



# STEPHENS NON-DEAL ROADSHOW PREP PACKET

**Rush Enterprises, Inc. (RUSHA) – San Francisco & Los Angeles**

August 21- 22, 2019

## Rush Enterprises, Inc. (RUSHA) – San Francisco & Los Angeles Non-Deal Roadshow

### Questions/Topics of Discussion

- What is your confidence parts & service can post revenue growth in 2020? What would prevent this from happening?
- Can you discuss the specific initiatives you are implementing within parts & service that are driving market share gains?
- How should we think about the progression of parts & service gross margins in the back half of 2019 and into 2020?
- What are the latest trends you are seeing with your energy customers, and when do you expect that business to stabilize?
- Any update on your new truck backlog and any changes you're seeing in terms of the customer mix?
- What is your latest view on U.S. Class 8 retail in 2020? What is the upside vs. downside sensitivity?
- What is your latest view on medium duty retail sales in 2020? What prevents a down cycle the next 1 – 2 years?
- Can you discuss the latest trends you are seeing in the used truck market and your expectation for pricing in 2H19 & 2020?
- What do you view as the best and worst case scenarios for used truck pricing over the next year? Impact to RUSHA?
- Can you talk about how you plan to gain market share for both truck sales and parts & service to achieve the 2022 targets?
- What is your assumption for SG&A (particularly the G&A portion) going forward? What is baked into the 2022 guidance?
- If you were to stress test the model for a recession scenario, how much G&A could you take out of the business?
- Could you talk about the acquisition pipeline? What is the level of activity today and any change in the bid/ask spread?
- Your valuation today is similar to the auto dealers. What would be your argument for RUSHA being valued at a premium?
- How are you thinking about the level of capital you'd like to allocate to buybacks vs. other avenues? Targeted leverage?
- What do you see as the biggest risks to the business outside of the macro environment? Biggest competitive threats?

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### **Stephens RUSHA Reports:**

[2Q19 EPS Beats the Street; Parts & Service Grows Despite Energy Sector Pressure](#)

[Updated Thoughts & 2Q Preview: A Great Business Weighed Down By Cyclical Fears](#)

### **Stephens RUSHA Model:**

[Click Here To View The Model](#)

### **Companies Mentioned (as of 8/13/2019):**

Rush Enterprises Inc. (RUSHA - \$37.41)

Stephens Inc. working model and published research report attached.  
For current disclosures on this company, please access the attached research report.

## OTHER DISCLOSURES

Note: The purpose of this document is to suggest questions investors might like to ask company management and to help investors develop their own questions. This document is not intended to express any opinion or investment recommendation.

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