assessment the following risk categories are evaluated:

Asset/Market Size Risk  
Financial Leverage Risk  
Price Volatility Risk  
Liquidity Risk

Each company's stock is percentile ranked from 1 to 100 against the other companies within the universe on each of the four risk categories mentioned above, with 1 being low risk and 100 being

high risk. The overall risk evaluation represents the combined scores on these Risk categories, calculated as an equal-weighted average of percentile ranks of the 4 risk categories. The highest 40% of companies in each universe receive a high risk ranking, the next 35% receive a moderate risk ranking and, the lowest 25% receive a low risk ranking.

All investments carry some sort of risk and a low risk ranking represents a relative ranking of CFRA's assessment of the risk of investing in a company's stock versus the risk of investing in other companies that are part of that company's universe. Therefore, a low risk ranking should not be interpreted as an absolute risk evaluation, but as a relative measurement of the risk of investing in a company's stock.

### Sector Ranking

CFRA's Investment Policy Committee (IPC) consists of a team of five seasoned investment professionals. It meets weekly to discuss market trends and projections, maintain an S&P 500 12-month forward price target, and make asset allocation/sector recommendations. The IPC establishes over, market, and underweight recommendations on the 10 sectors within the S&P 500. Overweight and underweight recommendations imply that the group expects these sectors to outperform or underperform the S&P 500 during the coming six-to-12 month period, respectively. A "marketweight" recommendation indicates that the sector is expected to be a market performer during this same timeframe. The IPC analyses economic projections, fundamental forecasts, technical considerations, and historical precedent when making such recommendations. Changes in recommendations can be made more frequently than every six-12 months as market conditions evolve. Sector rankings will only be made available for sectors in the S&P 500. If a ranking is not available, the value will be N/A.

### Qualitative STARS Ranking system and definition:

#### ★★★★★ 5-STARS (Strong Buy):

Total return is expected to outperform the total return of a relevant benchmark, by a wide margin over the coming 12 months, with shares rising in price on an absolute basis.

#### ★★★★ 4-STARS (Buy):

Total return is expected to outperform the total return of a relevant benchmark over the coming 12 months, with shares rising in price on an absolute basis.

#### ★★★ 3-STARS (Hold):

Total return is expected to closely approximate the total return of a relevant benchmark over the coming 12 months, with shares generally rising in price on an absolute basis.

#### ★★ 2-STARS (Sell):

Total return is expected to underperform the total return of a relevant benchmark over the coming 12 months, and the share price not anticipated to show a gain.

#### ★ 1-STAR (Strong Sell):

Total return is expected to underperform the total return of a relevant benchmark by a wide margin over the coming 12 months, with shares falling in price on an absolute basis.

### S&P Global Market Intelligence's Quality Ranking

[also known as S&P Global Market Intelligence's Earnings & Dividend Rankings]- Growth and stability of earnings and dividends are deemed key elements in establishing S&P Global Market Intelligence's earnings and dividend rankings for common stocks, which are designed to encapsulate the nature of this record in a single symbol. It should be noted, however, that the process also takes into consideration certain adjustments and modifications deemed desirable in establishing such rankings. The final score for each stock is measured against a scoring matrix determined by analysis of the scores of a large and representative sample of stocks. The range of scores in the array of this sample has been aligned with the following ladder of rankings:

A+ Highest	B Below Average
A High	B- Lower
A- Above Average	C Lowest
B+ Average	D In Reorganization
NR Not Ranked	

### S&P Capital IQ Consensus Estimates

S&P Capital IQ Consensus Estimates represent the aggregation of individual estimates provided by analysts that are covering a public company. A consensus number can be provided as either the mean or the median. The size of the company and the amount of analyst coverage will determine the size of the group from which the Consensus is derived. All of the available analysts' estimates may not necessarily be included in the Consensus. The Consensus will only include analysts' estimates that are based on the same methodology. Consensus Mean: The mathematical average of the detailed estimates after the appropriate exclusions have been applied. Consensus Median: This represents the midpoint of the range of estimates that are ranked from highest to lowest after the appropriate exclusions have been applied. If the number of estimates is even, then the average of the middle two figures is the median.

### Global Industry Classification Standard (GICS)

An industry classification standard, developed by Standard and Poor's in collaboration with Morgan Stanley Capital International (MSCI). Under the GICS structure, companies are classified in one of 154 sub-industries, which are grouped into 68 industries, 24 industry groups, and 10 economic sectors [consumer discretionary, consumer staples, energy, financials, health care, industrials, information technology, materials, telecom services, and utilities]. This four-tier structure accommodates companies across the world and facilitates sector analysis and investing.

## Glossary

### Peer Group

A subset of a universe that groups companies by specific criteria, such as industry/across industry, lines of business, geography (local, regional, national, and international), size of business (e. g. in terms of revenue), performance criteria, etc.

### Universe

A set of companies that shares a common feature such as the same market capitalization, industry or index.

### Beta

Beta is a measurement of the sensitivity of a company's stock price to the overall fluctuation of a given benchmark index. The beta values used in this report are levered, unadjusted and derived from a least squares regression analysis using stock and benchmark index returns based on a monthly frequency. Beta is calculated using 60 monthly returns (each as of month end) but if the company's trading history is too short to provide such a sample, fewer than 60 but not fewer than 24 monthly returns are used to run the regression. Beta in this report uses five different benchmark indices to better estimate a stock's volatility against a respective market: the S&P 500 for all US stocks, the S&P/TSX index for all Canadian stocks, the S&P Europe 350 for all European stocks, the S&P/ASX 200 index for all Australian stocks, and the S&P Global 1200 for all other international stocks.

### Free Cash Flow (FCF)

Operating Cash Flow minus Capital Expenditures over the past 12 months

### Funds from Operations (FFO)

Funds from Operations (FFO) represents a REIT's net income, excluding gains or losses from sales of property, plus real estate depreciation.

### Not Meaningful (NM)

Value is available but it is not meaningful. Examples are certain negative ratios such as P/E, as well as certain ratios that are over +/- 100%

### Not Available (NA)

Value is not available for this data item

### Return on Capital

$EBIT / [(Total\ Equity + Total\ Debt + Deferred\ Tax\ Liability\ Non\ Current + Deferred\ Tax\ Liability\ Current)]$  Notes:

[1] If the denominator is less than or equal to zero then the ratio will be shown as NM

[2] If the return is less than (300%) then the value will be shown as NM

### Return on Equity

$Earnings\ From\ Continuing\ Operations / [(Total\ Equity[t] + Total\ Equity[t-1]) / 2]$  Notes:

[1] If both periods of data (t and t-1) are not available then the ratio will be shown as NM

[2] If the denominator is less than or equal to zero then the ratio will be shown as NM

### Relative Strength vs Index

Relative Strength vs Index measures the stock performance of the company versus all other stocks in the benchmark index each week. Weekly readings are accumulated to form the cumulative Relative Strength line.

### Relevant benchmarks:

Region	Country	Index
US	US	S&P 500 Index
Canada	Canada	S&P/TSX Composite Index
Europe	All	S&P Europe 350 Index
Asia ex Japan	Australia	S&P/ASX 200 Index
Asia ex Japan	All except Australia	S&P Global 1200

### Abbreviations used in CFRA Equity Research Reports

CAGR	Compound Annual Growth Rate
EBIT	Earnings Before Interest and Taxes
EBITDA	Earnings Before Interest Taxes Depreciation and Amortization
EPS	Earnings Per Share
EV	Enterprise Value
FCF	Free Cash Flow
FFO	Funds from Operations
LTD	Long Term Debt
NM	Not Meaningful [see definition above]
P/E	Price/Earnings

**Dividends on American Depository Receipts (ADRs) and American Depository Shares (ADSs) are net of taxes (paid in the country of origin).**



---

**Disclosures**

Stocks are ranked in accordance with the following ranking methodologies:

**STARS Stock Reports:**

Qualitative STARS recommendations are determined and assigned by equity analysts. For reports containing STARS recommendations refer to the Glossary section of the report for detailed methodology and the definition of STARS rankings.

**Quantitative Stock Reports:**

Quantitative recommendations are determined by ranking a universe of common stocks based on 5 measures or model categories: Valuation, Quality, Growth, Street Sentiment, and Price Momentum. In the U.S., a sixth sub-category for Financial Health will also be displayed. Percentile scores are used to compare each company to all other companies in the same universe for each model category. The five [six] model category scores are then weighted and rolled up into a single percentile ranking for that company. For reports containing quantitative recommendations refer to the Glossary section of the report for detailed methodology and the definition of Quantitative rankings.

**STARS Stock Reports and Quantitative Stock Reports:**

The methodologies used in STARS Stock Reports and Quantitative Stock Reports [collectively, the "Research Reports"] reflect different criteria, assumptions and analytical methods and may have differing recommendations. The methodologies and data used to generate the different types of Research Reports are believed by the author and distributor reasonable and appropriate. Generally, CFRA does not generate reports with different ranking methodologies for the same issuer. However, in the event that different methodologies or data are used on the analysis of an issuer, the methodologies may lead to different views or recommendations on the issuer, which may at times result in contradicting assessments of an issuer. CFRA reserves the right to alter, replace or vary models, methodologies or assumptions from time to time and without notice to clients.

**Analyst Certification**

STARS Stock Reports are prepared by the equity research analysts of CFRA its affiliates and subsidiaries. Quantitative Stock Reports are prepared by CFRA. All of the views expressed in STARS Stock Reports accurately reflect the research analyst's personal views regarding any and all of the subject securities or issuers; all of the views expressed in the Quantitative Stock Reports accurately reflect the output of CFRA's algorithms and programs. Analysts generally update STARS Stock Reports at least four times each year. Quantitative Stock Reports are generally updated weekly. No part of analyst, CFRA, CFRA affiliate, or CFRA subsidiary compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed in any Stock Report.

**About CFRA Equity Research's Distributors:**

This Research Report is published and originally distributed by Accounting Research & Analytics, LLC d/b/a CFRA ["CFRA US"], with the following exceptions: In the UK/EU/EEA, it is published and originally distributed by CFRA UK Limited, ["CFRA UK"], which is regulated by the Financial Conduct Authority [No. 775151], and in Malaysia by CFRA MY Sdn Bhd [Company No. 683377-A] ["CFRA Malaysia"], which is regulated by Securities Commission Malaysia, [No. CMSL/A0181/2007] under license from CFRA US. These parties and their subsidiaries maintain no responsibility for reports redistributed by third parties such as brokers or financial advisors.



---

## **General Disclosure**

### **Notice to all jurisdictions:**

Where Research Reports are made available in a language other than English and in the case of inconsistencies between the English and translated versions of a Research Report, the English version will control and supersede any ambiguities associated with any part or section of a Research Report that has been issued in a foreign language. Neither CFRA nor its affiliates guarantee the accuracy of the translation.

The content of this report and the opinions expressed herein are those of CFRA based upon publicly-available information that CFRA believes to be reliable and the opinions are subject to change without notice. This analysis has not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body. While CFRA exercised due care in compiling this analysis, CFRA AND ALL RELATED ENTITIES SPECIFICALLY DISCLAIM ALL WARRANTIES, EXPRESS OR IMPLIED, to the full extent permitted by law, regarding the accuracy, completeness, or usefulness of this information and assumes no liability with respect to the consequences of relying on this information for investment or other purposes. No content (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of CFRA. The Content shall not be used for any unlawful or unauthorized purposes. CFRA and any third-party providers, as well as their directors, officers, shareholders, employees or agents do not guarantee the accuracy, completeness, timeliness or availability of the Content.

### **Past performance is not necessarily indicative of future results.**

This document may contain forward-looking statements or forecasts; such forecasts are not a reliable indicator of future performance.

This report is not intended to, and does not, constitute an offer or solicitation to buy and sell securities or engage in any investment activity. This report is for informational purposes only. Recommendations in this report are not made with respect to any particular investor or type of investor. Securities, financial instruments or strategies mentioned herein may not be suitable for all investors and this material is not intended for any specific investor and does not take into account an investor's particular investment objectives, financial situations or needs. Before acting on any recommendation in this material, you should consider whether it is suitable for your particular circumstances and, if necessary, seek professional advice.

CFRA may license certain intellectual property or provide services to, or otherwise have a business relationship with, certain issuers of securities that are the subject of CFRA research reports, including exchange-traded investments whose investment objective is to substantially replicate the returns of a proprietary index of CFRA. In cases where CFRA is paid fees that are tied to the amount of assets invested in a fund or the volume of trading activity in a fund, investment in the fund may result in CFRA receiving compensation in addition to the subscription fees or other compensation for services rendered by CFRA, however, no part of CFRA's compensation for services is tied to any recommendation or rating. Additional information on a subject company may be available upon request.

CFRA's financial data provider is S&P Global Market Intelligence. THIS DOCUMENT CONTAINS COPYRIGHTED AND TRADE SECRET MATERIAL DISTRIBUTED UNDER LICENSE FROM S&P GLOBAL MARKET INTELLIGENCE. FOR RECIPIENT'S INTERNAL USE ONLY.

The Global Industry Classification Standard [GICS®] was developed by and/or is the exclusive property of MSCI, Inc. and S&P Global Market Intelligence. GICS is a service mark of MSCI and S&P Global Market Intelligence and has been licensed for use by CFRA.



---

#### Other Disclaimers and Notices

Certain information in this report is provided by S&P Global, Inc. and/or its affiliates and subsidiaries [collectively "S&P Global"]. Such information is subject to the following disclaimers and notices: "Copyright © 2021, S&P Global Market Intelligence [and its affiliates as applicable]. All rights reserved. Nothing contained herein is investment advice and a reference to a particular investment or security, a credit rating or any observation concerning a security or investment provided by S&P Global is not a recommendation to buy, sell or hold such investment or security or make any other investment decisions. This may contain information obtained from third parties, including ratings from credit ratings agencies. Reproduction and distribution of S&P Global's information and third party content in any form is prohibited except with the prior written permission of S&P Global or the related third party, as applicable. Neither S&P Global nor its third party providers guarantee the accuracy, completeness, timeliness or availability of any information, including ratings, and are not responsible for any errors or omissions [negligent or otherwise], regardless of the cause, or for the results obtained from the use of such information or content. S&P GLOBAL AND ITS THIRD PARTY CONTENT PROVIDERS GIVE NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE AND ALL S&P INFORMATION IS PROVIDED ON AN AS-IS BASIS. S&P GLOBAL AND ITS THIRD PARTY CONTENT PROVIDERS SHALL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, EXEMPLARY, COMPENSATORY, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES, COSTS, EXPENSES, LEGAL FEES, OR LOSSES [INCLUDING LOST INCOME OR PROFITS AND OPPORTUNITY COSTS OR LOSSES CAUSED BY NEGLIGENCE] IN CONNECTION WITH ANY USE OF THEIR INFORMATION OR CONTENT, INCLUDING RATINGS. Credit ratings are statements of opinions and are not statements of fact or recommendations to purchase, hold or sell securities. They do not address the suitability of securities or the suitability of securities for investment purposes, and should not be relied on as investment advice."

CFRA's Research Reports may be distributed in certain localities, countries and/or jurisdictions by independent third parties or independent intermediaries and/or distributors ["Intermediaries"]. Intermediaries are not acting as agents or representatives of CFRA. In territories where an Intermediary distributes CFRA's Research Reports, the Intermediary, and not CFRA, is solely responsible for complying with all applicable regulations, laws, rules, circulars, codes and guidelines established by local and/or regional regulatory authorities, including laws in connection with the distribution of third party research reports, licensing requirements, supervisory and record keeping obligations that the Intermediary may have under the applicable laws and regulations of the territories where it distributes the Research Reports.

For residents of the European Union/European Economic Area: Research reports are originally distributed by CFRA UK Limited [company number 08456139 registered in England & Wales with its registered office address at New Derwent House, 69-73 Theobalds Road, London, WC1X 8TA, United Kingdom]. CFRA UK Limited is regulated by the UK Financial Conduct Authority [No. 77515].

For residents Malaysia: Research reports are originally produced and distributed by CFRA MY Sdn Bhd [Company No. 683377-A] ["CFRA Malaysia"], a wholly-owned subsidiary of CFRA US. CFRA Malaysia is regulated by Securities Commission Malaysia [License No. CMSL/A0181/2007].

For Recipients in Canada: This report is not prepared subject to Canadian disclosure requirements and may not be suitable for Canadian investors.

For residents of Singapore: Recipients of the Research reports in Singapore should contact the Intermediary of the Research Reports in respect to any matters arising from, or in connection with, the analysis of the report. The Intermediary accepts all legal responsibility for the contents of the Research Reports. When reports are distributed by Intermediaries in Singapore, the Intermediary, and not CFRA, is solely responsible for ensuring that the recipients of the Research Reports understand the information contained in the Research Reports and that such information is suitable based on the customer's profile and investment objectives.

For residents of all other countries: Research reports are originally distributed Accounting Research & Analytics, LLC d/b/a CFRA.

Copyright © 2021 CFRA. All rights reserved. CFRA and STARS are registered trademarks of CFRA.