

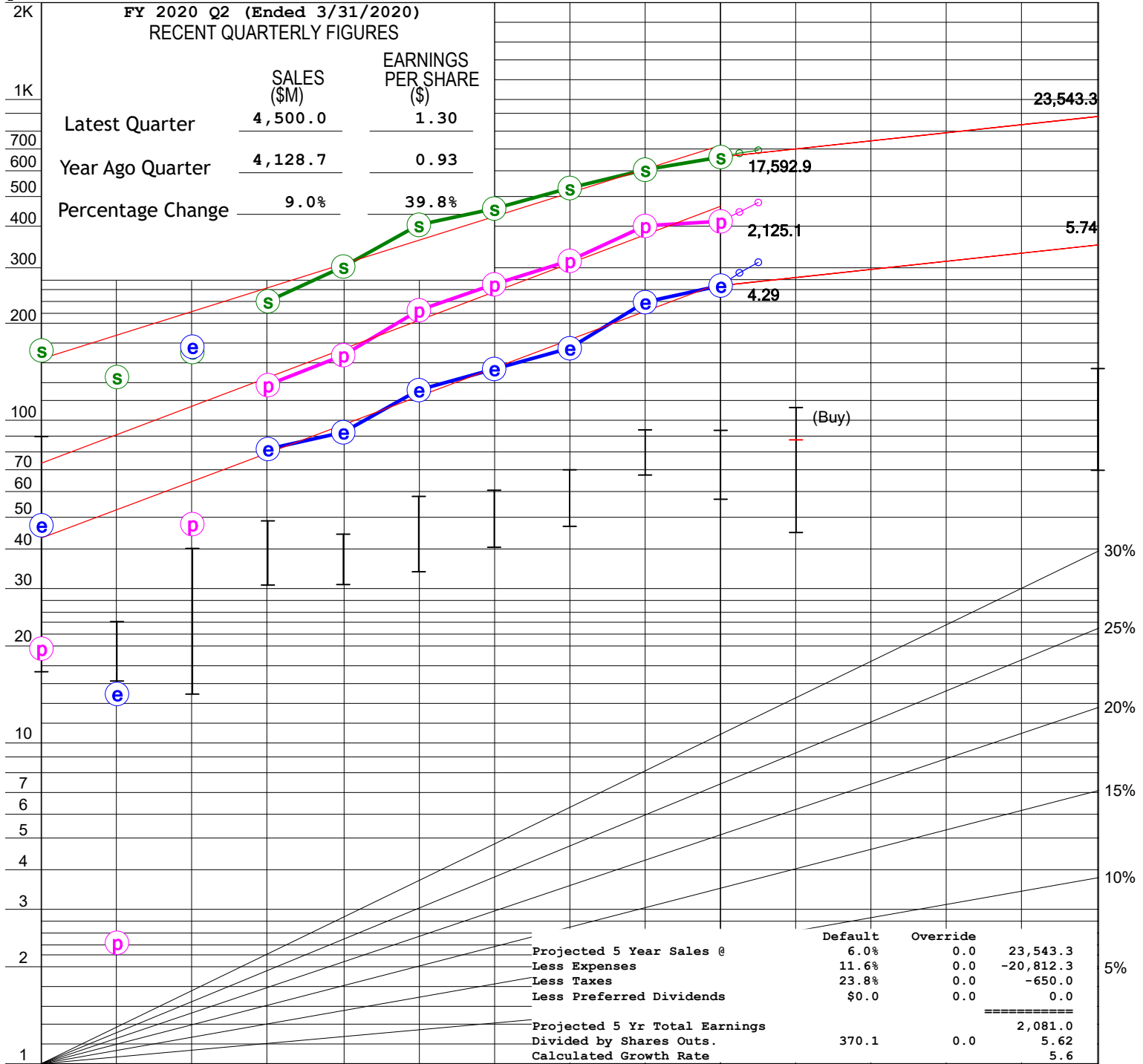


Stock Study

Company	D.R. Horton Inc	Price Date	05/08/20
Study by	BCG	Data Date	05/01/20
Sector	Consumer Cyclical	Last Judgment	05/07/20
Industry	Residential Construction	Data Source	BI
Preferred(\$M)	0.0	Reference	Morningsta
Diluted(M Shares)	370.1	% Insiders	6.9
Total Debt(\$M)	4,347.1	% Institutions	51.7
% Tot Debt to Tot Cap	31.2	Quality	

1 Growth Analysis

NYS: DHI



- | | | | | |
|-----------------------------------|------------|--|------------|---------------|
| (1) Historical Sales Growth | 18.5 % | (3) Historical Earnings Per Share Growth | 22.5 % | www.iclub.com |
| (2) Estimated Future Sales Growth | 6.0 % | (4) Estimated Future Earnings Per Share Growth | 6.0 % | |
| (5) Sales Growth R ² | -0.95 0.96 | (6) Earnings Per Share Growth R ² | -0.61 0.99 | |

2 QUALITY ANALYSIS

Company **D.R. Horton Inc** (DHI)

05/08/20

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	5 YEAR AVG.	TREND UP / DOWN
A % Pre-tax Profit on Sales	2.3	0.3	5.6	10.5	10.1	10.4	11.1	11.4	12.8	12.1	11.6	UP
B % ROE (Beginning Yr)	2.8	33.4	12.2	12.4	14.9	15.5	15.7	19.2	18.8	16.8	16.8	UP
C % LT Debt to Equity	83.2	64.5	63.9	79.5	73.7	67.5	49.9	38.2	36.6	34.4	45.3	DOWN

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE (P/E) **49.59 (9.8)** 52-WEEK HIGH (P/E) **62.54 (12.3)** 52-WEEK LOW (P/E) **25.51 (5.0)**

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1 2015	33.1	19.3	2.03	16.3	9.5	0.250	12.3	1.3
2 2016	34.6	23.0	2.36	14.7	9.7	0.320	13.6	1.4
3 2017	40.0	26.7	2.74	14.6	9.7	0.400	14.6	1.5
4 2018	53.3	38.6	3.81	14.0	10.1	0.500	13.1	1.3
5 2019	53.1	32.4	4.29	12.4	7.6	0.600	14.0	1.9
6 AVERAGE		28.0		14.4	9.3		13.5	
AVERAGE P/E RATIO		11.9	PROJECTED P/E RATIO		9.2	TTM EPS		5.07
CURRENT P/E RATIO		9.8	PEG RATIO		1.5	FTM EPS		5.37
RELATIVE VALUE		82.7%	PROJ. RELATIVE VALUE		77.9%	AVG TTM + FTM EPS		5.22

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS -- NEXT 5 YEARS

Selected High P/E **14.4** X Estimated High Earnings/Share **5.74** = Forecast High Price \$ **82.7**

B FUTURE LOW PRICE ANALYSIS -- NEXT 5 YEARS

(a) Sel. Low P/E **9.3** X Estimated Low Earnings/Share **4.29** = \$ **39.9**
(as adj.)

(b) Average 5-Year Low Price = **28.0**

(c) Recent Severe Low Price = **25.5**

(d) Price Dividend Will Support = Present Divd. ÷ High Yield = **0.70 ÷ 0.019 = 37.8**

Selected Estimated Low Price = \$ **39.9**

C PRICE RANGES

Forecast High Price **82.7** - Estimated Low Price **39.9** = Range **42.8** 25% of Range = **10.7**

BUY (Lower 25% of Range) = **39.9** to **50.6**

MAYBE (Middle 50% of Range) = **50.6** to **72.0**

SELL (Upper 25% of Range) = **72.0** to **82.7**

Current Price **49.59** is in the **Buy** Range

D REWARD/RISK ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price **82.7** - Current Price **49.59**) ÷ (Current Price **49.59** - Estimated Low Price **39.9**) = **3.4** To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD

Present Full Year's Dividend \$ **0.700** ÷ Current Price of Stock \$ **49.59** = **1.4 %** Present Yield or % Returned on Purchase Price

B AVERAGE YIELD - USING FORECAST HIGH P/E

Avg. % Payout **13.5** ÷ Forecast High P/E **14.4** = Avg. Yield **0.9**

AVERAGE YIELD - USING FORECAST AVERAGE P/E

Avg. % Payout **13.5** ÷ Forecast Avg P/E **11.9** = Avg. Yield **1.1**

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

Average Yield **0.9 %** + Annual Appreciation **10.8 %** = Compound Annual Total Return **11.7 %**

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

Average Yield **1.1 %** + Annual Appreciation **6.5 %** = Projected Average Total Return **7.7 %**



Quarterly Trend Analysis

Company D.R. Horton Inc (DHI)

QUARTERLY DATA									LAST 12 MONTHS DATA								
PERIOD	EPS		PRE-TAX PROFIT			SALES		INCOME TAX RATE	EPS \$	PRE-TAX PROFIT		SALES MIL	INCOME TAX		% CHANGE		
	\$	% CHANGE	\$ MIL	% SALES	% CHANGE	\$ MIL	% CHANGE			\$ MIL	% SALES		\$ MIL	% RATE	EPS	PRE-TAX PROFIT	SALES
12/14								33.2						34.2			
03/15								33.2						33.8			
06/15	0.60		333.80	11.3		2,950.80		33.7						33.6			
09/15	0.64		338.80	10.7		3,172.40		29.5						32.4			
12/15	0.42		241.30	10.0		2,416.40		34.7						32.7			
03/16	0.52		300.50	10.9		2,767.90		35.1	2.18	1,214.40	10.7	11,307.5	403.4	33.2			
06/16	0.66	10.0	378.60	11.7	13.4	3,231.90	9.5	34.0	2.24	1,259.20	10.9	11,588.6	419.4	33.3			
09/16	0.75	17.2	433.10	11.6	27.8	3,741.20	17.9	34.5	2.35	1,353.50	11.1	12,157.4	467.8	34.6			
12/16	0.55	31.0	318.10	11.0	31.8	2,904.20	20.2	35.0	2.48	1,430.30	11.3	12,645.2	495.4	34.6			
03/17	0.60	15.4	353.90	10.9	17.8	3,251.30	17.5	35.2	2.56	1,483.70	11.3	13,128.6	514.5	34.7	17.4	22.2	16.1
06/17	0.76	15.2	444.50	11.8	17.4	3,776.40	16.8	35.0	2.66	1,549.60	11.3	13,673.1	541.1	34.9	18.7	23.1	18.0
09/17	0.82	9.3	485.60	11.7	12.1	4,159.10	11.2	35.5	2.73	1,602.10	11.4	14,091.0	563.4	35.2	16.2	18.4	15.9
12/17	0.49	-10.9	391.20	11.7	23.0	3,332.70	14.8	51.7	2.67	1,675.20	11.5	14,519.5	659.4	39.4	7.7	17.1	14.8
03/18	0.91	51.7	444.80	11.7	25.7	3,794.70	16.7	21.1	2.98	1,766.10	11.7	15,062.9	632.8	35.8	16.4	19.0	14.7
06/18	1.18	55.3	616.20	13.9	38.6	4,435.30	17.4	26.4	3.40	1,937.80	12.3	15,721.8	652.7	33.7	27.8	25.1	15.0
09/18	1.22	48.8	607.70	13.5	25.1	4,505.10	8.3	22.8	3.80	2,059.90	12.8	16,067.8	628.7	30.5	39.2	28.6	14.0
12/18	0.76	55.1	375.70	10.7	-4.0	3,519.00	5.6	23.7	4.07	2,044.40	12.6	16,254.1	480.6	23.5	52.4	22.0	11.9
03/19	0.93	2.2	462.80	11.2	4.0	4,128.70	8.8	23.4	4.09	2,062.40	12.4	16,588.1	496.6	24.1	37.2	16.8	10.1
06/19	1.26	6.8	626.70	12.8	1.7	4,906.30	10.6	24.4	4.17	2,072.90	12.2	17,059.1	489.1	23.6	22.6	7.0	8.5
09/19	1.35	10.7	660.10	13.1	8.6	5,038.90	11.8	23.7	4.30	2,125.30	12.1	17,592.9	505.8	23.8	13.2	3.2	9.5
12/19	1.16	52.6	523.30	13.0	39.3	4,020.70	14.3	17.3	4.70	2,272.90	12.6	18,094.6	504.9	22.2	15.5	11.2	11.3
03/20	1.30	39.8	621.30	13.8	34.2	4,500.00	9.0	22.1	5.07	2,431.40	13.2	18,465.9	532.1	21.9	24.0	17.9	11.3
06/20								23.8						21.7			
09/20								23.8						21.8			

A B C D E F G H I J K L M N O P Q R S T

Quarterly Trend Graph

Company D.R. Horton Inc (DHI)

