

LINDE EQUITY REPORT

January 2021

STOCK IDEAS FOR THE SELECTIVE INVESTOR

TRACK RECORD: May 3, 2000 to December 31, 2020

Annualized average price gain: 29.6%

Average price gain: 29.5%

Number of recommendations: 248

Average holding period: 11.9 months

The annualized average price gain is calculated by taking the average price gain of all stock recommendations and annualizing it over the average holding period of all positions.

The Linde Equity Report strives to discover stocks with strong growth rates, high gross margins, expanding product demand, seasoned management, and a share price valuation providing for downside protection and room for significant P/S and P/E multiple expansion. Thousands of companies are screened each month as part of our equity search. Companies coming closest to meeting our research criteria are further evaluated and analyzed before qualifying for publication.

STOCK OF THE MONTH: H&R BLOCK INC. NYSE: HRB - \$15.86

H&R Block

H&R Block, through its subsidiaries, provides assisted income tax return preparation, do-it-yourself (DIY) tax, and virtual tax preparation services and products to the general public primarily in the United States, Canada, and Australia. The company offers assisted income tax return preparation and related services through a system of retail offices operated directly by the company or by franchisees. It also develops and markets DIY income tax preparation software online, and provides DIY tax services, including federal and state income tax returns, access to tax tips, advice and tax-related news, use of tools for tax planning, and error checking and electronic filing. In addition, the company offers Refund Transfers and H&R Block Emerald Prepaid Mastercard, which enables clients to receive their tax refunds. H&R Block was founded in 1955 and is headquartered in Kansas City, Missouri.

Investment Highlights

- World's largest consumer tax service provider.
- Stock down roughly 30% primarily as a result of COVID-19.
- Dividend yield of 6.6%.
- Bought back 9.5 million shares last quarter for a total value of \$150 million, equivalent to 5% of market cap.
- 19% of shares repurchased since FY 2017.
- Trading at 6.5x pre-COVID 2018/2019 average EPS of \$2.48.
- Recently announced new growth strategy focusing on small business, financial products and consumer tax.
- Market concerned about secular shift from assisted tax preparation (much more profitable) to do-it-yourself.

Continued on next page...



5 year price chart. Source: BigCharts

Symbol HRB
 Exchange NYSE
 Recent Share Price \$15.86
 Market Capitalization \$2.9 billion

P/E (*TTM) 15
 Price/Sales (TTM) 0.9
 LT Debt/Equity (*MRQ) NA
 Gross Margin (TTM)..... 42%
 Net Margin (TTM) 6%

ROA (TTM) 5%
 ROI (TTM) NA
 ROE (TTM) NA

Revenue Growth (MRQ) vs 1 Yr. Ago 10%
 EPS Growth (MRQ) vs 1. Yr. Ago NA

*TTM = Trailing twelve months; MRQ = Most recent quarter

Subscription (12 issues per year)
 VISA / MasterCard accepted

\$199 + tax / year
 Tel: 604-738-5200

E-mail: info@lindeequity.com
 Web: www.lindeequity.com

Analysis

H&R Block offers an opportunity to invest in a recognized brand generating significant excess cashflow that appears to be oversold. Competing primarily in the US tax preparation market, H&R Block possesses a dual-channel assisted and do-it-yourself service model for tax preparation. The company is facing structural organic growth challenges in its assisted category as more people opt for DIY preparation. This secular shift has been the primary concern of analysts given the lower profitability of the growing DIY service. However, the volume decline in assisted preparation has been very slight averaging at around 0.5% per year prior to the arrival of COVID. The secular shift is not enough to justify the sudden 30% drop in share price since last February. COVID-19 is the main culprit, in our opinion, and therefore presents a recovery opportunity once the pandemic has passed.

Offering a “get paid while you wait” opportunity, H&R Block pays a dividend yielding 6.6%. With its share price down sharply, investors might wonder if the dividend is safe. A reasonable payout ratio and excess cashflow generation suggests it is secure. Based on the average EPS earnings 2018 and 2019, the company’s dividend payout ratio is 42%. As a percentage of expected free cashflow, the payout ratio is even lower.

From a valuation perspective, H&R Block is also intriguing. The company’s earnings in fiscal 2020 and 2021 will be impacted because of the extension of the 2020 tax season and the uncertainty related to COVID-19. But based on its 2018/2019 average EPS, which is near the \$2.45 expected in fiscal 2022, H&R Block is trading at 6.5 times earnings. This is far below its average P/E of about 12.5x for the past ten years.

H&R Block recognizes the secular challenge facing its assisted preparation service. Therefore, last month, the company introduced its “Block Horizon” five year growth strategy focusing on three imperatives: small business, financial products and consumer tax. With respect to small business, H&R Block serves 2.4 million business customers through its Block Advisors and Wave service. Management believes it can grow these services by combining the business offerings of each. With financial products, it plans to build on its Emerald Debit Card program to develop a year-round mobile banking platform that is currently centered around tax refunds. And with consumer tax, the company wants to converge its platform by blending human expertise and care with digital capabilities to make tax preparation easier, faster, and more personalized.

Conclusion

The secular trend from assisted to do-it-yourself is pressuring the tax preparation industry. While H&R Block’s growth strategy could support a turnaround, analysts see it is a “show me” story given past failed attempts to revitalize the business. However, given the company’s strengthened management team, recent pricing initiatives and technology investments, the company is better positioned to succeed than before. Trading at 6.5 times earnings with a secure 6.6% dividend yield, H&R Block appears undervalued.

Further information on H&R Block is available at:

*Company Website: <http://www.hrblock.com>
Investor Relations: 816 854 3000*

<u>Income Statement</u>	<u>F2020</u>	<u>F2019</u>	<u>F2018</u>	<u>F2017</u>	<u>F2016</u>	<u>F2015</u>	<u>F2014</u>
Revenue (\$Mil)	2,640	3,095	3,160	3,036	3,038	3,079	3,024
GAAP Net Inc (\$Mil)	-8	423	613	409	374	474	475
GAAP Earnings per share	-0.04	2.04	2.91	1.91	1.49	1.71	1.72
Dividends per share	1.04	1.00	0.96	0.88	0.80	0.80	0.80
<u>Balance Sheet</u>	<u>F2020</u>	<u>F2019</u>	<u>F2018</u>	<u>F2017</u>	<u>F2016</u>	<u>F2015</u>	<u>F2014</u>
Long Term Debt (\$Mil)	2,846	1,493	1,495	1,493	1,491	505	506
Shares Outstanding (Mil)	198	207	210	214	251	277	276
Common Equity (\$Mil)	71	542	394	-61	23	1833	1557
<u>Ratios</u>	<u>F2020</u>	<u>F2019</u>	<u>F2018</u>	<u>F2017</u>	<u>F2016</u>	<u>F2015</u>	<u>F2014</u>
Net Profit Margin (%)	-0.3	13.7	19.4	13.4	12.3	15.4	15.7
ROE (%)	NA	90	368	NA	40	28	34
ROA (%)	NA	13	21	15	10	10	10
Debt/Equity Ratio	44.5	2.8	3.8	NA	65	0.3	0.3
P/E Ratio	NA	11.5	9.2	14.2	19.2	19.8	18.8
Price/Sales	1.5	1.7	1.8	1.7	2.5	2.8	2.6
Price/Book	57	10	15	NA	300	49	NA
Book Value / Share (\$)	0.37	2.68	1.88	-0.29	0.10	0.66	NA

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LINDE EQUITY REPORT

STOCK UPDATES

January 3, 2021

December 2020 SELECTQUOTE NYSE: SLQT Featured: \$23.08 Currently: \$20.75 Change: -10%	SelectQuote, pioneer of providing unbiased comparisons of insurance companies to help consumers choose the policy and terms that best meet their unique needs, did not announce any major news or developments last month. <i>SelectQuote appears undervalued.</i>				
November 2020 TILLY'S NYSE: TLYS Featured: \$6.14 Currently: \$8.16 Change: +33%	Tilly's, a retailer of surf and skate, West Coast lifestyle inspired apparel, footwear, and accessories for young men and women, and boys and girls in the United States, did not announce any major news or developments last month. <i>Tilly's appears fairly valued.</i>				
October 2020 September 2020	WELLS FARGO HERMAN MILLER	NYSE: WFC NYSE: MLHR	Featured at \$23.99 Featured at \$23.47	Sold December 2020 at \$29.55 Sold October 2020 at \$33.65	Gain/Loss: +23% in 2 months Gain/Loss: +43% in 1 month
August 2020 HELMERICH & PAYNE NYSE: HP Featured: \$17.83 Currently: \$23.16 Change: +30%	Helmerich & Payne, oil and gas driller for exploration and production companies in the US, did not announce any major news or developments last month. With its share price still down sharply from a year ago despite oil prices nearly back to \$50, <i>Helmerich & Payne appears undervalued.</i>				
July 2020 June 2020	WYNDHAM DESTINATIO CIT GROUP	NYSE: WYND NYSE: CIT	Featured at \$29.11 Featured at \$26.50	Sold November 2020 at \$32.63 Sold November 2020 at \$29.45	Gain/Loss: +12% in 4 months Gain/Loss: +11% in 5 months
May 2020 TOLL BROTHERS NYSE: TOL Featured: \$23.85 Currently: \$43.47 Change: +82%	Toll Brothers, a designer, builder, marketer, and financier for detached and attached homes in luxury residential communities, recently announced the closing of \$160 million in construction financing through a newly formed joint venture with GSLM Capital Partners. The financing will be used to develop Phase 1 of a 6.7 acre site in the heart of Washington, D.C. <i>Toll Brothers appears fairly valued.</i>				
April 2020 March 2020 February 2020 January 2020 December 2019 November 2019	US BANCORP LINCOLN NATIONAL UNITED PARCEL UNITED AIRLINES CENTURY COMMUNIT DISCOVER FINANCIAL	NYSE: USB NYSE: LNC NYSE: UPS NYSE: UAL NYSE: CCS NYSE: DFS	Featured at \$31.19 Featured at \$45.39 Featured at \$103.52 Featured at \$87.90 Featured at \$28.50 Featured at \$81.72	Sold October 2020 at \$36.77 Sold June 2020 at \$47.27 Sold April 2020 at \$90.00 Sold April 2020 at \$22.89 Sold June 2020 at \$31.70 Sold December 2020 at \$82.70	Gain/Loss: +18% in 6 months Gain/Loss: +4% in 3 months Gain/Loss: -13% in 2 months Gain/Loss: -74% in 3 months Gain/Loss: +11% in 6 months Gain/Loss: +1% in 13 months
October 2019 ADOBE NASDAQ: ADBE Featured: \$276.90 Currently: \$500.12 Change: +81%	Adobe, a diversified software company that offers a line of software and services used by professionals, marketers, application developers, enterprises and consumers for creating and developing digital content, recently announced 4th quarter results. Revenues of \$3.4 billion were up 14% year-over-year. Over the same period, adjusted EPS of \$2.81 was 23% higher. Digital media annual recurring revenue increased \$548 million quarter-over-quarter to \$10.2 billion, representing a 21% increase year-over-year. CFO, John Murphy, noted the resilience of Adobe's business combined with its operational discipline and ability to derive insights from real-time data has enabled the company to thrive in 2020. <i>Adobe appears fairly valued.</i>				
September 2019	ROYAL CARRIBEAN	NYSE: RCL	Featured at \$104.28	Sold November 2019 at \$111.18	Gain/Loss: +7% in 2 months
August 2019 FACEBOOK NASDAQ: FB Featured: \$189.02 Currently: \$273.16 Change: +45%	Facebook, the world's largest social networking company, recently launched a lawsuit against Apple claiming that the upcoming changes to the iPhone operating systems will hurt small businesses ability to target advertising, and app makers ability to offer free content. The upcoming changes will require all apps show a prompt allowing users to opt out of targeted advertising. People opting out will disrupt Facebook's ability to collect information it could use to personalize ads. Trading at 26 times 2021 expected earnings of \$10.49, <i>Facebook appears fairly valued.</i>				
July 2019 UPLAND SOFTWARE NASDAQ: UPLD Featured: \$46.32 Currently: \$45.89 Change: -1%	Upland Software, a serial acquiror and provider of cloud-based enterprise work management software, did not announce any major news or developments last month. <i>Upland appears undervalued.</i>				
June 2019 May 2019 April 2019 March 2019	GREENSKY WEATHERFORD SQUARE AT HOME GROUP	NASDAQ: GSKY OTC: WFTIF NYSE: SQ NYSE: HOME	Featured at \$11.08 Featured at \$0.45 Featured at \$75.03 Featured at \$24.50	Sold September 2019 at \$6.80 Sold June 2019 at \$0.047 Sold May 2020 at \$63.00 Sold May 2019 at \$24.39	Gain/Loss: -39% in 3 months Gain/Loss: -90% in 1 month Gain/Loss: -16% in 13 months Gain/Loss: -0% in 2 months

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February 2019	US XPRESS	NYSE: USX	Featured at \$7.28	Sold March 2019 at \$9.08	Gain/Loss: +25% in 1 month
January 2019 AIR LEASE NYSE: AL Featured: \$31.98 Currently: \$44.42 Change: +39%	Air Lease, a leading aircraft leasing company, recently announced a long-term lease agreement for one new Airbus A321-200neo aircraft with Pegasus Airlines (Turkey). The aircraft is scheduled to deliver in Spring 2023. Also last month, the company announced the delivery of one new Airbus A320-200neo aircraft on long-term lease to Peach Aviation Limited (Japan). Trading at 8.8 times 2021 expected earnings of \$4.86 per share, <i>Air Lease appears undervalued.</i>				
December 2018	ROYAL CARRIBEAN	NYSE: RCL	Featured at \$113.07	Sold February 2019 at \$118.31	Gain/Loss: +5% in 2 months
November 2018	WESTERN ALLIANCE	NYSE: WAL	Featured at \$48.88	Sold November 2019 at \$50.48	Gain/Loss: +3% in 12 months
September 2018	SUPERMUS	NASDAQ: SUPN	Featured at \$44.30	Sold October 2019 at \$26.92	Gain/Loss: -39% in 13 months
August 2018	MINDBODY	NASDAQ: MB	Featured at \$35.05	Sold January 2019 at \$36.50	Gain/Loss: +4% in 5 months
July 2018 LGI HOMES NASDAQ: LGIH Featured: \$57.73 Currently: \$105.85 Change: +83%	LGI Homes, one of America's fastest growing publicly traded homebuilders, recently announced the launch of a secondary website, LGIHomesActiveAdult.com. This new website supports homebuyers on their journey to find the perfect home by endorsing communities that offer abundant amenities and promote an active lifestyle. Also last month, the company announced the opening of Stonebridge Crossing, a new community in the Austin, Texas market, which offers new homes starting in the low-\$200s. With its share price up 50% YTD, <i>LGI Homes appears fairly valued.</i>				
June 2018	SKECHERS	NYSE: SKX	Featured at \$29.47	Sold August 2018 at \$28.12	Gain/Loss: -5% in 2 months
May 2018	SEI INVESTMENTS	NASDAQ: SEIC	Featured at \$62.41	Sold June 2018 at \$65.42	Gain/Loss: +5% in 1 month
April 2018	FORTUNE BRANDS	NYSE: FBHS	Featured at \$58.89	Sold January 2019 at \$39.88	Gain/Loss: -32% in 9 months
March 2018	PATRICK INDUSTRIES	NASDAQ: PATK	Featured at \$60.90	Sold October 2018 at \$56.74	Gain/Loss: -7% in 7 months
February 2018	BMC STOCK	NASDAQ: BMCH	Featured at \$22.20	Sold January 2019 at \$16.57	Gain/Loss: -25% in 11 months
January 2018	ALARM.COM	NASDAQ: ALRM	Featured at \$35.97	Sold May 2018 at \$40.98	Gain/Loss: +14% in 4 months
December 2017	CENTURY COMMUNITIES	NYSE: CCS	Featured at \$30.65	Sold January 2018 at \$34.45	Gain/Loss: +12% in 1 month
November 2017	ASURE SOFTWARE	NASDAQ: ASUR	Featured at \$11.50	Sold January 2019 at \$5.27	Gain/Loss: -54% in 14 months
October 2017	EQUIFAX	NYSE: EFX	Featured at \$105.99	Sold May 2017 at \$112.47	Gain/Loss: +6% in 7 months
September 2017	HERITAGE INSURANCE	NYSE: HRTG	Featured at \$11.26	Sold October 2017 at \$13.21	Gain/Loss: +17% in 1 month
August 2017	FRANKLIN FINANCIAL	NYSE: FSB	Featured at \$35.25	Sold June 2018 at \$36.05	Gain/Loss: +12% in 10 months
July 2017	AMC ENTERTAINMENT	NYSE: AMC	Featured at \$22.75	Sold October 2019 at \$9.05	Gain/Loss: -57% in 27 months
June 2017	BUILDERS FIRST	NASDAQ: BLDR	Featured at \$14.42	Sold July 2017 at \$15.32	Gain/Loss: +6% in 1 month
May 2017	HERITAGE INSURANCE	NYSE: HRTG	Featured at \$12.06	Sold June 2017 at \$13.08	Gain/Loss: +8% in 1 month
April 2017 PAYPAL NASDAQ: PYPL Featured: \$43.02 Currently: \$234.20 Change: +444%	PayPal, a leading enabler of digital and mobile payments on behalf of consumers and merchants worldwide, recently announced an additional \$5 million grant program that will further the company's support for black-owned businesses. The new grant program is an extension of the \$10 million PayPal Empowerment Grant program. <i>PayPal appears fairly valued.</i>				
March 2017	DOLLAR TREE	NASDAQ: DLTR	Featured at \$77.13	Sold September 2017 at \$81.06	Gain/Loss: +5% in 6 months
February 2017	ONDECK CAPITAL	NASDAQ: ONDK	Featured at \$5.15	Sold February 2018 at \$4.53	Gain/Loss: -12% in 12 months
January 2017	LGI HOMES	NASDAQ: LGIH	Featured at \$28.73	Sold February 2017 at \$31.34	Gain/Loss: +9% in 1 month
December 2016	ELLIE MAE	NYSE: ELLI	Featured at \$81.30	Sold February 2018 at \$90.68	Gain/Loss: +12% in 14 months
November 2016	MOMO	NASDAQ: MOMO	Featured at \$23.83	Sold July 2019 at \$30.02	Gain/Loss: +47% in 32 months
October 2016 FIVE BELOW NASDAQ: FIVE Featured: \$40.29 Currently: \$174.98 Change: +334%	Five Below, a rapidly growing value focused general merchandise retailer for teen and pre-teen customers, recently announced a new partnership with Instacart, the leading online grocery delivery platform in North America. Together, the companies will now be offering same-day delivery and curbside pickup from select stores in Baltimore, Buffalo, Chicago, Cleveland, Detroit, and portions of Florida, California and Texas. <i>Five Below appears fairly valued.</i>				
September 2016	THE NEW HOME CO.	NYSE: NWHM	Featured at \$10.61	Sold December 2016 at \$11.60	Gain/Loss: +9% in 3 months
August 2016 PAYCOM NASDAQ: PAYC Featured: \$51.50 Currently: \$452.25 Change: +778%	Paycom, a provider of cloud-based human capital management software solutions to small and medium sized businesses, did not announce any major news or developments last month. <i>Paycom appears fairly valued.</i>				
July 2016	MAGNA	NYSE: MGA	Featured at \$35.03	Sold August 2016 at \$39.92	Gain/Loss: +14% in 1 month
June 2016	GROUP 1 AUTO	NYSE: GPI	Featured at \$60.12	Sold August 2016 at \$61.49	Gain/Loss: +2% in 2 months
May 2016	ALPHABET	NASDAQ: GOOGL	Featured at \$707.88	Sold January 2019 at \$1,078.07	Gain/Loss: +52% in 32 months
April 2016	TOLL BROTHERS	NYSE: TOL	Featured at \$29.53	Sold September 2016 at \$30.72	Gain/Loss: -4% in 5 months
March 2016	ROYAL CARIBBEAN	NYSE: RCL	Featured at \$74.01	Sold April 2016 at \$91.88	Gain/Loss: +11% in 1 month
February 2016	ARISTA NETWORKS	NASDAQ: ANET	Featured at \$59.22	Sold March 2016 at \$64.25	Gain/Loss: +8% in 1 month
January 2016	TENCENT	OTC: TCEHY	Featured at \$19.62	Sold April 2020 at \$47.81	Gain/Loss: +144% in 52 months
December 2015	PERRIGO	NYSE: PRGO	Featured at \$147.69	Sold May 2016 at \$96.67	Gain/Loss: -35% in 6 months
November 2015	GILEAD	NASDAQ: GILD	Featured at \$108.13	Sold April 2016 at \$94.12	Gain/Loss: -13% in 5 months
October 2015	CVS	NYSE: CVS	Featured at \$98.96	Sold April 2016 at \$104.82	Gain/Loss: +6% in 6 months
September 2015	SYNCHRONOSS	NASDAQ: SNCR	Featured at \$38.79	Sold December 2015 at \$39.95	Gain/Loss: -13% in 3 months
August 2015	TRIUMPH GROUP	NYSE: TGI	Featured at \$53.85	Sold August 2016 at \$30.74	Gain/Loss: -43% in 12 months
July 2015	FACEBOOK	NASDAQ: FB	Featured at \$87.29	Sold April 2019 at \$175.72	Gain/Loss: +101% in 45 months
June 2015	DAVIDSTEA	NASDAQ: DTEA	Featured at \$27.00	Sold May 2016 at \$11.21	Gain/Loss: -58% in 12 months
May 2015	ROYAL CARIBBEAN	NYSE: RCL	Featured at \$67.94	Sold June 2015 at \$78.77	Gain/Loss: +16% in 1 month
April 2015	CELGENE	NASDAQ: CELG	Featured at \$114.31	Sold May 2018 at \$86.89	Gain/Loss: -24% in 37 months
March 2015	PERRIGO	NYSE: PRGO	Featured at \$154.47	Sold April 2015 at \$163.73	Gain/Loss: +6% in 1 month
February 2015	MASTERCARD	NYSE: MA	Featured at \$82.03	Sold October 2015 at \$92.07	Gain/Loss: +12% in 8 months

January 2005	WILLIAM LYON HOMES	NYSE: WLS	Featured at \$70.24	Sold May 2005 at \$88.40	Gain/Loss: +26% in 4 months
December 2004	METALS USA	NASDAQ: MUSA	Featured at \$18.22	Sold May 2005 at \$14.64	Gain/Loss: -20% in 5 months
November 2004	WORLD ACCEPTANCE	NASDAQ: WRLD	Featured at \$23.85	Sold Dec 2004 at \$26.82	Gain/Loss: +12% in 1 month
October 2004	CONOCOPHILLIPS	NYSE: COP	Featured at \$42.04	Sold Dec 2006 at \$67.37	Gain/Loss: +60% in 26 months
September 2004	FLAGSTAR BANCORP	NYSE:FBC	Featured at \$21.71	Sold May 2005 at \$19.04	Gain/Loss: -12% in 8 months
August 2004	HEALTH MGMT	NYSE:HMA	Featured at \$20.06	Sold Dec 2004 at \$22.55	Gain/Loss: +12% in 4 months
July 2004	HEWLETT PACKARD	NYSE:HPQ	Featured at \$20.41	Sold Jan 2005 at \$20.97	Gain/Loss: +3% in 6 months
June 2004	ENDURANCE	NYSE:ENH	Featured at \$33.93	Sold Oct 2005 at \$34.11	Gain/Loss: +1% in 16 months
May 2004	FLYI	NASDAQ:FLYI	Featured at \$6.55	Sold Dec 2005 at \$0.03	Gain/Loss: -99% in 19 months
April 2004	OMNIVISION	NASDAQ:OVTI	Featured at \$28.81	Sold March 2005 at \$16.91	Gain/Loss: -41% in 11 months
March 2004	BUNGE	NYSE:BG	Featured at \$39.34	Sold May 2004 at \$37.05	Gain/Loss: -6% in 2 months
February 2004	DORAL FINANCIAL	NYSE: DRL	Featured at \$32.47	Sold July 2004 at \$35.27	Gain/Loss: +9% in 5 months
January 2004	UTSTARCOM	NASDAQ: UTSI	Featured at \$38.36	Sold May 2004 at \$26.36	Gain/Loss: -31% in 4 months
December 2003	BLACK & DECKER	NYSE: BDK	Featured at \$47.09	Sold June 2006 at \$87.29	Gain/Loss: +85% in 30 months
November 2003	ABERCROMBIE & FITCH	NYSE: ANF	Featured at \$28.50	Sold Dec 2003 at \$25.30	Gain/Loss: -11% in 1 month
October 2003	BANK OF AMERICA	NYSE: BAC	Featured at \$39.78	Sold Feb 2005 at \$46.89	Gain/Loss: +18% in 16 months
September 2003	HCA INC.	NYSE: HCA	Featured at \$37.05	Sold Mar 2004 at \$41.75	Gain/Loss: +13% in 6 months
August 2003	ALLSTATE	NYSE: ALL	Featured at \$37.56	Sold Oct 2005 at \$55.29	Gain/Loss: +47% in 26 months
July 2003	AMERICAN AXLE	NYSE: AXL	Featured at \$24.47	Sold Sep 2004 at \$35.00	Gain/Loss: +43% in 14 months
June 2003	E-LOAN	NASDAQ: EELN	Featured at \$4.57	Sold Aug 2004 at \$2.00	Gain/Loss: -56% in 14 months
May 2003	TOTAL ENTERTAINMENT	NASDAQ: TENT	Featured at \$7.40	Sold Aug 2003 at \$9.75	Gain/Loss: +32% in 3 months
April 2003	BRASS EAGLE	NASDAQ: XTRM	Featured at \$8.05	Sold May 2003 at \$6.90	Gain/Loss: -14% in 1 month
March 2003	STEVEN MADDEN	NASDAQ: SHOO	Featured at \$16.95	Sold Nov 2003 at \$21.43	Gain/Loss: +26% in 8 months
February 2003	CITIGROUP	NYSE: C	Featured at \$34.38	Sold May 2003 at \$39.70	Gain/Loss: +15% in 3 months
January 2003	TOLL BROTHERS	NYSE:TOL	Featured at \$20.76	Sold June 2004 at \$40.00	Gain/Loss: +93% in 11 months
December 2002	CAPTARIS	NASDAQ: CAPA	Featured at \$2.36	Sold June 2003 at \$3.57	Gain/Loss: +51% in 6 months
November 2002	3COM	NASDAQ: COMS	Featured at \$4.27	Sold April 2003 at \$5.17	Gain/Loss: +21% in 5 months
October 2002	SKECHERS	NYSE: SKX	Featured at \$7.65	Sold Jan 2003 at \$8.75	Gain/Loss: +14% in 3 months
September 2002	GADZOOKS	NASDAQ: GADZ	Featured at \$7.00	Sold Aug 2003 at \$7.67	Gain/Loss: +10% in 11 months
August 2002	POLO RALPH LAUREN	NYSE: RL	Featured at \$20.06	Sold April 2003 at \$23.30	Gain/Loss: +16% in 8 months
July 2002	SAFEWAY	NYSE: SWY	Featured at \$28.68	Sold March 2003 at \$19.89	Gain/Loss: -31% in 8 months
June 2002	THOUSAND TRAILS	AMEX: TRV	Featured at \$10.25	Sold July 2002 at \$10.90	Gain/Loss: +6% in 1 months
May 2002	R&G FINANCIAL	NYSE: RGF	Featured at \$14.40	Sold Feb 2004 at \$29.30	Gain/Loss: +103% in 21 months
April 2002	JACK IN THE BOX	NYSE: JBX	Featured at \$30.49	Sold Oct 2004 at \$17.83	Gain/Loss: -42% in 18 months
March 2002	NOVEL DENIM	NYSE: NVDL	Featured at \$10.30	Sold Nov 2003 at \$1.94	Gain/Loss: -81% in 20 months
February 2002	SPHERION	NYSE: SFN	Featured at \$9.90	Sold July 2003 at 7.35	Gain/Loss: -26% in 17 months
January 2002	CUTTER & BUCK	NASDAQ: CBUK	Featured at \$4.60	Sold July 2002 at \$5.91	Gain/Loss: +28% in 6 months
December 2001	STEVEN MADDEN	NASDAQ: SHOO	Featured at \$11.97	Sold Jan 2003 at \$18.25	Gain/Loss: +52% in 13 months
November 2001	DESWELL IND.	NASDAQ: DSWL	Featured at \$10.33	Sold Jan 2004 at \$25.98	Gain/Loss: +152% in 26 months
October 2001	DOLLAR THRIFTY	NYSE: DTG	Featured at \$9.95	Sold Dec 2001 at \$13.45	Gain/Loss: +35% in 2 months
September 2001	NVR INC.	AMEX: DTG	Featured at \$164.00	Sold May 2002 at \$383.25	Gain/Loss: +134% in 8 months
August 2001	GADZOOKS	NASDAQ: GADZ	Featured at \$12.67	Sold Jan 2002 at \$14.85	Gain/Loss: +17% in 5 months
July 2001	MERCK & CO.	NYSE: MRK	Featured at \$63.91	Sold Aug 2002 at \$47.86	Gain/Loss: -25% in 5 months
June 2001	FIRST BANCORP	NYSE: FBP	Featured at \$16.33	Sold Jan 2003 at \$23.95	Gain/Loss: +47% in 13 months
May 2001	EASTMAN KODAK	NYSE: EK	Featured at \$45.78	Sold Oct 2002 at \$26.86	Gain/Loss: -41% in 17 months
April 2001	G-III APPAREL	NASDAQ: GIII	Featured at \$7.50	Sold April 2002 at \$7.69	Gain/Loss: +3% in 12 months
March 2001	MGIC INVESTMENTS	NYSE: MTG	Featured at \$57.89	Sold Oct 2002 at \$38.25	Gain/Loss: -34% in 19 months
February 2001	S.Y. BANCORP	AMEX: SYI	Featured at \$23.00	Sold Oct 2001 at \$32.79	Gain/Loss: +43% in 8 months
January 2001	CHARLES RIVER ASS.	NASDAQ: CRAI	Featured at \$10.50	Sold Oct 2001 at \$17.40	Gain/Loss: +66% in 9 months
December 2000	GABELLI ASSET MGMT.	NYSE: GBL	Featured at \$27.5/8	Sold Oct 2001 at \$39.67	Gain/Loss: +44% in 10 months
November 2000	CHARLOTTE RUSSE	NASDAQ: CHIC	Featured at \$11.5/8	Sold April 2001 at \$29.34	Gain/Loss: +150% in 5 months
October 2000	TELLABS	NASDAQ: TLAB	Featured at \$47.00	Sold June 2002 at \$9.66	Gain/Loss: -79% in 20 months
September 2000	HOT TOPIC	NASDAQ: HOTT	Featured at \$15.25	Sold July 2001 at \$31.10	Gain/Loss: +104% in 10 months
August 2000	ZORAN CORP	NASDAQ: ZRAN	Featured at \$39.69	Sold Sept 2000 at \$62.00	Gain/Loss: +56% in 1 month
July 2000	JONES APPAREL	NYSE: JNY	Featured at \$23.06	Sold May 2002 at \$39.49	Gain/Loss: +71% in 22 months
June 2000	F5 NETWORKS	NASDAQ: FFFV	Featured at \$36 ¼	Sold Jan 2001 at \$11 ¹¹ / ₁₆	Gain/Loss: -68% in 7 months
May 2000	PRE-PAID LEGAL	NYSE: PPD	Featured at \$33	Sold Jan 2001 at \$26 ¼	Gain/Loss: -20% in 8 months

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