



CreditRiskMonitor’s assessment of GNC Holdings, Inc.’s (“GNC Holdings”) “high risk” status has been determined by a combination of factors:

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# MONTHLY AVERAGE FRISK® SCORE

CreditRiskMonitor's proprietary FRISK® score signals that GNC Holdings (NYSE: GNC) has a 10 to 50 times greater risk of bankruptcy than the average public company. The company's elevated bankruptcy risk was mentioned in a recent [industry blog](#).

First quarter net sales declined by 7%, operating income decreased 37%, and the bottom line turned negative year-over-year.

Fitch affirmed GNC's B-rating and maintained a negative outlook. Their analysts contended a downgrade was likely.

GNC extends the maturity of the term loan, FILO credit facility and credit revolver to Aug. 10, 2020, subject to covenants.

Business Name	2019								2020				
	M	J	J	A	S	O	N	D	J	F	M	A	M
GNC Holdings, Inc.	2	2	3	2	2	3	4	4	3	2	1	1	1

Management announced that the company would close up to 900 GNC stores with declining organic sales trends.

GNC's auditor, PWC, gave the company a going concern opinion based on declining business results and refinancing challenges.

The FRISK® score is 96% accurate\* in predicting the risk of corporate failure/bankruptcy over a 12-month horizon. All FRISK® scores are recalculated every night for each subsequent 12-month period.

FRISK® Score	BANKRUPTCY RISK RELATIVE TO THE HISTORICAL AVERAGE	
	FROM	TO
10	0.00x	0.12x
9	0.12x	0.27x
8	0.27x	0.34x
7	0.34x	0.55x
6	0.55x	0.87x
5	0.87x	1.40x
4	1.40x	2.10x
3	2.10x	4.00x
2	4.00x	9.99x
1	9.99x	50.00x

While the risk of bankruptcy varies at each FRISK® score, 96% of public companies that eventually go bankrupt enter the FRISK® "red zone" prior to filing. A FRISK® score of 5 or less is an important warning sign.

\* FRISK® score accuracy of 96% is based on backtesting of U.S. public companies; results may vary by country.

## THE FRISK® SCORE COMPONENTS

At the core of the CreditRiskMonitor® process is our 96% accurate FRISK® score, which indicates a company's level of financial stress on a scale of 1 to 10, based on the probability of bankruptcy over a 12-month horizon. When available, the FRISK® score incorporates a number of powerful risk indicators including:

A “Merton” type model using stock market capitalization and volatility

Financial ratios, including those used in the Altman Z”-Score Model

Bond agency ratings from Moody’s, Fitch, & DBRS Morningstar

## Crowdsourced CreditRiskMonitor® Usage Data

[Crowdsourcing](#) has enhanced the accuracy and timeliness of the FRISK® score. We collect and analyze data patterns from thousands of CreditRiskMonitor® subscribers, including professionals from more than 35% of the Fortune 1000 and other large corporations worldwide.

**The crowdsourcing advantage is even more powerful in our FRISK® score since many of the professionals who use our service are credit managers:**

- Credit managers control one of the largest sources of working capital going into a company
- They are not held to the same “Fair Disclosure” restrictions that prevent non-disclosed information sharing on public companies
- Credit managers use a variety of non-public information sources such as their own company’s management and sales representatives to be alerted to concerns in a public company’s performance
- It is commonly known credit managers confidentially share information with other credit managers, thus collectively, their behavior helps to provide advanced insight to financial problems in public companies

[Read more in Credit Research Foundation’s quarterly journal article, “Assessing Public Company Financial Risk by Crowdsourcing the Research of Credit Professionals”](#)

## DO NOT MISS THIS – MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

Making misleading or fraudulent statements in an MD&A is against the law – and Sarbanes-Oxley subjects CEOs and CFOs to heavy fines or even jail time for doing so. A vital feature of the CreditRiskMonitor service is the ability to quickly access a Company’s Management Discussion and Analysis (MD&A) history. Let it sink in: there are no two people in the world with better knowledge of a company’s liquidity risk than the CEO and CFO. More than any credit manager. More than any trade group. And they’re personally liable if they’re lying.

According to the Financial Accounting Standards Board (FASB), “MD&A should provide a balanced presentation that includes both positive and negative information about the topics discussed.”

**Report**

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Company News ▶ Phone: (412) 288-4600

Risk Ratings ▶

Annual Financials ▶

Year/Year Interim ▶

Sequential Quarters ▶

**Liquidity (MD&A) ▶**

SEC Filings

Peer Analysis

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**GNC Holdings, Inc.**  
300 6th Ave  
PITTSBURGH, PA 15222-2514 United States

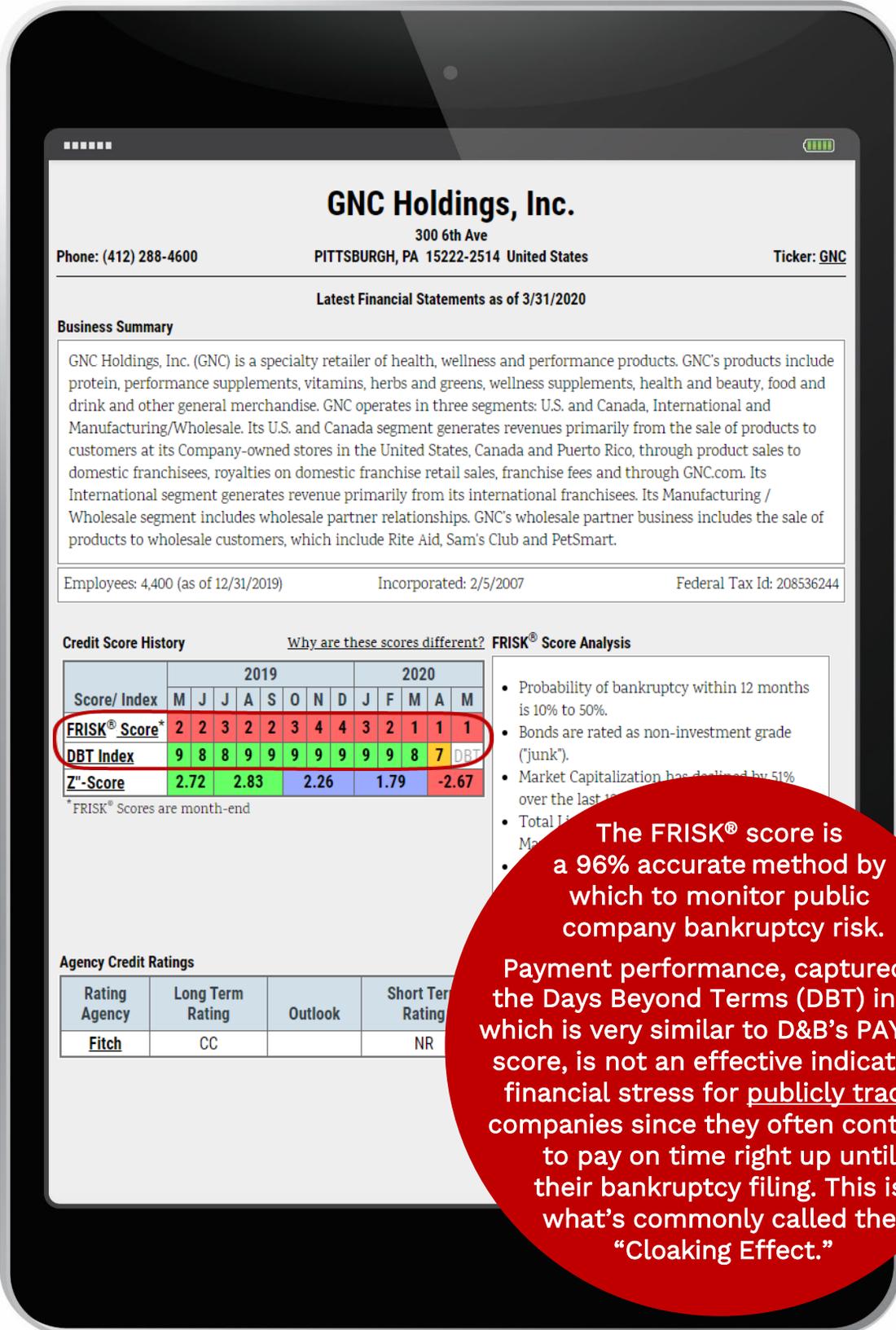
**Management Discussion and Analysis History**

As of March 31, 2020, we had \$19.9 million available under the Revolving Credit Facility, after giving effect to \$30.0 million borrowing outstanding, \$4.5 million utilized to secure letters of credit and \$26.6 million reduction to borrowing ability as a result of a decrease in net collateral. **During April 2020, we borrowed an additional \$30.0 million on the Revolving Credit Facility and as of April 30, 2020, we had \$60.0 million borrowing outstanding. As further discussed below, we have an accelerated maturity payment due on May 16, 2020 (the "Springing Maturity Date") that we do not have the ability to pay.**

Since we have not refinanced the \$738.7 million of Tranche B-2 Term Loan (the "Tranche B-2 Term Loan"), FILO Term Loan (the "FILO Term Loan") and Revolving Credit Facility (the "Revolving Credit Facility") that will become due on the Springing Maturity Date, **management has concluded there is substantial doubt regarding our ability to continue as a going concern within one year from the issuance date of our Consolidated Financial Statements. Failure to complete a refinancing or other restructuring, obtain an extension of the Springing Maturity Date as defined in the Credit Agreements, reach an agreement with required lender groups under the Credit Agreements prior to May 16, 2020 or to reach an agreement with our stakeholders on the terms of an out-of-court restructuring would have a material adverse effect on our liquidity, financial condition and operations and may result in filing a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code to implement a restructuring plan.** As of March 31, 2020, our outstanding indebtedness, including the Tranche B-2 Term Loan, FILO Term Loan, Revolving Credit Facility, and Senior Credit Facility, was \$738.7 million. In addition, we accelerated the maturity of the Tranche B-2 Term Loan, FILO Term Loan, and Senior Credit Facility. **We have continued to incur significant borrowings, may be unable to repay certain indebtedness, and could seek a voluntary bankruptcy petition should circumstances permit. Contact your account manager to discuss these important red flags.**

**You MUST understand trends, commitments, demands and uncertainties likely to result in a material change in Liquidity and Capital Resources, like if they can continue as a going concern. If you don't, you need help.**

# COMPANY REPORT DETAIL



## GNC Holdings, Inc.

300 6th Ave

Phone: (412) 288-4600

PITTSBURGH, PA 15222-2514 United States

Ticker: GNC

Latest Financial Statements as of 3/31/2020

### Business Summary

GNC Holdings, Inc. (GNC) is a specialty retailer of health, wellness and performance products. GNC's products include protein, performance supplements, vitamins, herbs and greens, wellness supplements, health and beauty, food and drink and other general merchandise. GNC operates in three segments: U.S. and Canada, International and Manufacturing/Wholesale. Its U.S. and Canada segment generates revenues primarily from the sale of products to customers at its Company-owned stores in the United States, Canada and Puerto Rico, through product sales to domestic franchisees, royalties on domestic franchise retail sales, franchise fees and through GNC.com. Its International segment generates revenue primarily from its international franchisees. Its Manufacturing / Wholesale segment includes wholesale partner relationships. GNC's wholesale partner business includes the sale of products to wholesale customers, which include Rite Aid, Sam's Club and PetSmart.

Employees: 4,400 (as of 12/31/2019)

Incorporated: 2/5/2007

Federal Tax Id: 208536244

### Credit Score History

[Why are these scores different?](#)

### FRISK® Score Analysis

Score/ Index	2019					2020							
	M	J	J	A	S	O	N	D	J	F	M	A	M
FRISK® Score*	2	2	3	2	2	3	4	4	3	2	1	1	1
DBT Index	9	8	8	9	9	9	9	9	9	9	8	7	DBT
Z®-Score	2.72		2.83		2.26			1.79		-2.67			

\*FRISK® Scores are month-end

- Probability of bankruptcy within 12 months is 10% to 50%.
- Bonds are rated as non-investment grade ("junk").
- Market Capitalization has declined by 51% over the last 12 months.
- Total Debt to Capitalization Ratio is 1.5x.
- Market Capitalization is \$1.2B.

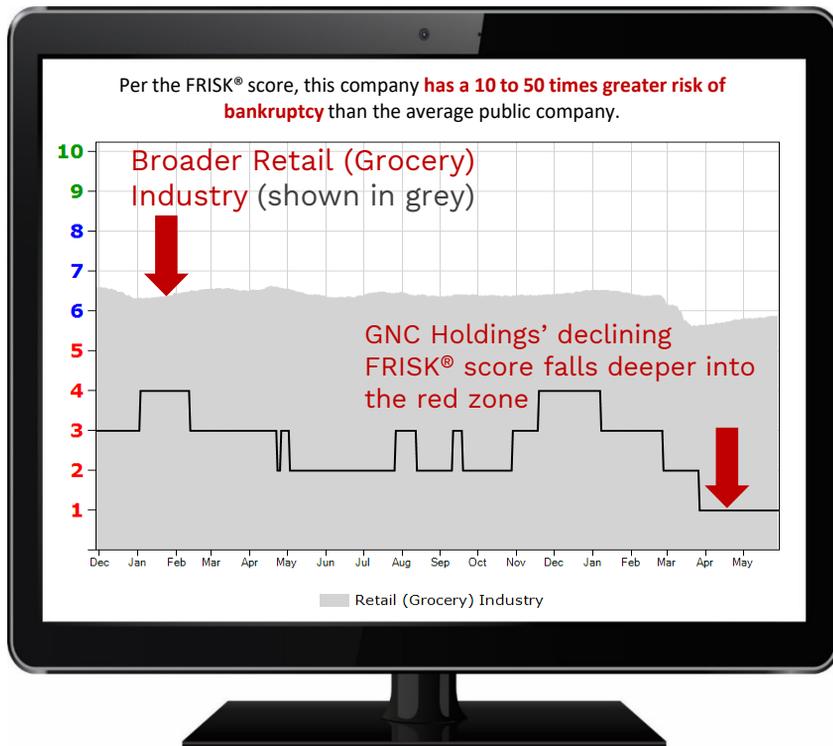
The FRISK® score is a 96% accurate method by which to monitor public company bankruptcy risk.

Payment performance, captured by the Days Beyond Terms (DBT) index, which is very similar to D&B's PAYDEX® score, is not an effective indicator of financial stress for publicly traded companies since they often continue to pay on time right up until their bankruptcy filing. This is what's commonly called the "Cloaking Effect."

### Agency Credit Ratings

Rating Agency	Long Term Rating	Outlook	Short Term Rating
Fitch	CC		NR

# FRISK® DEEP DIVE



The FRISK® score relative to the broader Retail (Grocery) industry raises an additional red flag signaling heightened risk relative to peers, as well...

**MAKING IMMEDIATE ATTENTION REQUIRED.**

# ADJUSTED MARKET CAP VOLATILITY



One of the inputs of the FRISK® score is a company's market cap volatility, adjusted for dividends, over the course of a year. Incorporating this information allows us to capture the "wisdom of markets" on a daily basis. This ensures our subscribers are getting the most up to date view of the risks they face since stocks tend to be more liquid and faster moving than bond prices and ratings.

# FRISK® STRESS INDEX

#	Business Name	Country	Current FRISK® score
1	<a href="#">GNC Holdings, Inc.</a>	United States	1
2	<a href="#">Dizun International Enterprises Inc</a>	Canada	2
3	<a href="#">Youngevity International Inc</a>	United States	3
4	<a href="#">DavidsTea Inc</a>	Canada	3
5	<a href="#">Relevium Technologies Inc</a>	Canada	3
6	<a href="#">Boomer Holdings Inc</a>	United States	3
7	<a href="#">Trident Brands Inc</a>	United States	3
8	<a href="#">Rocky Mountain Liquor Inc</a>	Canada	3
9	<a href="#">Fire &amp; Flower Holdings Corp</a>	Canada	3
10	<a href="#">BioNeutra Global Corp</a>	Canada	4

## FRISK® Stress Index - SIC classification: Miscellaneous food stores located in All Countries

[See COVID-19 Impact on Frisk Scores around the world..](#)

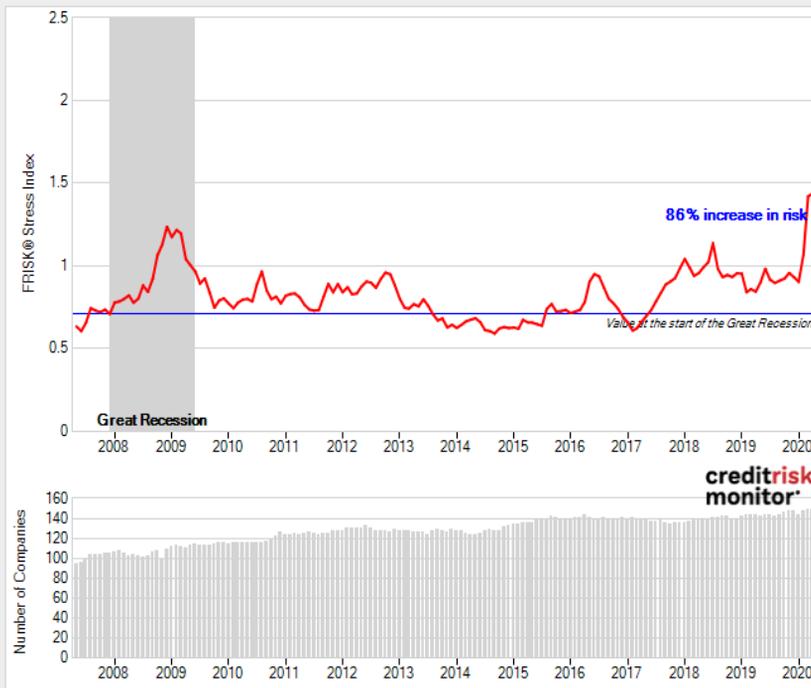
Primary industry codes only
  Primary and secondary industry codes

Businesses From:  CLEAR  
 In Industry:   
 Country:

**UPDATE RESULTS**

Scale:

Total Companies in all months **235**



The FRISK® Stress Index shows the collective probability of failure in a group of companies (such as an industry, country or portfolio) over the next 12 months. It is designed to show trends in risk level across groups of companies and is shown on a zero to 50 scale, with 50 being the most risky.

**The average probability of failure for SIC code 5499 (Miscellaneous food stores) has increased 86% since 2007.** GNC Holdings is among the weakest names in the industry as evidenced by its FRISK® score of 1.

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# PEER ANALYSIS ON ALTERNATE SUPPLIERS AND CUSTOMERS

The Peer Analysis expands to provide a ranking of a company's competitors, which can help provide options for alternate suppliers or new customers

Analysis: SIC classification: Miscellaneous food stores

Calendar Year/Quarter: 2020.1

Businesses in Peer Group: 388	Ranking Within Peer Group	Number Of Peers Ranked	Company Value	Peer Group Range		
				Low	Median	High
<b>Credit Ratings</b>						
Z-Score	58	65	-2.67	-30,758.41	1.85	15.25
<b>Performance ratios:</b>						
Net Sales (Thousands of U.S. Dollars)	4	12	472,581	0	204,968	75,452,000
Gross Margin % Of Sales	24	65	35.60	-255.85	30.30	81.02
Gross Margin % Of Sales -- TTM	24	66	34.39	-577.14	29.95	77.89
SGA % Of Sales	43	62	30.59	3.04	24.31	894.34
SGA % Of Sales -- TTM	39	63				
Operating Margin % Of Sales	60	66				
Operating Margin % Of Sales -- TTM	55	66				
EBITDA Margin Of Sales	29	32				
EBITDA Margin Of Sales -- TTM	39	47				
Net Profit Margin % Of Sales	60	66				
Net Profit Margin % Of Sales -- TTM	58	66				
Pre-tax Income % Of Sales	60	66				
Effective Tax Rate	40	65				
Depreciation % Of Prop/Plant/Equipment	13	62	7.71	3.40	11.78	587.30
Capital Expense % Of Prop/Plant/Equipment	8	59	3.79	0.29	8.84	296.81
Interest Coverage	27	31	-3.33	-110.85	5.71	63.51
Interest Coverage -- TTM	34	43	-0.33	-177.04	6.80	4,831.41
<b>Liquidity ratios:</b>						
Cash Ratio	54	67	0.11	0.00	0.28	8.29
Quick Ratio	57	64	0.18	0.01	0.70	8.44
Current Ratio	64	67	0.50	0.09	1.15	9.38
<b>Efficiency ratios:</b>						
Accounts Receivable Turnover	29	64	18.84	1.63	15.75	2,176.73
Days Sales Outstanding	31	66	19.37	0.00	22.89	223.91
% of Inventory Financed by Vendors	45	60	44.82	7.57	86.55	2,763.75
% of Inventory Financed by Vendors -- TTM	47	61	43.33	6.85	79.16	6,218.61
Inventory Turnover	48	66	3.22	0.00	5.89	153.27
Inventory Turnover -- TTM	50	66	3.22	0.00	5.22	129.89
Days Sales in Inventory	48	65				
Inventory to Working Capital	60	66				
Accounts Payable Turnover	27	61				
Accounts Payable Turnover -- TTM	23	61				
<b>Leverage &amp; debt coverage:</b>						
Total Debt to Equity Ratio		56				
Debt to Tangible Equity Ratio		53				
Total Debt to Assets Ratio	56	62				
Short-Term Debt % of Total Debt	60	62	100.00	0.00	36.13	100.00
Short-Term Debt % of Working Capital	51	62	-141.72	-15,402.92	2.62	1,353.59
Liabilities to Net Worth Ratio		58			0.15	1.27
Total Liabilities to Equity Ratio		61			0.14	21.72
TTM EBITDA to Total Debt	37	46	-0.05	-6.85	0.30	63.77
Net Debt to TTM EBITDA		36			-5.73	0.77

Rank	Company Name
1	Natural Grocers by Vitamin Cottage Inc
2	Hawkins, Inc.
3	Amazon.com, Inc.

Rank	Company Name
1	Canterbury Park Holding Corp
2	Natural Grocers by Vitamin Cottage Inc
3	Hawkins, Inc.

Green - Ranked in Upper Quartile of Peer Group  
 White - Ranked in the Middle Two Quartiles of Peer Group  
 Red - Ranked in Lower Quartile of Peer Group  
 Orange - Confidential  
 Grey - Data is Not Available

TTM = trailing 12 months  
 N/A = Not Available

GNC Holdings demonstrates bottom quartile ranking in key financial ratios (shown in red) versus its industry peers.

# QUARTERLY PERFORMANCE RATIOS

Declining sales and net losses in four of the last five fiscal quarters

Poor interest coverage ratio & extremely limited free cash flow

## Performance Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	3 mos 3/31/2020	3 mos 12/31/2019	3 mos 9/30/2019	3 mos 6/30/2019	3 mos 3/31/2019
<b>Net Sales \$</b>	<b>\$472,581</b>	<b>\$470,351</b>	<b>\$499,076</b>	<b>\$533,997</b>	<b>\$564,764</b>
% change	0.47%	-5.76%	-6.54%	-5.45%	3.09%
<b>Gross Margin \$</b>	<b>\$168,218</b>	<b>\$154,919</b>	<b>\$162,628</b>	<b>\$193,744</b>	<b>\$203,091</b>
% change	8.58%	-4.74%	-16.06%	-4.60%	17.78%
% of sales	35.60%	32.94%	32.59%	36.28%	35.96%
change as % of incremental sales	596.37%	n/m	n/m	n/m	181.37%
<b>SG&amp;A \$</b>	<b>\$144,542</b>	<b>\$138,519</b>	<b>\$135,795</b>	<b>\$143,840</b>	<b>\$148,303</b>
% change	4.35%	2.01%	-5.59%	-3.01%	-2.25%
% of sales	30.59%	29.45%	27.21%	26.94%	26.26%
change as % of incremental sales	270.09%	n/m	n/m	n/m	-20.22%
<b>Operating margin \$</b>	<b>(\$166,034)</b>	<b>\$13,889</b>	<b>\$26,654</b>	<b>\$51,932</b>	<b>\$18,695</b>
% change	-1,295.44%	-47.89%	-48.68%	177.79%	-78.15%
% of sales	-35.13%	2.95%	5.34%	9.73%	3.31%
change as % of incremental sales	-8,068.30%	n/m	n/m	n/m	-395.51%
<b>EBITDA \$</b>	<b>(\$158,176)</b>	<b>\$22,141</b>	<b>\$35,120</b>	<b>\$60,446</b>	<b>\$28,885</b>
% change	-814.40%	-36.96%	-41.90%	109.26%	-70.27%
% of sales	-33.47%	4.71%	7.04%	11.32%	5.11%
change as % of incremental sales	-8,085.96%	n/m	n/m	n/m	-403.95%
<b>EBIT \$</b>	<b>(\$166,034)</b>	<b>\$13,889</b>	<b>\$26,654</b>	<b>\$51,932</b>	<b>\$18,695</b>
% change	-1,295.44%	-47.89%	-48.68%	177.79%	-78.28%
% of sales	-35.13%	2.95%	5.34%	9.73%	3.31%
change as % of incremental sales	-8,068.30%	n/m	n/m	n/m	-398.54%
<b>Pre-tax income \$</b>	<b>(\$213,478)</b>	<b>(\$10,444)</b>	<b>\$2,198</b>	<b>\$26,968</b>	<b>(\$14,261)</b>
% change	-1,944.03%	-575.16%	-91.85%	289.10%	-128.85%
% of sales	-45.17%	-2.22%	0.44%	5.05%	-2.53%
change as % of incremental sales	-9,104.66%	n/m	n/m	n/m	-376.80%
<b>Net income (loss) \$</b>	<b>(\$200,086)</b>	<b>(\$33,490)</b>	<b>(\$2,418)</b>	<b>\$16,058</b>	<b>(\$15,262)</b>
% change	-497.45%	-1,285.03%	-115.06%	205.22%	-125.94%
% of sales	-42.34%	-7.12%	-0.48%	3.01%	-2.70%
change as % of incremental sales	-7,470.67%	n/m	n/m	n/m	-438.39%
<b>Tax expense \$</b>	<b>(\$53,035)</b>	<b>\$24,150</b>	<b>\$5,733</b>	<b>\$13,030</b>	<b>\$1,956</b>
Effective tax rate	24.84%	-231.23%	260.83%	48.32%	-13.72%
<b>Depreciation expense \$</b>	<b>\$7,858</b>	<b>\$8,252</b>	<b>\$8,466</b>	<b>\$8,514</b>	<b>\$10,190</b>
% of sales	1.66%	1.75%	1.70%	1.59%	1.80%
% of capital expenses	203.68%	195.64%	189.27%	247.28%	337.75%
% of PP&E, net (annualized)	7.71%	7.42%	7.33%	7.03%	12.50%
<b>Capital expenditures \$</b>	<b>\$3,858</b>	<b>\$4,218</b>	<b>\$4,473</b>	<b>\$3,443</b>	<b>\$3,017</b>
% change	-8.53%	-5.70%	29.92%	14.12%	-46.37%
% of PP&E, net (annualized)	3.79%	3.79%	3.87%	2.84%	3.70%
% of working capital (annualized)	-5.59%	17.58%	9.47%	5.01%	3.65%
<b>Interest coverage ratio</b>	<b>(3.33)</b>	<b>0.91</b>	<b>1.44</b>	<b>2.42</b>	<b>0.88</b>
% change	-465.71%	-36.64%	-40.69%	176.25%	-66.95%
<b>Free cash flow \$</b>	<b>(\$15,943)</b>	<b>(\$5,336)</b>	<b>\$27,842</b>	<b>(\$6,831)</b>	<b>\$65,694</b>
% change	-198.78%	-119.17%	507.58%	-110.40%	90.13%
Source:	10-Q 5/11/2020	10-K 3/25/2020	10-Q 10/25/2019	10-Q 7/22/2019	10-Q 5/2/2019

# QUARTERLY LEVERAGE RATIOS

COVID-19 impairment charge sends shareholders' equity into a deficit and further weakens tangible net worth

Short-term debt increased to 100%, indicating funding pressures and high refinancing risk

## Leverage Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
<b>Total debt \$</b>	<b>\$895,022</b>	<b>\$862,565</b>	<b>\$858,586</b>	<b>\$854,740</b>	<b>\$888,353</b>
% change	3.76%	0.46%	0.45%	-3.78%	-22.91%
<b>Stockholders' equity \$</b>	<b>(\$190,995)</b>	<b>\$4,132</b>	<b>\$35,727</b>	<b>\$37,543</b>	<b>\$22,311</b>
% change	-4,722.34%	-88.43%	-4.84%	68.27%	119.52%
<b>Total debt to equity ratio</b>	<b>n/a</b>	<b>208.75</b>	<b>24.03</b>	<b>22.77</b>	<b>39.82</b>
% change	n/a	768.65%	5.56%	-42.82%	n/a
<b>Tangible net worth \$</b>	<b>(\$523,438)</b>	<b>(\$446,995)</b>	<b>(\$416,744)</b>	<b>(\$416,571)</b>	<b>(\$432,983)</b>
% change	-17.10%	-7.26%	-0.04%	3.79%	33.24%
<b>Total assets \$</b>	<b>\$1,415,957</b>	<b>\$1,650,587</b>	<b>\$1,683,881</b>	<b>\$1,688,207</b>	<b>\$1,770,137</b>
% change	-14.21%	-1.98%	-0.26%	-4.63%	15.86%
<b>Total debt to assets ratio</b>	<b>0.63</b>	<b>0.52</b>	<b>0.51</b>	<b>0.51</b>	<b>0.50</b>
% change	20.95%	2.49%	0.71%	0.88%	-33.45%
<b>Tangible assets \$</b>	<b>\$1,083,514</b>	<b>\$1,199,460</b>	<b>\$1,231,410</b>	<b>\$1,234,093</b>	<b>\$1,314,843</b>
% change	-9.67%	-2.59%	-0.22%	-6.14%	32.33%
<b>Short-term debt \$</b>	<b>\$895,022</b>	<b>\$180,566</b>	<b>\$152,919</b>	<b>\$0</b>	<b>\$0</b>
% change	395.68%	18.08%	n/m	n/m	-100.00%
<b>Short-term debt % of total debt</b>	<b>100.00%</b>	<b>20.93%</b>	<b>17.81%</b>	<b>0.00%</b>	<b>0.00%</b>
% change	377.70%	17.53%	n/m	n/m	-100.00%
<b>Short-term debt % of working capital</b>	<b>-141.72%</b>	<b>228.75%</b>	<b>135.37%</b>	<b>0.00%</b>	<b>0.00%</b>
% change	-161.95%	68.98%	n/m	n/m	-100.00%
<b>Total liabilities \$</b>	<b>\$1,606,952</b>	<b>\$1,646,455</b>	<b>\$1,648,154</b>	<b>\$1,650,664</b>	<b>\$1,747,826</b>
% change	-2.40%	-0.10%	-0.15%	-5.56%	6.43%
<b>Total liabilities to equity ratio</b>	<b>n/a</b>	<b>398.46</b>	<b>46.13</b>	<b>43.97</b>	<b>78.34</b>
% change	n/a	763.75%	4.92%	-43.88%	n/a
<b>Total debt to EBITDA ratio (annualized)</b>	<b>n/a</b>	<b>9.74</b>	<b>6.11</b>	<b>3.54</b>	<b>7.69</b>
% change	n/a	59.36%	72.89%	-54.02%	159.32%
Source:			10-Q 10/25/2019	10-Q 7/22/2019	10-Q 5/2/2019

Total debt to EBITDA ratio trends on par with a highly speculative corporate borrower

# QUARTERLY LIQUIDITY RATIOS AND RATES OF RETURN

Rapid decline in working capital

Meager cash and quick ratios

## Liquidity Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
<b>Current assets \$</b>	<b>\$629,673</b>	<b>\$639,761</b>	<b>\$645,051</b>	<b>\$628,061</b>	<b>\$684,948</b>
% change	-1.58%	-0.82%	2.71%	-8.31%	-14.82%
% of short-term debt	70.35%	354.31%	421.83%	n/a	n/a
<b>Current liabilities \$</b>	<b>\$1,261,209</b>	<b>\$560,825</b>	<b>\$532,088</b>	<b>\$363,147</b>	<b>\$399,545</b>
% change	124.88%	5.40%	46.52%	-9.11%	-6.58%
<b>Working capital \$</b>	<b>(\$631,536)</b>	<b>\$78,936</b>	<b>\$112,963</b>	<b>\$264,914</b>	<b>\$285,403</b>
% change	-900.06%	-30.12%	-57.36%	-7.18%	-24.19%
% of sales (annualized)	-33.41%	4.20%	5.66%	12.40%	12.63%
<b>Cash \$</b>	<b>\$137,444</b>	<b>\$117,046</b>	<b>\$121,857</b>	<b>\$95,893</b>	<b>\$137,117</b>
% change	17.43%	-3.95%	27.08%	-30.06%	103.97%
% of short-term debt	15.36%	64.82%	79.69%	n/a	n/a
<b>Cash ratio</b>	<b>0.11</b>	<b>0.21</b>	<b>0.23</b>	<b>0.26</b>	<b>0.34</b>
% change	-47.77%	-8.86%	-13.29%	-23.05%	118.32%
<b>Quick assets \$</b>	<b>\$227,923</b>	<b>\$227,226</b>	<b>\$232,910</b>	<b>\$206,889</b>	<b>\$256,469</b>
% change	0.31%	-2.44%	12.58%	-19.33%	31.83%
% of short-term debt	25.47%	125.84%	152.31%	n/a	n/a
<b>Quick ratio</b>	<b>0.18</b>	<b>0.41</b>	<b>0.44</b>	<b>0.57</b>	<b>0.64</b>
% change	-55.40%	-7.43%	-23.17%	-11.25%	41.14%
<b>Current ratio</b>	<b>0.50</b>	<b>1.14</b>	<b>1.21</b>	<b>1.73</b>	<b>1.71</b>
% change	-56.23%	-5.91%	-29.90%	0.89%	-8.82%
Source:	10-Q 5/11/2020	10-K 3/25/2020	10-Q 10/25/2019	10-Q 7/22/2019	10-Q 5/2/2019

Mediocre returns on equity and assets

## Rate of Return - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	3 mos 3/31/2020	3 mos 12/31/2019	3 mos 9/30/2019	3 mos 6/30/2019	3 mos 3/31/2019
<b>Return on equity</b>	<b>-4,842.35%</b>	<b>-93.74%</b>	<b>-6.44%</b>	<b>71.97%</b>	<b>n/a</b>
% change	-5,065.80%	-1,355.43%	-108.95%	n/a	n/a
<b>Return on total assets</b>	<b>-13.05%</b>	<b>-2.01%</b>	<b>-0.14%</b>	<b>0.93%</b>	<b>-0.93%</b>
% change	-549.65%	-1,300.77%	-115.44%	200.35%	-123.65%
<b>Return on tangible assets</b>	<b>-17.53%</b>	<b>-2.76%</b>	<b>-0.20%</b>	<b>1.26%</b>	<b>-1.32%</b>
% change	-536.15%	-1,305.10%	-115.56%	195.29%	-121.50%
Source:	10-Q 5/11/2020	10-K 3/25/2020	10-Q 10/25/2019	10-Q 7/22/2019	10-Q 5/2/2019

# ANNUAL STATEMENT OF CASH FLOWS

Working capital release and limited capex temporarily support cash flow

## Statement of Cash Flows - Annual - Standardized

(Thousands of U.S. Dollars)

Period Ended	12 mos 12/31/2019	12 mos 12/31/2018	12 mos 12/31/2017 Reclassified 12/31/2018	12 mos 12/31/2016 Reclassified 12/31/2018	12 mos 12/31/2015
<b>Cash Flows from Operating Activities:</b>					
Net income	(\$35,112)	\$69,780	(\$150,262)	(\$285,219)	\$219,299
Depreciation/depletion	35,422	47,105	56,809	60,038	57,237
Deferred taxes	20,596	(23,265)	(191,578)	(30,427)	450
Non-cash Items	61,207	(20,794)	468,003	482,042	33,454
Changes in working capital	14,407	23,042	37,536	(18,236)	44,093
<b>Total cash from operating activities</b>	<b>96,520</b>	<b>95,868</b>	<b>220,508</b>	<b>208,198</b>	<b>354,533</b>
<b>Cash Flows from Investing Activities:</b>					
Capital expenditures	(15,151)	(18,981)	(32,123)	(59,579)	(45,827)
Other investing cash flow items, total	88,537	2,514	8,361	37,159	178
<b>Total cash from investing activities</b>	<b>73,386</b>	<b>(16,467)</b>	<b>(23,762)</b>	<b>(22,420)</b>	<b>(45,649)</b>
<b>Cash Flows from Financing Activities:</b>					
Financing cash flow items	(10,598)	(35,531)	(253)	(2,834)	(8,195)
Total cash dividends paid	n/a	0	0	(55,336)	(59,648)
Issuance/retirement of stock, net	187,136	96,413	0	(228,816)	(478,055)
Issuance/retirement of debt, net	(295,794)	(136,650)	(167,853)	79,450	161,440
<b>Total cash from financing activities</b>	<b>(119,256)</b>	<b>(75,768)</b>	<b>(168,106)</b>	<b>(207,536)</b>	<b>(384,458)</b>
Foreign exchange effects	(828)	(410)	897	(240)	(1,798)
<b>Net change in cash</b>	<b>49,822</b>	<b>3,223</b>	<b>29,537</b>	<b>(21,998)</b>	<b>(77,372)</b>
<b>Net cash-beginning balance</b>	<b>67,224</b>	<b>64,001</b>	<b>34,464</b>	<b>56,462</b>	<b>133,834</b>
<b>Net cash-ending balance</b>	<b>\$117,046</b>	<b>\$67,224</b>	<b>\$64,001</b>	<b>\$34,464</b>	<b>\$56,462</b>
<b>Supplemental Disclosures:</b>					
Cash interest paid	\$83,284	\$104,342	\$51,205	\$47,597	\$42,911
Cash taxes paid, supplemental	\$13,808	(\$3,841)	\$35,476	\$93,216	\$121,006
Auditor/Opinion:	Pricewaterhouse Coopers LLP <b>Unqualified</b>				
Source:	10-K 3/25/2020	10-K 3/13/2019	10-K 3/13/2019	10-K 3/13/2019	10-K 2/11/2016

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