

## Report for Simpson Manufacturing (SSD)

Date: Mar 10, 2024

Latest earnings report: February 5, 2024

Percentage change in Sales from year ago for quarter: 4.6%

Percentage change in Earnings per Share from year ago for quarter: -9.1%

Is the company meeting our target sales & earnings estimates at the bottom of p. 1 of SSG? No

Pre-tax Profit on sales trend? Even

Return on equity trends? Even

Debt? \$459M 25x interest coverage

Current PE: 25.3

Where does it fall in my estimated High/low range of PE's? Near the high end

Signature PE: 18.3

Club cost basis is for this stock: \$96.41                      Current price: \$211.58

Morningstar fair value: \$193 (quant analysis)

My SSG Total Return: 9.7%                                      Projected Average Return: 4.6%

What will drive future growth? Homebuilding and commercial construction

Recommend: **HOLD**

Additional Comments:

SSD has had a 70% price increase since October 2023.

Housing starts are likely to increase in 2024 benefiting Simson.

The margin of safety is negative based on discounted cash flow analysis.

P/E contraction is likely.