

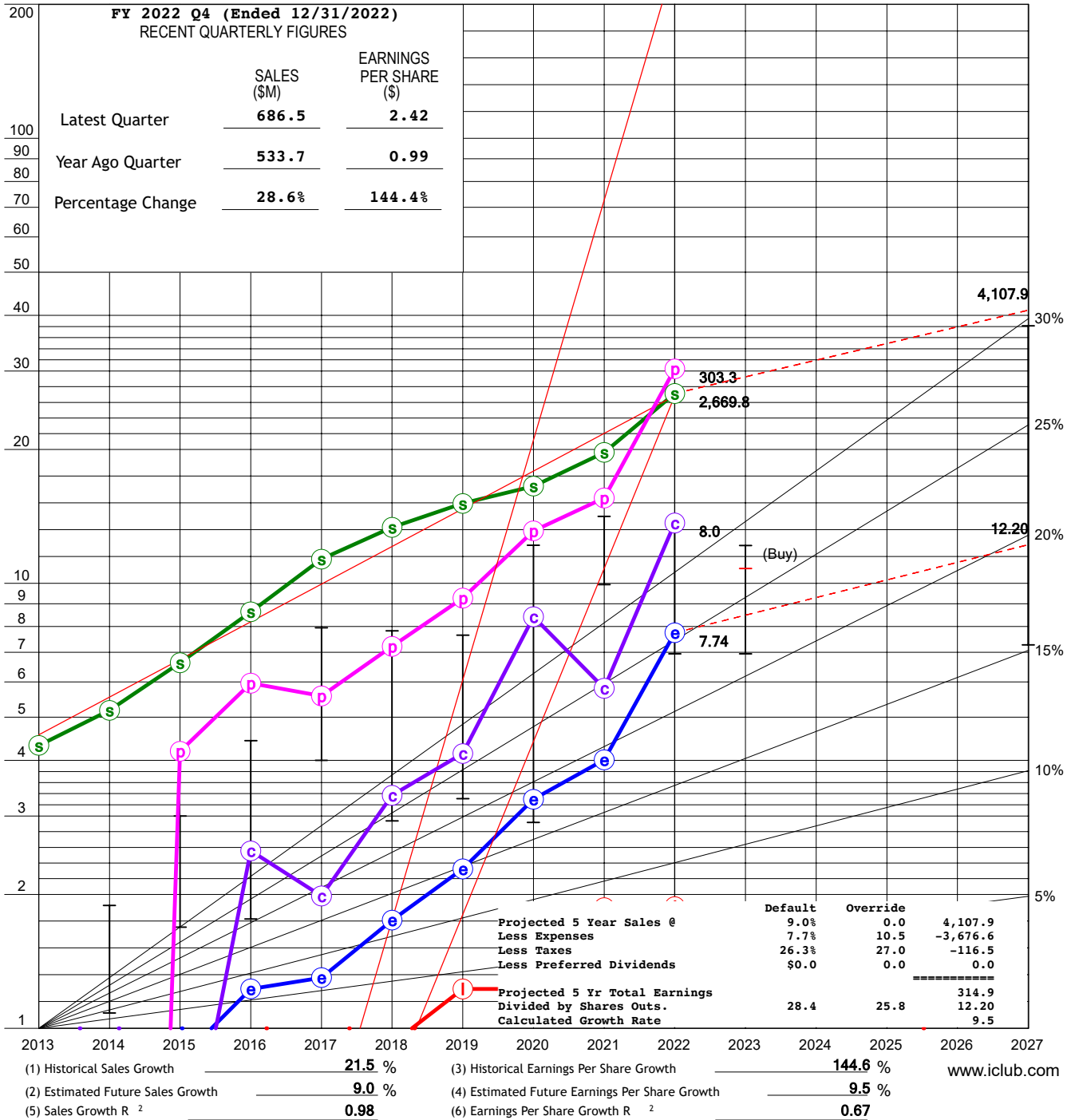


# Stock Selection Guide

Company	Installed Building Pr..	Price Date	04/10/23
Study by	jah	Data Date	04/10/23
Sector	Consumer Cyclical	Last Judgment	04/11/23
Industry	Residential Construction	Data Source	BI
Preferred(\$M)	0.0	Reference	Morningsta
Diluted(M Shares)	28.4	% Insiders	1.4
Total Debt(\$M)	946.0	% Institutions	71.4
% Tot Debt to Tot Cap	67.7	Quality	

## 1 Growth Analysis

NYS: IBP



## 2 QUALITY ANALYSIS

Company **Installed Building Products (IBP)**

04/10/23

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	5 YEAR AVG.	TREND UP / DOWN
<b>A</b> % Pre-tax Profit on Sales	-0.1	-1.9	6.3	6.9	4.9	5.4	6.1	7.9	7.9	11.4	7.7	UP
<b>B</b> % ROE (Beginning Yr)		NMF	29.1	36.8	28.7	28.3	31.8	43.1	39.1	58.5	40.2	UP
<b>C</b> % LT Debt to Equity	0.0	48.4	120.3	100.4	171.5	194.9	255.4	189.7	225.1	191.9	211.4	DOWN

## 3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) **107.94 (13.9)** 52-WEEK HIGH (P/E) **121.60 (15.7)** 52-WEEK LOW (P/E) **69.45 (8.9)**

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1 2018	78.2	29.2	1.75	<del>44.7</del>	<del>16.7</del>	0.000	0.0	0.0
2 2019	76.5	32.8	2.28	33.6	14.4	0.000	0.0	0.0
3 2020	121.7	29.0	3.27	37.2	8.9	0.000	0.0	0.0
4 2021	141.4	99.4	4.01	35.3	24.8	1.200	29.9	1.2
5 2022	140.7	69.4	7.74	18.2	9.0	1.260	16.3	1.8
6 AVERAGE		52.0		31.1	14.3		23.1	
AVERAGE P/E RATIO	<del>24.3</del>	22.7	PROJECTED P/E RATIO	12.7	TTM EPS	7.76		
CURRENT P/E RATIO	13.9	PEG RATIO	1.3		FTM EPS	8.50		
RELATIVE VALUE	<del>57.2%</del>	61.2%	PROJ. RELATIVE VALUE	<del>52.3%</del>	55.9%	AVG TTM + FTM EPS	8.13	

## 4 EVALUATING REWARD and RISK over the next 5 years

### A FUTURE HIGH PRICE ANALYSIS – NEXT 5 YEARS

Selected High P/E **31.1** X Estimated High Earnings/Share **12.20** = Forecast High Price \$ **379.4**

### B FUTURE LOW PRICE ANALYSIS – NEXT 5 YEARS

(a) Sel. Low P/E **14.3** X Estimated Low Earnings/Share **7.74** = \$ **110.7**  
 (as adj.)  
 (b) Average 5-Year Low Price = **52.0**  
 (c) Recent Severe Low Price = **69.4**  
 (d) Price Dividend Will Support = Present Divd. + High Yield = **1.32 + 0.018 = 72.7**  
 Selected Estimated Low Price = \$ **72.7**

### C PRICE RANGES

Forecast High Price **379.4** - Estimated Low Price **72.7** = Range **306.7** 33% of Range = **102.2**

BUY (Lower 33% of Range) = **72.7** to **174.9**  
 MAYBE (Middle 33% of Range) = **174.9** to **277.2**  
 SELL (Upper 33% of Range) = **277.2** to **379.4**

Current Price **107.94** is in the **Buy** Range

### D UPSIDE/DOWNSIDE ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price **379.4** - Current Price **107.94**) ÷ (Current Price **107.94** - Estimated Low Price **72.7**) = **7.7** To 1

## 5 TOTAL RETURN ANALYSIS

### A CURRENT YIELD

Present Full Year's Dividend \$ **1.320** ÷ Current Price of Stock \$ **107.94** = **1.2 %** Present Yield or % Returned on Purchase Price

### B AVERAGE YIELD - USING FORECAST HIGH P/E

Avg. % Payout **23.1** ÷ Forecast High P/E **31.1** = Avg. Yield **0.7**

### AVERAGE YIELD - USING FORECAST AVERAGE P/E

Avg. % Payout **23.1** ÷ Forecast Avg P/E **22.7** = Avg. Yield **1.0**

### C % COMPOUND ANNUAL TOTAL RETURN - USING FORECAST HIGH P/E

Average Yield **0.7 %** + Annual Appreciation **28.6 %** = Compound Annual Total Return **29.3 %**

### D % PROJECTED AVERAGE RETURN - USING FORECAST AVERAGE P/E

Average Yield **1.0 %** + Annual Appreciation **20.7 %** = Projected Average Total Return **21.8 %**