

LCI INDUSTRIES LCII

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Disclaimer

- Presentation neither recommends a buy or a sell of any stock.
- This is an exercise in evaluating a stock.
- This presentation is being recorded for future viewing on the Rocky Mountain Chapter website: rmchapter.org.

LCI Industries (LCII) How it makes money.

- LCI Industries, Inc. (formerly Drew Industries) through its wholly-owned Lippert Components subsidiary is a leading supplier of original –equipment and aftermarket parts to the recreational vehicle (RV) industry.
- Specifically LCII serves 7 industries *
- Categories of components *
- LCII has 52 factories in U.S., Canada and Italy with 8,200+ employees
- LCII has made 40 acquisitions in last 15 years

LCII Industries Served



LCII Industries Served



Marine



Recreational Vehicle



Transit & School Bus

LCII Capabilities by Category



Awnings & Shade Accessories



Axles & Suspension



Chassis



Doors & Lamination

LCII Capabilities by Category



E-Coating



Electronics



Interior



Kitchen and Bath

LCII Capabilities by Category



Leveling & Stabilization



Sewer and Fresh Water



Slide-Out Systems

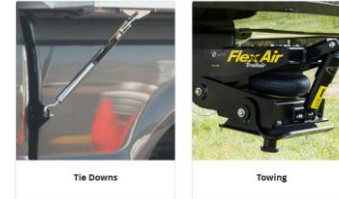


Space Optimization

LCII Capabilities by Category



LCII Capabilities by Category



LCI Industries (LCII) Business Outlook

- Employee leadership focus
- Sales---growing except '08-09,
- Earnings---growing except '08-09, '16 surge
- Strong management
- Low Debt

LCI Industries (LCII) Industry outlook

- LCI Industries is in the Auto Parts Industry which is dependent on the automotive industry as a whole is in solid shape
- Truck/light vehicle sales have been declining
- Consumer confidence high
- Low gas prices

LCI Industries---Strengths

- Low debt
- Dividend--\$1.40--2016
- Good management—employee leadership
- Continuing demand at consumer level
- High consumer confidence
- Low unemployment levels

LCI Industries---Weaknesses

- Produces products for a cyclical industry
- End products are discretionary

LCI Industries---Opportunities

- Demographics---baby boomers retiring, Gen-x and Millennials following
- Domestic travel less risky
- Low fuel prices
- Direct customers are thriving, expanding
- Disasters: RVs used as temporary housing

LCI Industries---Threats

- Cyclical economy
- High fuel costs

LCI Industries

Questions?