Safe Harbor Statement

Statements in this presentation that are not historical facts may be deemed to be "forward-looking statements." Actual and anticipated future results may vary materially due to certain risks and uncertainties, including, without limitation, possible adverse effects resulting from national and international political instability fostering uncertainty and volatility in the global economy including exposure to fluctuations in foreign currency rates, interest rates, and downward pressure on prices; serious natural disruptions or catastrophic events, or public health crises (such as the ongoing COVID-19 pandemic), as well as extreme weather events; reduction of vendor incentive programs; restrictions on our access to capital necessary to fund our operations; significant adverse changes in, reductions in, or losses of relationships with our largest volume customer or one or more of our large volume customers or vendors; our ability to implement comprehensive plans for the integration of sales forces, cost containment, asset rationalization, systems integration and other key strategies; our ability to secure our own and our customers’ electronic and other confidential information and remain secure during a cyber-security attack; changes to our senior management team and/or failure to successfully implement succession plans; disruptions or a security breach in our or our vendors’ IT systems and data and audio communications networks; the possibility of additional goodwill impairment charges; the demand for and acceptance of, our products and services; our ability to adapt our services to meet changes in market developments; our ability to adapt to changes in the IT industry and/or rapid changes in product offerings, including the proliferation of the cloud, infrastructure as a service and software as a service; maintaining and increasing advanced professional services by recruiting and retaining highly skilled, competent personnel, and vendor certifications; our ability to realize our investment in leased equipment; reliance on third-parties to perform some of our service obligations to our customers; our ability to protect our intellectual property; our ability to successfully perform due diligence and integrate acquired businesses; the creditworthiness of our customers; our ability to raise capital and obtain non-recourse financing for our transactions; our ability to reserve adequately for credit losses; the impact of competition in our markets; our failure to comply with public sector contracts or applicable laws or regulations; and other risks or uncertainties detailed in the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2020 and other periodic filings with the Securities and Exchange Commission and available at the SEC’s website at http://www.sec.gov.

We wish to caution you that these factors could affect our financial performance and could cause actual results for future periods to differ materially from any opinions or statements expressed with respect to future periods in any current statements. All information set forth in this presentation is current as of the date of this presentation and ePlus undertakes no duty or obligation to update this information.
Mark Marron
Chief Executive Officer
ePlus at a Glance

+ Leading provider of technology solutions focused on cloud, security, and digital infrastructure
+ Technology partners include Cisco, Dell Technologies, HPE, NetApp, Palo Alto Networks and VMware
+ FY20 adjusted gross billings: $2.2 billion
  - 9% CAGR FY16-FY20
+ FY20 net sales: $1.6 billion
  - 7% CAGR FY16-FY20
+ FY20 services revenue: $193 million
  - 26% CAGR FY17-FY20
+ FY20 EPS: $5.15
  - 14% CAGR FY16-FY20
+ Headquarters: Herndon, Virginia
+ Presence in 35+ office locations in the U.S., Europe, and Asia-Pac
+ 1,579 employees as of March 31, 2020
Experienced Leadership Team

Mark Marron
Chief Executive Officer
Joined ePlus in 2005
30+ Years of Experience

Elaine Marion
Chief Financial Officer
Joined ePlus in 1998
25+ Years of Experience

Darren Raiguel
Chief Operating Officer,
President of ePlus Technology, Inc.
Joined ePlus in 1997
25+ Years of Experience

Dan Farrell
Senior Vice President,
National Professional Services
Joined ePlus in 2010
30+ Years of Experience

Kley Parkhurst
Senior Vice President,
Corporate Development
Joined ePlus in 1991
30+ Years of Experience

Erica Stoecker
General Counsel
Joined ePlus in 2001
20+ Years of Experience

Doug King
Chief Information Officer
Joined ePlus in 2018
20+ Years of Experience

Steve Mencarini
Senior Vice President,
Business Operations
Joined ePlus in 1997
35+ Years of Experience

Ken Farber
President,
ePlus Software, LLC
Joined ePlus in 2001
30+ Years of Experience

Mark Marron
Chief Executive Officer
Joined ePlus in 2005
30+ Years of Experience

Elaine Marion
Chief Financial Officer
Joined ePlus in 1998
25+ Years of Experience

Darren Raiguel
Chief Operating Officer,
President of ePlus Technology, Inc.
Joined ePlus in 1997
25+ Years of Experience

Dan Farrell
Senior Vice President,
National Professional Services
Joined ePlus in 2010
30+ Years of Experience

Kley Parkhurst
Senior Vice President,
Corporate Development
Joined ePlus in 1991
30+ Years of Experience

Erica Stoecker
General Counsel
Joined ePlus in 2001
20+ Years of Experience

Doug King
Chief Information Officer
Joined ePlus in 2018
20+ Years of Experience

Steve Mencarini
Senior Vice President,
Business Operations
Joined ePlus in 1997
35+ Years of Experience

Ken Farber
President,
ePlus Software, LLC
Joined ePlus in 2001
30+ Years of Experience
Where technology means more.

Helping customers use technology to successfully navigate business challenges is at the center of everything we do.
**COVID-19 Impact**

- Majority of workforce at home since mid-March, no material impact on operations
- Onsite personnel conforming to customer/partner requirements and local ordinances
- Minimal impact in March quarter
- Future IT spending is impacted by general economic trends
- Solution set easily pivoted to fulfill customer needs for remote workforce enablement and related security
- Building specific solutions for the new hybrid at-work/remote-workforce model
- Generating plans to support an ePlus hybrid workforce w/ enhanced in-office safety protocols, when offices reopen
The CIO Today: Unpredictability from COVID causes a heightened focus on:

- Cloud Acceleration
- Collaboration
- Remote Workforce Enablement
- Security
- Managed and Professional Services
- AI: Analytics and Automation

“Business executives who experienced firsthand the shortcomings of legacy technology environments will suddenly demand that IT accelerate roadmaps for app and infrastructure modernization, refined service management, high-availability architectures, automation for speed and reliability, cloud for scale and flexibility, and a network that delivers high performance. The time to start designing for dependability is now.”

-- Forrester April 23, 2020 – In a Crisis People Want Dependable Technology
## Well Positioned within the IT Ecosystem

Our range of complex solutions and services places us in high end of the IT market

### Gross Margin

<table>
<thead>
<tr>
<th>Vendors</th>
<th>Distributors</th>
<th>VARs</th>
<th>IT Solutions</th>
<th>Services/Integrators</th>
</tr>
</thead>
<tbody>
<tr>
<td>25 – 65% GM</td>
<td>5 – 13% GM</td>
<td>13 – 16% GM</td>
<td>20 – 25% GM</td>
<td>29 – 32% GM</td>
</tr>
</tbody>
</table>

1 Based on approximate LTM GAAP gross margin, except the last available financials of Presidio are dated September 30, 2019.
Expanding Footprint
Resources to implement locally and globally

- 35+ locations serving the U.S., Europe, and Asia-Pac
- 24/7/365 managed services operations and integration centers strategically placed throughout the U.S.
- 650+ technical and support resources certified by the top IT manufacturers in the world
Targeted M&A Strategy with Track Record of Success

ABS Technology

+ August 2019
+ Southern and Western Virginia
+ New customers, SLED focus, and managed services

SLAIT Consulting

+ January 2019
+ Southern and central Virginia
+ Security managed services and consulting, helpdesk, staffing; new customers

IDS

+ September 2017
+ Chicago and Indianapolis data centers
+ New geography and customers

OneCloud Consulting

+ May 2017
+ Cloud-based services, solutions and DevOps
+ Offices in Milpitas, CA and India

Consolidated Communications

+ December 2016 (division of CCI)
+ Minneapolis, MN Cisco VAR
+ New geography and customers

IGX Global

+ December 2015
+ UK location to serve UK and global customers
+ Expand security offerings

Evolve Technology Group

+ August 2014
+ Sacramento, CA Cisco VAR, largest Cisco VAR to State
+ Grow western SLED business

Advistor

+ November 2013
+ Rochester area reseller with storage expertise
+ Strengthened position as leading US FlexPod reseller

© 2020 ePlus inc. I 12
Independent Provider with Deep Strategic Relationships

**SELECT STRATEGIC PARTNERS**

+ Excellent channel partner for ePlus, representing 40% of technology segment net sales
+ All core products plus data center, collaboration, security, enterprise software, and lifecycle services
+ ePlus holds over 600 active certifications in Cisco technologies
+ Converged infrastructure, enterprise storage, networking and virtualization
+ Cloud, server and storage solutions
+ NetApp Star Partner and Professional Services Partner
+ Network storage (including All Flash Data Storage arrays) and services focused applications, file server consolidation, private and public cloud
+ ePlus professionals maintain a variety of Dell Technologies engineering certifications
+ Client, servers, networking, services, and storage including the legacy EMC offerings
+ Cloud, data center, virtual infrastructure solutions and the remainder of their portfolio

**ADDITIONAL CATEGORY SPECIFIC PARTNERS**

1 Based on the year ended March 31, 2020
Broad and Diverse Customer Base

TECHNOLOGY: Adobe, Cisco, NetApp, Bottomline

GOVERNMENT & EDUCATION: Columbia University, Johns Hopkins University

TELECOM, ENTERTAINMENT & MEDIA: Disney, EA, Cold Spring Brewing Co., verizon

FINANCIAL SERVICES: Berkshire Hathaway, Bloomberg, Finra, GEICO, Texas Children's Hospital

HEALTHCARE: CHOC Children's, New York-Presbyterian, Texas Children's Hospital, Quest Diagnostics, Yale New Haven Health

OTHER: Alcoa, PenFed Credit Union, Northrop Grumman, Jiffy Lube

Percentages are based on net sales from trailing twelve months ended March 31, 2020.
A Commitment to Corporate Social Responsibility
Why ePlus

Technology evolves quickly, and every new development exposes our customers to new opportunities and new challenges. ePlus is the partner that can help them navigate with confidence and agility.

“Do what it takes” dedication
Long-term view and enduring commitment extending well beyond the transaction

Industry-leading consultative expertise
Capability to help customers better understand their evolving business environment

Comprehensive offerings
Transformative technology solutions designed to deliver measurable business outcomes

Proven processes & methodologies
Up-front assessments, followed by design and architecture, deployment and implementation, managed services, professional services, and staffing

Highly-accessible, consumption-based solutions
Enable future success and better position our customers for tomorrow’s needs
Strong Financial Results

+ Operations are conducted through two segments. The technology segment sells information technology products, software and services, while the financing segment provides lease and financing solutions.

+ The majority of our net sales are derived from our technology segment, representing 96% of revenues in FY20.

+ From FY16 to FY20, adjusted gross billings and net sales have increased at a compound annual rate of 9% and 7%, respectively, as the gross to net adjustment has increased from 25.2% to 31.3% of the adjusted gross billings.

* See Non-GAAP Financial Information
** Amounts for FY18 and FY17 have been adjusted to reflect the adoption of Topic 606.
Strong Financial Results

- Service revenue includes professional services, managed services, and staffing services.
- From FY17 to FY20, service revenue has increased at a compound annual rate of 26%.
- Service revenue as a percentage of net sales grew from 6.9% in FY17 to 12.2% in FY20.
Strong Financial Results

+ Consolidated gross profit increased at a compounded annual rate of 11% from FY16 to FY20. Technology segment represented 87% of our total gross profit in FY20.

+ Consolidated gross margin has increased from 21.7% in FY15 to 24.6% in FY20.

+ Technology segment gross margin has increased from 20.3% in FY16 to 22.3% in FY20, as services capabilities continued to expand.
Strong Financial Results

+ From FY16 to FY20, net earnings increased at a compounded annual rate of 11% as a result of focusing on revenue and gross profit growth.

+ EPS and non-GAAP EPS CAGR were 14% and 10%, respectively, from FY16 to FY20.

+ Non-GAAP EPS excluded other income (expense), share based compensation, and acquisition and integration expenses, and the related tax effects; and the tax (benefit) expense due to the re-measurement of our deferred tax assets and liabilities at the new U.S. tax rate, and an adjustment to our tax expense in FY16 through FY18 assuming a 21% U.S. federal statutory income tax rate for U.S. operations.
Strong Financial Results

+ Adjusted EBITDA represents net earnings before interest expense, depreciation and amortization, share based compensation, acquisition and integration expenses, provision for income taxes, and other income. Interest on notes payable and depreciation expense presented within cost of sales represent operating expenses of financing segment, as such they are not added back to net earnings.

+ From FY16 to FY20, adjusted EBITDA increased at a compounded annual rate of 8%.

+ Adjusted EBITDA margin increased from 7.3% to 7.5% from FY16 to FY20.

* See Non-GAAP Financial Information
Growing Customer Facing Personnel

- Acquiring consultative sales professionals to bring successful business outcomes to our customers.
- Focused on growing engineering talent in cloud, security, and digital infrastructure.
- Customer facing personnel increased by 472 from FY16 to FY20, which represented 93% of the total increase in headcount.
- Leveraging our operational infrastructure as we expand.

Employee Headcount Growth by Function

- **March 31, 2016**
  - Sales and Marketing: 268
  - Professional Services: 342
  - Administration and Internal IT: 457
  - Executive Management: 301

- **March 31, 2020**
  - Sales and Marketing: 605
  - Professional Services: 666
  - Administration and Internal IT: 26
  - Executive Management: 57

© 2020 ePlus inc. | 23
### Strong Balance Sheet

- **$86 million in cash and equivalents**
- **Financing portfolio of $144 million, representing investments in leases and notes**
- **Portfolio monetization can be utilized to raise additional cash**
- **$300 million credit limit (temporarily uplifted by $50 million) with Wells Fargo Commercial Distribution Finance, LLC (WFCDF)**
- **Recourse notes payable included $35 million under our accounts receivable credit facility with WFCDF**
- **ROIC 12.3% for the twelve months ended March 31, 2020**

### $ in millions

#### Assets

<table>
<thead>
<tr>
<th></th>
<th>March 31, 2020</th>
<th>March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and equivalents</td>
<td>$86</td>
<td>$80</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>412</td>
<td>342</td>
</tr>
<tr>
<td>Inventory</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Financing investments</td>
<td>144</td>
<td>123</td>
</tr>
<tr>
<td>Goodwill &amp; other intangibles</td>
<td>153</td>
<td>150</td>
</tr>
<tr>
<td>Property &amp; equipment, deferred costs and other</td>
<td>64</td>
<td>41</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$909</strong></td>
<td><strong>$786</strong></td>
</tr>
</tbody>
</table>

#### Liabilities

<table>
<thead>
<tr>
<th></th>
<th>March 31, 2020</th>
<th>March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$210</td>
<td>$203</td>
</tr>
<tr>
<td>Recourse notes payable</td>
<td>37</td>
<td>-</td>
</tr>
<tr>
<td>Non-recourse notes payable</td>
<td>36</td>
<td>49</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>140</td>
<td>110</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$423</strong></td>
<td><strong>$362</strong></td>
</tr>
</tbody>
</table>

#### Shareholders’ Equity

<table>
<thead>
<tr>
<th></th>
<th>March 31, 2020</th>
<th>March 31, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity</td>
<td>486</td>
<td>424</td>
</tr>
<tr>
<td><strong>Total liabilities &amp; equity</strong></td>
<td><strong>$909</strong></td>
<td><strong>$786</strong></td>
</tr>
</tbody>
</table>

---

1. See details in Appendix – Return on Invested Capital

© 2020 ePlus inc. | 24
Customized Solutions.

Measurable Results.

 Positioned squarely at the forefront of today’s most transformative technologies, ePlus’ solutions, services, and financing expertise help organizations imagine, implement, and achieve more from technology.

Q & A

Cloud
Data Center
Security
Networking
Collaboration
Emerging
Services
Financial and Consumption Models
Appendix
## Non-GAAP Financial Information

$ in thousands

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology segment net sales [1]</td>
<td>$1,530,138</td>
<td>$1,329,520</td>
<td>$1,372,765</td>
<td>$1,294,937</td>
<td>$1,169,065</td>
</tr>
<tr>
<td>Costs incurred related to sales of third-party maintenance, software assurance and subscription/SaaS licenses, and services</td>
<td>697,747</td>
<td>589,475</td>
<td>526,920</td>
<td>485,480</td>
<td>393,126</td>
</tr>
<tr>
<td>Adjusted gross billings</td>
<td>$2,227,885</td>
<td>$1,918,995</td>
<td>$1,899,685</td>
<td>$1,780,417</td>
<td>$1,562,191</td>
</tr>
<tr>
<td>Net earnings</td>
<td>$69,082</td>
<td>$63,192</td>
<td>$55,122</td>
<td>$50,556</td>
<td>$44,747</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>26,877</td>
<td>23,038</td>
<td>28,769</td>
<td>35,556</td>
<td>31,004</td>
</tr>
<tr>
<td>Depreciation and amortization [2]</td>
<td>14,156</td>
<td>11,824</td>
<td>9,921</td>
<td>7,252</td>
<td>5,548</td>
</tr>
<tr>
<td>Share based compensation</td>
<td>7,954</td>
<td>7,244</td>
<td>6,464</td>
<td>6,025</td>
<td>5,711</td>
</tr>
<tr>
<td>Acquisition and integration expense</td>
<td>1,676</td>
<td>1,813</td>
<td>2,150</td>
<td>278</td>
<td>681</td>
</tr>
<tr>
<td>Interest and financing costs [3]</td>
<td>294</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other (income) expense [4]</td>
<td>(680)</td>
<td>(6,696)</td>
<td>348</td>
<td>(380)</td>
<td>-</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$119,359</td>
<td>$100,415</td>
<td>$102,774</td>
<td>$99,287</td>
<td>$87,691</td>
</tr>
<tr>
<td>Adjusted EBITDA margin</td>
<td>7.5%</td>
<td>7.3%</td>
<td>7.2%</td>
<td>7.5%</td>
<td>7.3%</td>
</tr>
</tbody>
</table>

[1] Amounts for 2018 and 2017 have been adjusted to reflect the adoption of Accounting Standards Codification Topic 606, Revenue from Contracts with Customers.


# Non-GAAP Financial Information

$ in thousands, except per share information

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP: Earnings before tax</td>
<td>$95,959</td>
<td>$86,230</td>
<td>$83,891</td>
<td>$86,112</td>
<td>$75,751</td>
</tr>
<tr>
<td>Share based compensation</td>
<td>$7,954</td>
<td>$7,244</td>
<td>$6,464</td>
<td>$6,025</td>
<td>$5,711</td>
</tr>
<tr>
<td>Acquisition and integration expense</td>
<td>$1,676</td>
<td>$1,813</td>
<td>$2,150</td>
<td>$278</td>
<td>$681</td>
</tr>
<tr>
<td>Acquisition related amortization expense [1]</td>
<td>$9,217</td>
<td>$7,423</td>
<td>$5,978</td>
<td>$4,000</td>
<td>$2,917</td>
</tr>
<tr>
<td>Other (income) expense [2]</td>
<td>$(680)</td>
<td>$(6,696)</td>
<td>$348</td>
<td>$(380)</td>
<td>-</td>
</tr>
<tr>
<td>Non-GAAP: Earnings before taxes</td>
<td>$114,126</td>
<td>$96,014</td>
<td>$98,831</td>
<td>$96,035</td>
<td>$85,060</td>
</tr>
<tr>
<td>GAAP: Provision for income taxes</td>
<td>$26,877</td>
<td>$23,038</td>
<td>$28,769</td>
<td>$35,556</td>
<td>$31,004</td>
</tr>
<tr>
<td>Share based compensation</td>
<td>$2,218</td>
<td>$1,988</td>
<td>$1,866</td>
<td>$1,709</td>
<td>$1,581</td>
</tr>
<tr>
<td>Acquisition and integration expense</td>
<td>$490</td>
<td>$522</td>
<td>$621</td>
<td>$79</td>
<td>$188</td>
</tr>
<tr>
<td>Acquisition related amortization expense [1]</td>
<td>$2,487</td>
<td>$1,916</td>
<td>$1,598</td>
<td>$938</td>
<td>$807</td>
</tr>
<tr>
<td>Other (income) expense [2]</td>
<td>$(200)</td>
<td>$(1,702)</td>
<td>$101</td>
<td>$(108)</td>
<td>-</td>
</tr>
<tr>
<td>Re-measurement of deferred taxes [3]</td>
<td>-</td>
<td>-</td>
<td>$1,654</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Adjustment to U.S. federal income tax rate to 21%</td>
<td>-</td>
<td>-</td>
<td>$(7,635)</td>
<td>$(11,650)</td>
<td>$(10,040)</td>
</tr>
<tr>
<td>Tax benefit on restricted stock</td>
<td>$87</td>
<td>$672</td>
<td>$1,444</td>
<td>$514</td>
<td>-</td>
</tr>
<tr>
<td>Non-GAAP: Provision for income taxes</td>
<td>$31,959</td>
<td>$26,434</td>
<td>$28,418</td>
<td>$27,038</td>
<td>$23,540</td>
</tr>
<tr>
<td>Non-GAAP: Net earnings</td>
<td>$82,167</td>
<td>$69,580</td>
<td>$70,413</td>
<td>$68,997</td>
<td>$61,520</td>
</tr>
<tr>
<td>GAAP: Net earnings per common share – diluted</td>
<td>$5.15</td>
<td>$4.65</td>
<td>$3.95</td>
<td>$3.60</td>
<td>$3.05</td>
</tr>
<tr>
<td>Share based compensation</td>
<td>$0.43</td>
<td>$0.38</td>
<td>$0.33</td>
<td>$0.31</td>
<td>$0.28</td>
</tr>
<tr>
<td>Acquisition and integration expense</td>
<td>$0.09</td>
<td>$0.09</td>
<td>$0.11</td>
<td>$0.01</td>
<td>$0.03</td>
</tr>
<tr>
<td>Acquisition related amortization expense [1]</td>
<td>$0.51</td>
<td>$0.40</td>
<td>$0.32</td>
<td>$0.22</td>
<td>$0.14</td>
</tr>
<tr>
<td>Other (income) expense [2]</td>
<td>$(0.04)</td>
<td>$(0.35)</td>
<td>$0.01</td>
<td>$(0.02)</td>
<td>-</td>
</tr>
<tr>
<td>Re-measurement of deferred taxes [3]</td>
<td>-</td>
<td>-</td>
<td>(0.12)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Adjustment to U.S. federal income tax rate to 21%</td>
<td>-</td>
<td>-</td>
<td>$0.54</td>
<td>$0.84</td>
<td>$0.69</td>
</tr>
<tr>
<td>Tax benefit on restricted stock</td>
<td>$(0.01)</td>
<td>$(0.05)</td>
<td>$(0.10)</td>
<td>$(0.04)</td>
<td>-</td>
</tr>
<tr>
<td>Total non-GAAP adjustments – net of tax</td>
<td>$0.98</td>
<td>$0.47</td>
<td>$1.09</td>
<td>$1.32</td>
<td>$1.14</td>
</tr>
<tr>
<td>Non-GAAP: Net earnings per common share – diluted</td>
<td>$6.13</td>
<td>$5.12</td>
<td>$5.04</td>
<td>$4.92</td>
<td>$4.19</td>
</tr>
</tbody>
</table>

(1) Amount consists of amortization of intangible assets from acquired businesses.
(2) Other income, interest income, and foreign currency transaction gains and losses.
(3) Tax expense for the re-measurement of U.S. deferred income tax assets and liabilities at 21% federal income tax rate for U.S. operations.
## Return on Invested Capital

$ in thousands

### Numerator

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income</td>
<td>$ 95,279</td>
<td>$ 79,534</td>
<td>$ 84,239</td>
<td>$ 85,732</td>
<td>$ 75,751</td>
</tr>
<tr>
<td>Net operating profit after taxes</td>
<td>$ 68,601</td>
<td>$ 58,298</td>
<td>$ 55,345</td>
<td>$ 44,769</td>
<td></td>
</tr>
</tbody>
</table>

### Denominator

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Recourse notes payable</td>
<td>$ 37,256</td>
<td>$ 28</td>
<td>$ 1,343</td>
<td>$ 908</td>
<td>$ 3,342</td>
</tr>
<tr>
<td>Non-recourse notes payable</td>
<td>35,502</td>
<td>48,619</td>
<td>50,935</td>
<td>36,516</td>
<td>44,080</td>
</tr>
<tr>
<td>Total stockholders' equity</td>
<td>486,145</td>
<td>424,253</td>
<td>372,603</td>
<td>345,918</td>
<td>318,878</td>
</tr>
<tr>
<td>Total invested capital</td>
<td>$ 558,903</td>
<td>$ 472,900</td>
<td>$ 424,881</td>
<td>$ 383,342</td>
<td>$ 366,300</td>
</tr>
</tbody>
</table>

Return on invested capital

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Return on invested capital</td>
<td>12.3%</td>
<td>12.3%</td>
<td>13.0%</td>
<td>13.1%</td>
<td>12.2%</td>
</tr>
</tbody>
</table>

[1] Based on the effective income tax rates.