**Quarterly Report (Q1– 2024)**

**-Arvind Krishna Report Date: June 10, 2024**

**Allient Inc. (ALNT)**

SSG % change - Sales from year ago quarter: 0.8%

SSG % change - Earnings per Share from year ago quarter: 7.7%

**Is company meeting our target sales & earnings estimates?** Not for sales.Yes for EPS – 5.5% vs. prior year.

 **SSG Sales 2 yrs. Estimates:** +1.7%

 **SSG EPS LT Estimates:** NA

Pre-tax Profit on sales trend? **Down**

Return on equity trends? **Down**

Debt? (Up, even, down) **Down**

5 Yr. LT Historical Sales Forecast: 7% (812) - Historical EPS Forecast: 7.05% (2.12) Calculated by PP method

Current P/E is **17.2** where does it fall in my estimated High/Low range of P/E's? In-line with Low.

Signature (Average) P/E = (**22.8** Corrected with deleting High and Low P/Es for 2020 and 2022)

**Dividend Yield:** **0.45%**

MICNOVA Club cost basis: $29.85 (2/14/2024) Current Price (6/7/2024) is **$26.01**

 (From latest valuation) (52 WK. Range: $40.59 - $25.12)

**Morningstar** Current Fair Value - No Report

**CFRA – Quantitative Rating “Hold” (**6/10/24**)**

**VL Quantitative Report:** PERFORMANCE (3); Technical (3); SAFETY (3); BETA 1.30 (1.00=Market)

**VL (2026-28 PROJECTIONS)** N/A

**ZACK:** N/A **Recommend: Strong Sell**

**Fidelity Equity Ratings: Bullish Schwab Rating: BUY Reuters:** **N/A**

**Manifest Investing:** Quality – ; PAR – ; Fin– ; EPS- ; Projected Avg. Price:

**My SSG Results – BUY** (6/10/24) Forecasted Low Price: **$24.4** High Price: **$55.1**

Total Return (HIGH P/E) is **16.5%**  Projected Return (AVG. P/E) is **12.0%**

Upside downside Ratio: **18.1 to 1** Market Appreciation based on Forecasted High Price: **111.9%**

Buy price - satisfy US/DS of 3 to 1 (15% return): **$27.8; Recommend BUY at or below: $32.1**

**SSG SHOWS: Current Price 26.01 is in– Buy Zone**: $24.4 - $32.1; **Hold Zone:** $32.1 - $47.4; **Sell Zone:** $47.4 - $55.1

**What Will Drive Future Growth? Based on ALNT** *-* **First quarter****2024:**  *Gross margin expanded 80 basis points to 32.3%*. *Operating income increased 6% to $12.1 million with a margin of 8.2%, up 40 basis points* *Net income per diluted share increased 8% to $0.42; Adjusted net income / share was $0.58, up 5%* *Generated $9.2 million of cash from operations, more than double last year’s first quarter. Operating costs and expenses were 24.0% of revenue, up 30 basis points, largely due to higher engineering and business development expenses as a result of the recent acquisitions*

Sales in the Vehicle markets increased 12% due to higher demand within commercial automotive.

Industrial markets sales up 10% in the quarter due to recent acquisitions & higher end market demand within industrial automation, electronics & power quality solutions in the HVAC markets.

Aerospace & Defense sales decreased 22%, largely due to program timing within the space industry.

Medical market revenue was down 19% given softer medical mobility demand.