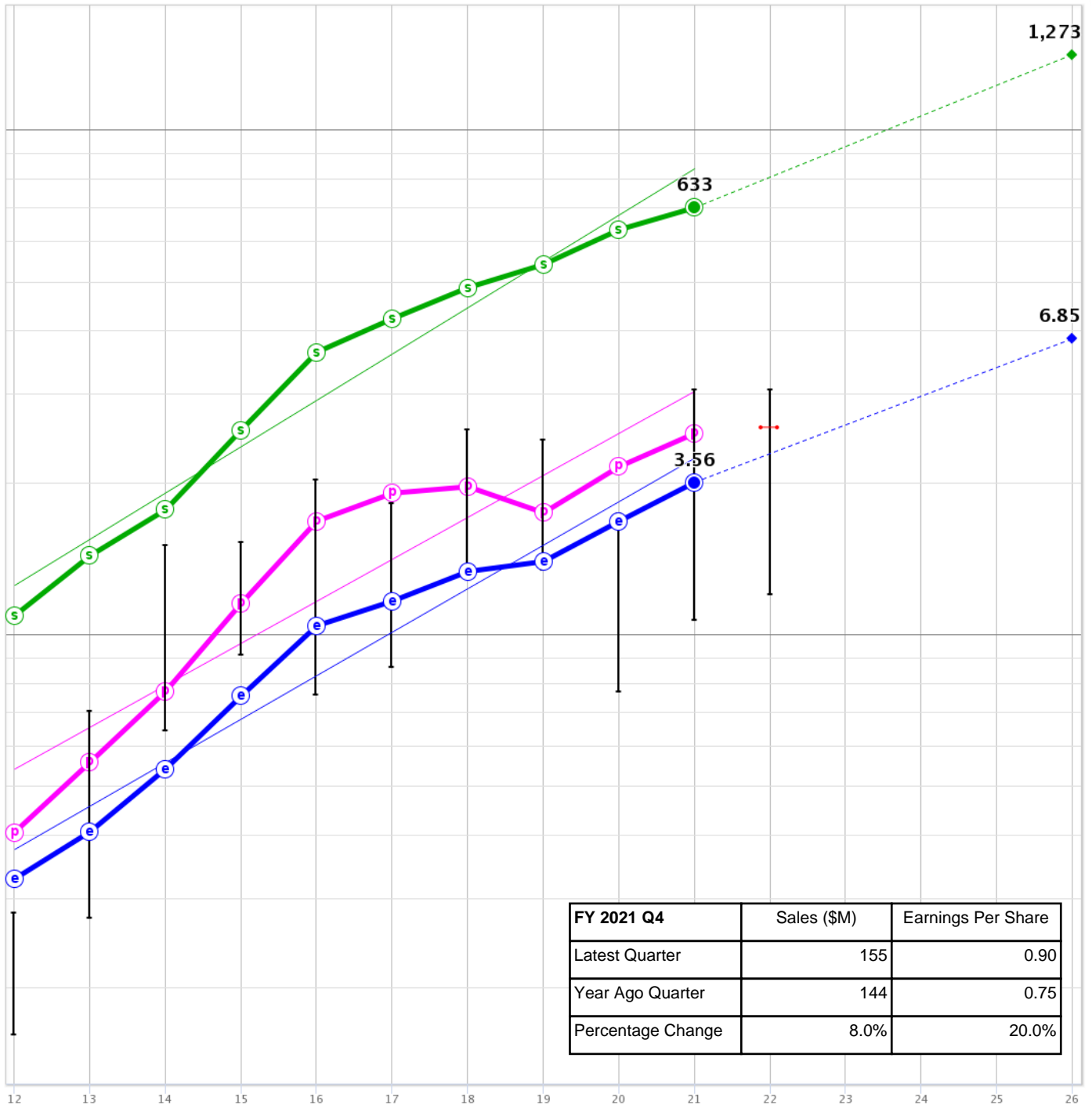


Company	Axos Financial		Date	09/15/21	
Prepared by	MURPHY		Data taken from	BI Stock Data	
Where traded	NYS	Industry	Banks - Regional		
Capitalization --- Outstanding Amounts	Reference				
Preferred (\$M)	0.0	% Insiders	% Institution		
Common (M Shares)	59.2	9.8	80.2		
Debt (\$M)	574.9	% to Tot Cap	29.1	% Pot Dil	0.0

Stock Selection Guide

Symbol: AX

1 VISUAL ANALYSIS of Sales, Earnings, and Price



- | | | | |
|-----------------------------------|-------|--|-------|
| (1) Historical Sales Growth | 23.5% | (3) Historical Earnings Per Share Growth | 22.0% |
| (2) Estimated Future Sales Growth | 15.0% | (4) Estimated Future Earnings Per Share Growth | 14.0% |

2 EVALUATING Management

Axos Financial

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Last 5 Year Avg.
Pre-tax Profit on Sales	50.4%	52.7%	59.1%	61.4%	62.6%	61.0%	54.5%	43.6%	45.9%	48.3%	50.7%
% Earned on Equity	15.0%	16.7%	16.7%	17.0%	18.0%	16.5%	16.2%	14.7%	15.1%	15.7%	15.6%
% Debt To Capital	67.4%	68.9%	71.2%	58.7%	53.5%	45.4%	34.8%	36.9%	28.0%	29.1%	34.8%

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 45.76 (09/15/21)

HIGH THIS YEAR 54.36

LOW THIS YEAR 21.27

	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	32.4	15.3	2.07	15.6	7.4	0.00	0.0	0.0
2018	45.2	23.3	2.37	19.1	9.8	0.00	0.0	0.0
2019	43.2	23.9	2.48	17.4	9.6	0.00	0.0	0.0
2020	30.9	13.7	2.98	10.4	4.6	0.00	0.0	0.0
2021	54.4	19.0	3.56	15.3	5.3	0.00	0.0	0.0
AVERAGE		19.0		15.5	7.3		0.0	
CURRENT/TTM			3.58			0.00	0.0	
AVERAGE PRICE EARNINGS RATIO: 11.4				CURRENT PRICE EARNINGS RATIO: 12.8				

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 16.0 X Estimate High Earnings/Share 6.85 = Forecasted High Price \$ 109.7

B LOW PRICE - NEXT 5 YEARS

(a) Avg. Low P/E 7.7 X Estimate Low Earnings/Share 3.58 = Forecasted Low Price \$ 27.6

(b) Avg. Low Price of Last 5 Years 19.0

(c) Recent Market Low Price 13.7

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

Selected Forecasted Low Price \$ 27.6

C ZONING using 25%-50%-25%

Forecasted High Price 109.7 Minus Forecasted Low Price 27.6 = 82.1 Range. 25% of Range 20.5

Buy Zone 27.6 to 48.1

Hold Zone 48.1 to 89.2

Sell Zone 89.2 to 109.7

Present Market Price of 45.76 is in the **BUY** Zone

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

$\frac{\text{High Price} - \text{Present Price}}{\text{Present Price} - \text{Low Price}} = \frac{109.7 - 45.76}{45.76 - 27.6} = \frac{63.91}{18.16} = 3.5$ To 1

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

$\frac{\text{High Price} - \text{Closing Price}}{\text{Closing Price}} = \frac{109.7 - 45.76}{45.76} = 2.3967$ X 100 = 239.67 - 100 = 139.7 % 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 $\frac{\text{Indicated Annual Dividend}}{\text{Closing Price}} = \frac{0.00}{45.76} = 0.0000 = 0.0\%$ Current Yield

B AVERAGE YIELD - USING FORECAST HIGH P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast High PE}} = \frac{0.0\%}{16.00} = 0.0\%$

AVERAGE YIELD - USING FORECAST AVERAGE P/E

$\frac{\text{Avg. \% Payout}}{\text{Forecast Average PE}} = \frac{0.0\%}{11.85} = 0.0\%$

C COMPOUND ANNUAL RETURN - USING FORECAST HIGH P/E

Annualized Appreciation 19.1 %
Average Yield 0.0 %
Annualized Rate of Return 19.1 %

COMPOUND ANNUAL RETURN - USING FORECAST AVG P/E

Annualized Appreciation 12.2 %
Average Yield 0.0 %
Annualized Rate of Return 12.2 %

Notes: AX 9/18/21

Date	Subject	Description	Type
09/18/21	AX 9/18/21	Few analysts follow AX. VL is the abbrev. version and will come out in 2 weeks. Club bought twice: 2/17/21 10 shares @ \$43.99 a share, and 3/17/21: 70 shrs @ \$52. Closing price is \$45.76. Morningstar has a FV of \$47.1. Used Preferred Procedure. Suggest HOLD but is in the buy zone on latest SSG	Study
08/11/21	Latest SSG 8/11/21	M* FV is \$47.9 and close today was \$50.57. This is as close to the high price as possible. They have gone up and down without much discernible reason. Not an easy company to predict. I recommend we terminate our investment in them.	Community