

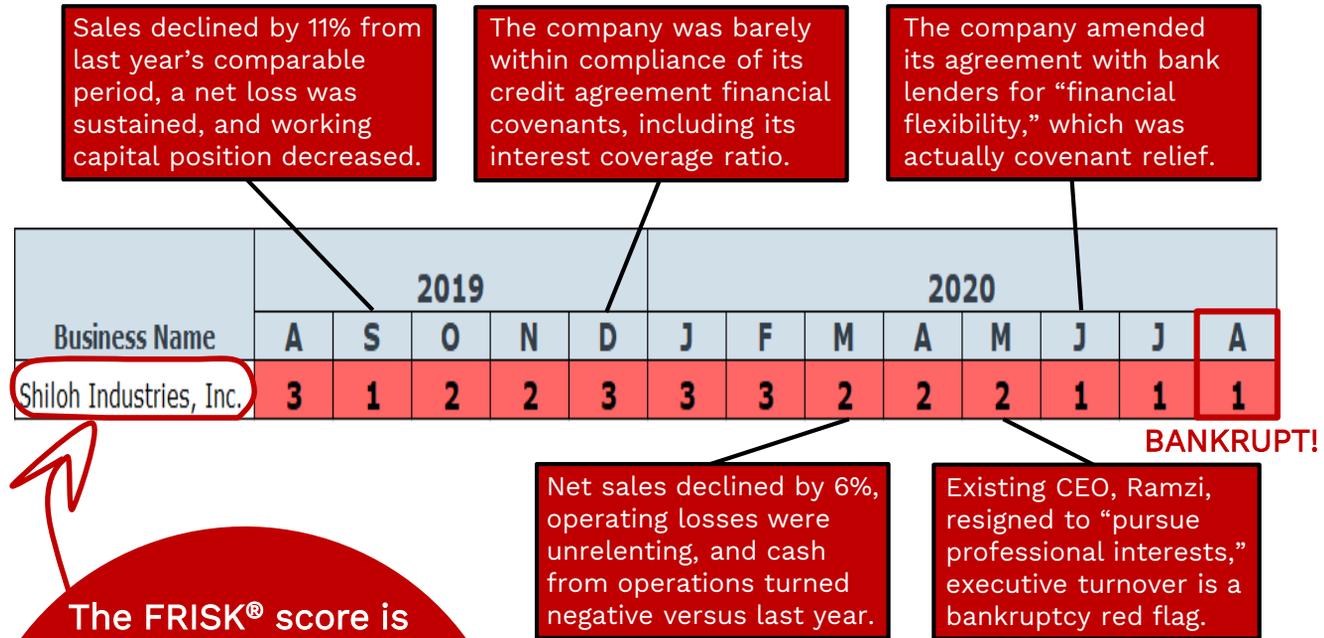


CreditRiskMonitor’s warning of Shiloh Industries, Inc.’s (“Shiloh Industries”) bankruptcy risk was determined by a combination of factors:

| | |
|--|--------|
| Monthly Average FRISK [®] Score..... | Page 2 |
| The FRISK [®] Score Components..... | 3 |
| Management Discussion and Analysis..... | 4 |
| Company Report Detail..... | 5 |
| FRISK [®] Deep Dive and Adjusted Market Cap Volatility..... | 6 |
| FRISK [®] Stress Index..... | 7 |
| Peer Analysis on Alternate Suppliers and Customers..... | 8 |
| Quarterly Performance Ratios..... | 9 |
| Quarterly Leverage Ratios..... | 10 |
| Quarterly Liquidity Ratios and Rates of Return..... | 11 |
| Year over Year Statement of Cash Flows..... | 12 |
| News Alerts: A Timeline of Concerning News Items..... | 13 |
| _____ | |
| About This Report/Contact CreditRiskMonitor [®] | 14 |

MONTHLY AVERAGE FRISK® SCORE

CreditRiskMonitor's FRISK® score had been warning of financial stress at Shiloh Industries, Inc. (OTC: SHLOQ) for more than a year. The company ultimately filed for bankruptcy on August 30, 2020.



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: PROBABILITY OF BANKRUPTCY WITHIN 12 MONTHS

| | FRISK® | FROM | TO |
|-------|--------|-------|--------|
| BEST | 10 | 0.00% | 0.12% |
| | 9 | 0.12% | 0.27% |
| | 8 | 0.27% | 0.34% |
| | 7 | 0.34% | 0.55% |
| | 6 | 0.55% | 0.87% |
| WORST | 5 | 0.87% | 1.40% |
| | 4 | 1.40% | 2.10% |
| | 3 | 2.10% | 4.00% |
| | 2 | 4.00% | 9.99% |
| | 1 | 9.99% | 50.00% |

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

- Overview
- Company News
- Risk Ratings
- Important Information
- Annual Financials
- Year/Year Interim
- Sequential Quarters
- Liquidity (MD&A)**
- SEC Filings
- Peer Analysis
- Payments
- Public Filings
- General Info
- Access History
- Credit Limit
- Update Portfolio
- Print/Save Report
- Currency Converter
- Send This to a Colleague

Shiloh Industries, Inc.
880 Steel Dr
VALLEY CITY, OH 44280-9736 United States
Phone: (330) 558-2600

Filed for Bankruptcy on 8/30/2020
Case #20-12024, filed in the U.S. Bankruptcy Court for the District of Delaware

Management Discussion and Analysis History

Our ability to obtain adequate cash to fund our needs depends on our results of operations and the availability of financing. We believe that cash on hand, cash flow from operations and available borrowings under our Credit Agreement will be sufficient to fund capital expenditures and meet our operating obligations for the next twelve months. However, there can be no assurance that we will meet these expectations. The Credit Agreement contains customary restrictive and financial covenants, including covenants regarding our outstanding indebtedness and maximum leverage and interest coverage. We are in compliance with the financial covenants as of January 31, 2020 and October 31, 2019. However, a potential decline in automotive production, disruptions in supply chain, the impact of the coronavirus and other factors could adversely impact our ability to meet our obligations. For more information, refer to Risk Factors included in Part 1, Item 1A of our 2019 Annual Report. Net cash provided by financing activities for the three months ended January 31, 2020, and net cash used by financing activities for the three months ended January 31, 2020, were \$1.2 million and \$1.2 million, respectively. We borrowed more than we repaid during the three months ended January 31, 2020.

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.

About six months in advance of the bankruptcy filing, management disclosed prospective covenant compliance risks related to an economic downturn and that it had continued borrowing to fund operations. Contact your account manager to discuss these important red flags.

COMPANY REPORT DETAIL

Shiloh Industries, Inc.

880 Steel Dr

Phone: (330) 558-2600

VALLEY CITY, OH 44280-9736 United States

Ticker: SHLOQ

Filed for Bankruptcy on 8/30/2020

Case #20-12024, filed in the U.S. Bankruptcy Court for the District of Delaware

Latest Financial Statements as of 7/31/2020

Business Summary

Shiloh Industries, Inc. is a supplier of lightweighting, noise and vibration solutions to the automotive, commercial vehicle and industrial markets. The Company operates through Automotive and Commercial Vehicles segment. The Company offers portfolio of lightweighting solutions in aluminum, magnesium, steel and high strength steel alloys. The Company delivers these solutions through design, engineering and manufacturing of first operation blanks, engineered welded blanks, complex stampings, modular assemblies, and engineered aluminum and magnesium die casting and machined components. The Company offers its solutions through its BlankLight, CastLight and StampLight brands. The Company delivers solutions in body, chassis and powertrain systems to original equipment manufacturers (OEMs). The Company also provides intermediate steel processing services, such as oiling, leveling, cutting-to-length, slitting, edge trimming of hot and cold-rolled steel coils and inventory control services.

(Source: 10-K)

Employees: 3,600 (as of 10/31/2019)

Incorporated: 4/30/1993

Federal Tax Id: 510347683

Credit Score History

Why are these scores different? FRISK® Score Analysis

| Score/ Index | 2019 | | | 2020 | | | | | | | | | |
|---------------|------|---|------|------|------|---|---|---|-------|---|---|---|-------|
| | S | O | N | D | J | F | M | A | M | J | J | A | S |
| FRISK® Score* | 1 | 2 | 2 | 3 | 3 | 3 | 2 | 2 | 2 | 1 | 1 | 1 | 1 |
| DBT Index | 9 | 8 | 9 | 9 | 8 | 8 | 9 | 8 | 8 | 8 | 9 | 9 | 9 |
| Z"-Score | 1.77 | | 1.58 | | 1.53 | | | | -2.26 | | | | -5.75 |

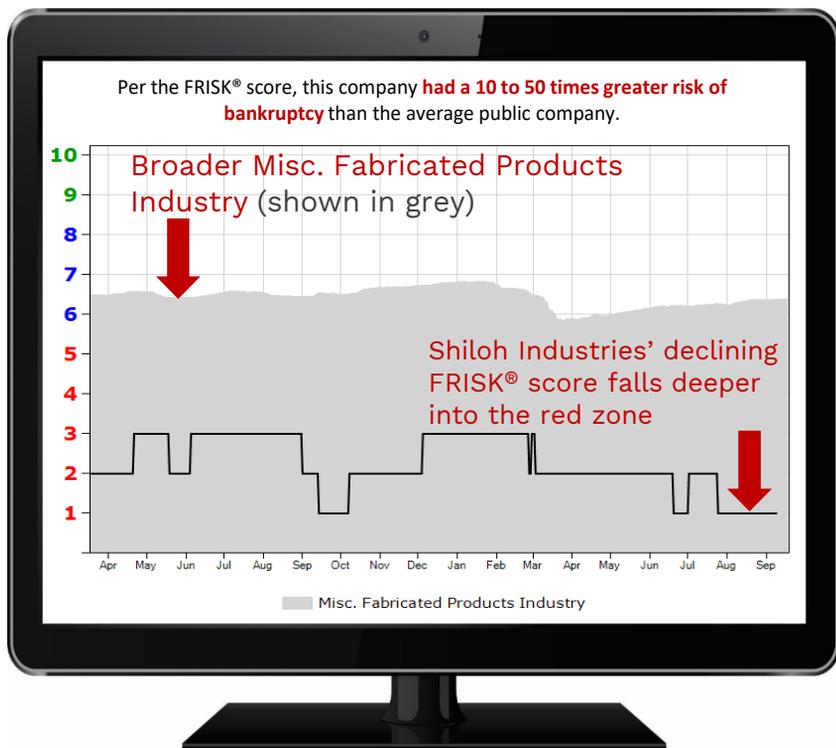
*FRISK® Scores are month-end

The Altman Z"-Score failed to provide an adequate warning signal by indicating consistently neutral financial health until the final quarter before bankruptcy.

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."

FRISK® DEEP DIVE



The FRISK® score relative to the broader Misc. Fabricated Products industry raised 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 | Shiloh Industries, Inc. | United States | 1 |
| 2 | Automotive Stampings and Assemblies Ltd | India | 2 |
| 3 | Gestamp Automocion SA | Spain | 2 |
| 4 | Saedong Co Ltd | South Korea | 2 |
| 5 | Indomobil Sukses Internasional Tbk PT | Indonesia | 3 |
| 6 | AAPICO Hitech PCL | Thailand | 3 |
| 7 | Tubos Reunidos SA | Spain | 2 |
| 8 | Innowise Co Ltd | South Korea | 3 |
| 9 | Jui Li Enterprise Co., Ltd. | Taiwan | 3 |
| 10 | Wooshin Systems Co., Ltd. | South Korea | 4 |

Primary industry codes only Primary and secondary industry codes

Businesses From: CLEAR

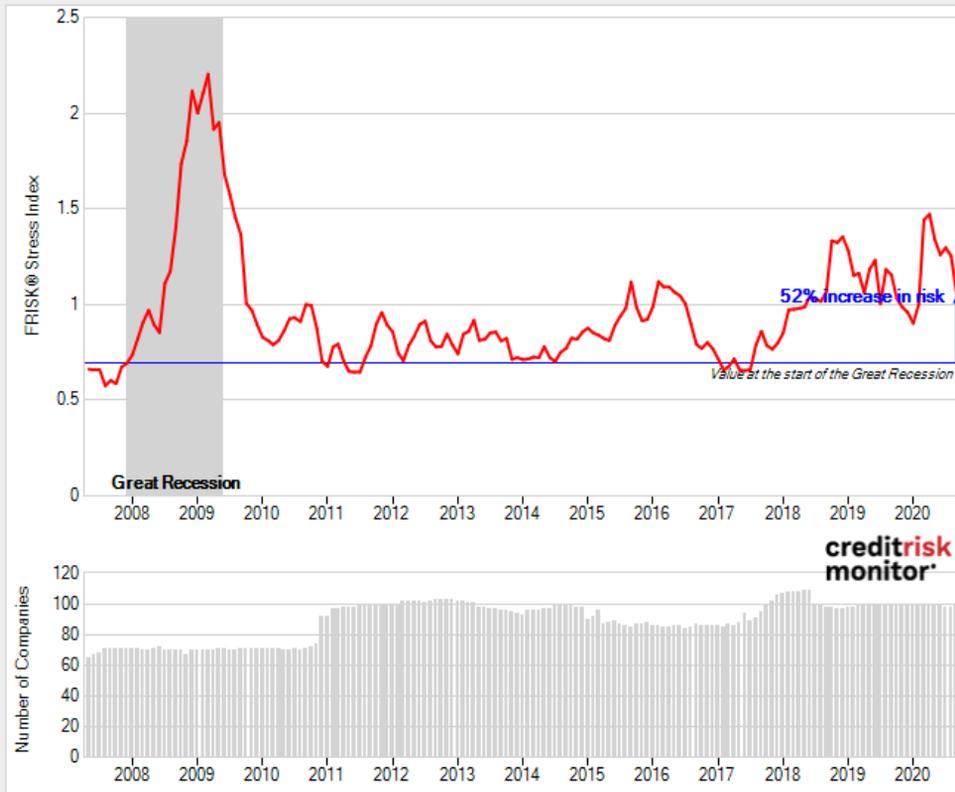
In Industry:

Country:

UPDATE RESULTS

Scale:

Total Companies in all months **141**



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 3465 (Automotive stampings) has increased 52% since 2007. Shiloh Industries was among the weakest names in the industry as evidenced by its FRISK® score of 1.

[Request a Personalized Demo](#)

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

Calendar Year/Quarter: 2020.2

Businesses in Peer Group: 288

| | Ranking Within Peer Group | Number Of Peers Ranked | Company Value | Peer Group Range | | |
|---|---------------------------|------------------------|---------------|------------------|--------|----------|
| | | | | Low | Median | High |
| Credit Ratings | | | | | | |
| Z-Score | 81 | 82 | -5.75 | -13.21 | 2.87 | 18.16 |
| Performance ratios: | | | | | | |
| | | | | | | |
| Net Sales (Thousands of U.S. Dollars) | 1 | 1 | | | | |
| Gross Margin % Of Sales | 73 | 90 | | | | |
| Gross Margin % Of Sales -- TTM | 85 | 90 | | | | |
| SGA % Of Sales | 60 | 88 | | | | |
| SGA % Of Sales -- TTM | 36 | 88 | | | | |
| Operating Margin % Of Sales | 90 | 91 | | | | |
| Operating Margin % Of Sales -- TTM | 88 | 91 | | | | |
| EBITDA Margin Of Sales | 44 | 45 | | | | |
| EBITDA Margin Of Sales -- TTM | 43 | 45 | | | | |
| Net Profit Margin % Of Sales | 89 | 91 | -88.26 | -563.52 | -1.75 | 85.20 |
| Net Profit Margin % Of Sales -- TTM | 89 | 91 | -26.13 | -196.74 | 1.79 | 69.06 |
| Pre-tax Income % Of Sales | 89 | 91 | -88.65 | -564.87 | -1.87 | 114.54 |
| Effective Tax Rate | 30 | 91 | 0.43 | -161.85 | 12.65 | 66.96 |
| Depreciation % Of Prop/Plant/Equipment | 56 | 67 | 15.49 | 3.62 | 11.00 | 33.47 |
| Capital Expense % Of Prop/Plant/Equipment | 22 | 69 | 6.02 | 0.23 | 9.15 | 56.26 |
| Interest Coverage | 43 | 43 | -22.28 | -22.28 | 3.50 | 67.06 |
| Interest Coverage -- TTM | 43 | 43 | -7.59 | -7.59 | 6.10 | 55.73 |
| Liquidity ratios: | | | | | | |
| Cash Ratio | 77 | 83 | 0.06 | 0.02 | 0.39 | 4.40 |
| Quick Ratio | 73 | 81 | 0.36 | 0.14 | 0.87 | 5.81 |
| Current Ratio | 80 | 83 | 0.54 | 0.30 | 1.43 | 6.78 |
| Efficiency ratios: | | | | | | |
| Accounts Receivable Turnover | 23 | 89 | 5.33 | 0.82 | 4.29 | 16.37 |
| Days Sales Outstanding | 25 | 91 | | | | |
| % of Inventory Financed by Vendors | 8 | 76 | | | | |
| % of Inventory Financed by Vendors -- TTM | 13 | 83 | | | | |
| Inventory Turnover | 5 | 91 | | | | |
| Inventory Turnover -- TTM | 6 | 91 | | | | |
| Days Sales in Inventory | 6 | 90 | | | | |
| Inventory to Working Capital | 80 | 83 | | | | |
| Accounts Payable Turnover | 25 | 83 | | | | |
| Accounts Payable Turnover -- TTM | 35 | 86 | | | | |
| Leverage & debt coverage: | | | | | | |
| Total Debt to Equity Ratio | 81 | 81 | | 0.00 | 0.52 | 16.70 |
| Debt to Tangible Equity Ratio | 80 | 80 | | 0.00 | 0.59 | 19.06 |
| Total Debt to Assets Ratio | 81 | 83 | 0.61 | 0.00 | 0.28 | 1.94 |
| Short-Term Debt % of Total Debt | 75 | 81 | 100.00 | 4.40 | 66.06 | 100.00 |
| Short-Term Debt % of Working Capital | 79 | 83 | -144.75 | -10,614.61 | 19.64 | 5,523.88 |
| Liabilities to Net Worth Ratio | | 80 | | 0.07 | 1.09 | 34.98 |
| Total Liabilities to Equity Ratio | | 81 | | 0.07 | 1.05 | 30.65 |
| TTM EBITDA to Total Debt | 43 | 44 | -0.44 | -2.07 | 0.22 | 17.22 |
| Net Debt to TTM EBITDA | | 42 | | -6.63 | 3.29 | 150.80 |

| Rank | Company Name |
|------|--|
| 1 | IST Ltd. |
| 2 | Kian Shen Corporation |
| 3 | Yangzhou Seashine New Materials Co Ltd |
| 4 | China Tianrui Automotive Interirs Co Ltd |
| 5 | Tianjin Ruixin Technology Co Ltd |

| Rank | Company Name |
|------|--|
| 1 | Yangzhou Seashine New Materials Co Ltd |
| 2 | Tianjin Ruixin Technology Co Ltd |
| 3 | Fine Blanking & Tool Co., Ltd. |
| 4 | Thai Rung Union Car PCL |
| 5 | Tekno SA Industria e Comercio |

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

Shiloh Industries demonstrated bottom quartile ranking in key financial ratios (shown in red) versus its industry peers.

QUARTERLY PERFORMANCE RATIOS

Revenue declined, EBIT margins turned negative, and persistent net losses

Extremely poor interest coverage ratio & free cash flow trends

Performance Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

| Period Ended | 3 mos 7/31/2020 | 3 mos 4/30/2020 | 3 mos 1/31/2020 | 3 mos 10/31/2019 | 3 mos 7/31/2019 |
|-----------------------------------|--------------------|--------------------|--------------------|---------------------|--------------------|
| Net Sales \$ | \$155,367 | \$157,928 | \$243,486 | \$258,959 | \$263,445 |
| % change | -1.62% | -35.14% | -5.98% | -1.70% | -3.63% |
| Gross Margin \$ | \$7,032 | (\$525) | \$19,289 | \$24,618 | \$23,588 |
| % change | 1,439.43% | -102.72% | -21.65% | 4.37% | -17.75% |
| % of sales | 4.53% | -0.33% | 7.92% | 9.51% | 8.95% |
| change as % of incremental sales | n/m | n/m | n/m | n/m | n/m |
| SG&A \$ | \$25,165 | \$16,191 | \$16,703 | \$20,243 | \$18,105 |
| % change | 55.43% | -3.07% | -17.49% | 11.81% | 7.26% |
| % of sales | 16.20% | 10.25% | 6.86% | 7.82% | 6.87% |
| change as % of incremental sales | n/m | n/m | n/m | n/m | n/m |
| Operating margin \$ | (\$130,476) | (\$49,098) | (\$1,736) | (\$7,544) | \$1,060 |
| % change | -165.75% | -2,728.23% | 76.99% | -811.70% | -84.46% |
| % of sales | -83.98% | -31.09% | -0.71% | -2.91% | 0.40% |
| change as % of incremental sales | n/m | n/m | n/m | n/m | n/m |
| EBITDA \$ | (\$119,867) | (\$37,530) | \$10,267 | \$4,512 | \$12,599 |
| % change | -219.39% | -465.54% | 127.55% | -64.19% | -29.63% |
| % of sales | -77.15% | -23.76% | 4.22% | 1.74% | 4.78% |
| change as % of incremental sales | n/m | n/m | n/m | n/m | n/m |
| EBIT \$ | (\$132,351) | (\$49,577) | (\$1,597) | (\$7,231) | \$947 |
| % change | -166.96% | -3,004.38% | 77.91% | -863.57% | -85.22% |
| % of sales | -85.19% | -31.39% | -0.66% | -2.79% | 0.36% |
| change as % of incremental sales | n/m | n/m | n/m | n/m | n/m |
| Pre-tax income \$ | (\$137,725) | (\$54,200) | (\$5,947) | (\$11,651) | (\$3,682) |
| % change | -154.11% | -811.38% | 48.96% | -216.43% | -243.83% |
| % of sales | -88.65% | -34.32% | -2.44% | -4.50% | -1.40% |
| change as % of incremental sales | n/m | n/m | n/m | n/m | n/m |
| Net income (loss) \$ | (\$137,134) | (\$58,707) | (\$3,680) | (\$13,652) | (\$2,709) |
| % change | -133.59% | -1,495.30% | 73.04% | -403.95% | -343.62% |
| % of sales | -88.26% | -37.17% | -1.51% | -5.27% | -1.03% |
| change as % of incremental sales | n/m | n/m | n/m | n/m | n/m |
| Tax expense \$ | (\$591) | \$4,507 | (\$2,267) | \$2,001 | (\$973) |
| Effective tax rate | 0.43% | -8.32% | 38.12% | -17.17% | 26.43% |
| Depreciation expense \$ | \$11,970 | \$11,535 | \$11,345 | \$11,226 | \$11,134 |
| % of sales | 7.70% | 7.30% | 4.66% | 4.34% | 4.23% |
| % of capital expenses | 257.20% | 157.47% | 98.46% | 170.56% | 72.32% |
| % of PP&E, net (annualized) | 15.49% | 12.41% | 12.82% | 13.57% | 13.43% |
| Capital expenditures \$ | \$4,654 | \$7,325 | \$11,522 | \$6,582 | \$15,395 |
| % change | -36.46% | -36.43% | 75.05% | -57.25% | -12.46% |
| % of PP&E, net (annualized) | 6.02% | 7.88% | 13.02% | 7.96% | 18.57% |
| % of working capital (annualized) | -8.46% | -41.21% | 65.25% | 37.36% | 80.74% |
| Interest coverage ratio | (22.28) | (8.11) | 2.36 | 1.02 | 2.72 |
| % change | -174.74% | -444.13% | 130.99% | -62.48% | -41.56% |
| Free cash flow \$ | (\$44,338) | (\$570) | (\$18,810) | \$310 | (\$3,797) |
| % change | -7,678.60% | 96.97% | -6,167.74% | 108.16% | 66.07% |
| Source: | 10-Q 9/9/2020 | 10-Q 7/24/2020 | 10-Q 3/4/2020 | 10-K 12/20/2019 | 10-Q 9/5/2019 |

QUARTERLY LEVERAGE RATIOS

Constant declines in shareholders' equity in the last five quarters until finally turning negative

Debt to assets ratio trended within the bottom quartile of automotive supplier industry peers

Leverage Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

| Period Ended | 7/31/2020 | 4/30/2020 | 1/31/2020 | 10/31/2019 | 7/31/2019 |
|--|-------------------|------------------|------------------|--------------------|------------------|
| Total debt \$ | \$324,779 | \$347,469 | \$267,080 | \$250,670 | \$248,743 |
| % change | -6.53% | 30.10% | 6.55% | 0.77% | 0.27% |
| Stockholders' equity \$ | (\$21,880) | \$100,818 | \$164,740 | \$167,514 | \$191,121 |
| % change | -121.70% | -38.80% | -1.66% | -12.35% | -2.07% |
| Total debt to equity ratio | n/a | 3.45 | 1.62 | 1.50 | 1.30 |
| % change | n/a | 112.59% | 8.34% | 14.98% | 2.38% |
| Tangible net worth \$ | (\$28,756) | \$88,759 | \$129,769 | \$132,094 | \$150,248 |
| % change | -132.40% | -31.60% | -1.76% | -12.08% | -2.28% |
| Total debt to tangible net worth | n/a | 3.91 | 2.06 | 1.90 | 1.66 |
| % change | n/a | 90.21% | 8.45% | 14.63% | 2.61% |
| Total assets \$ | \$530,070 | \$664,178 | \$695,599 | \$651,691 | \$674,288 |
| % change | -20.19% | -4.52% | 6.74% | -3.35% | -1.30% |
| Total debt to assets ratio | 0.61 | 0.52 | 0.38 | 0.38 | 0.37 |
| % change | 17.11% | 36.25% | -0.16% | 4.26% | 1.60% |
| Tangible assets \$ | \$523,194 | \$652,119 | \$660,628 | \$616,271 | \$633,415 |
| % change | -19.77% | -1.29% | 7.20% | -2.71% | -1.31% |
| Short-term debt \$ | \$324,779 | \$347,469 | \$1,885 | \$1,975 | \$350 |
| % change | -6.53% | 18,333.37% | -4.56% | 464.29% | -27.69% |
| Short-term debt % of total debt | 100.00% | 100.00% | 0.71% | 0.79% | 0.14% |
| % change | 0.00% | 14,068.32% | -10.42% | 459.99% | -27.88% |
| Short-term debt % of working capital | -144.75% | -161.16% | 2.57% | 2.91% | 0.48% |
| % change | 10.18% | -6,375.46% | -11.76% | 507.60% | -21.36% |
| Total liabilities \$ | \$551,950 | \$563,360 | \$530,859 | \$484,177 | \$483,167 |
| % change | -2.03% | 6.12% | 9.64% | 0.21% | -1.00% |
| Total liabilities to equity ratio | n/a | 5.59 | 3.22 | 2.89 | 2.53 |
| % change | n/a | 73.41% | 11.49% | 14.33% | 1.09% |
| Total liabilities to tangible net worth ratio | n/a | 6.35 | 4.09 | 3.67 | 3.22 |
| % change | n/a | 55.16% | 11.61% | 13.98% | 1.32% |
| Total debt to EBITDA ratio (annualized) | n/a | n/a | 6.50 | 13.89 | 4.94 |
| % change | | n/a | -53.18% | 181.40% | 42.49% |
| Source: | | | 10-Q 3/4/2020 | 10-K 12/20/2019 | 10-Q 9/5/2019 |

Short-term debt rose indicating a covenant breach and debt to EBITDA reached an excessive level

QUARTERLY LIQUIDITY RATIOS AND RATES OF RETURN

Limited working capital became a deficit

Inadequate cash and quick ratios

Liquidity Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

| Period Ended | 7/31/2020 | 4/30/2020 | 1/31/2020 | 10/31/2019 | 7/31/2019 |
|-------------------------------|--------------------|--------------------|------------------|--------------------|------------------|
| Current assets \$ | \$258,279 | \$278,200 | \$265,913 | \$275,999 | \$289,032 |
| % change | -7.16% | 4.62% | -3.65% | -4.51% | -3.73% |
| % of short-term debt | 79.52% | 80.06% | 14,106.79% | 13,974.63% | 82,580.57% |
| Current liabilities \$ | \$482,656 | \$493,805 | \$192,513 | \$208,138 | \$215,963 |
| % change | -2.26% | 156.50% | -7.51% | -3.62% | -2.18% |
| Working capital \$ | (\$224,377) | (\$215,605) | \$73,400 | \$67,861 | \$73,069 |
| % change | -4.07% | -393.74% | 8.16% | -7.13% | -8.04% |
| % of sales (annualized) | -36.10% | -34.13% | 7.54% | 6.55% | 6.93% |
| Cash \$ | \$30,262 | \$91,575 | \$12,260 | \$14,320 | \$11,936 |
| % change | -66.95% | 646.94% | -14.39% | 19.97% | -32.41% |
| % of short-term debt | 9.32% | 26.35% | 650.40% | 725.06% | 3,410.29% |
| Cash ratio | 0.06 | 0.19 | 0.06 | 0.07 | 0.06 |
| % change | -66.18% | 191.05% | -7.41% | 24.41% | -30.88% |
| Quick assets \$ | \$173,766 | \$181,377 | \$178,546 | \$188,265 | \$192,904 |
| % change | -4.20% | 1.59% | -5.16% | -2.40% | -9.05% |
| % of short-term debt | 53.50% | 52.20% | 9,471.94% | 9,532.41% | 55,115.43% |
| Quick ratio | 0.36 | 0.37 | 0.93 | 0.90 | 0.89 |
| % change | -1.99% | -60.39% | 2.53% | 1.27% | -7.03% |
| Current ratio | 0.54 | 0.56 | 1.38 | 1.33 | 1.34 |
| % change | -5.02% | -59.21% | 4.17% | -0.92% | -1.59% |
| Source: | 10-Q 9/9/2020 | 10-Q 7/24/2020 | 10-Q 3/4/2020 | 10-K 12/20/2019 | 10-Q 9/5/2019 |

Constantly negative quarterly returns

Rate of Return - Sequential Quarters

(Thousands of U.S. Dollars)

| Period Ended | 3 mos 7/31/2020 | 3 mos 4/30/2020 | 3 mos 1/31/2020 | 3 mos 10/31/2019 | 3 mos 7/31/2019 |
|--------------------------------------|--------------------|--------------------|--------------------|---------------------|--------------------|
| Return on equity | -136.02% | -35.64% | -2.20% | -7.14% | -1.39% |
| % change | -281.69% | -1,522.19% | 69.25% | -414.60% | -347.08% |
| Return on net tangible equity | -154.50% | -45.24% | -2.79% | -9.09% | -1.76% |
| % change | -241.52% | -1,523.88% | 69.34% | -415.74% | -346.92% |
| Return on total assets | -22.97% | -8.63% | -0.55% | -2.06% | -0.40% |
| % change | -165.97% | -1,480.60% | 73.47% | -415.96% | -343.95% |
| Return on tangible assets | -23.34% | -8.94% | -0.58% | -2.18% | -0.42% |
| % change | -160.91% | -1,451.72% | 73.62% | -414.22% | -343.78% |
| Source: | 10-Q 9/9/2020 | 10-Q 7/24/2020 | 10-Q 3/4/2020 | 10-K 12/20/2019 | 10-Q 9/5/2019 |

YEAR OVER YEAR STATEMENT OF CASH FLOWS

Steep deterioration of bottom line and operating cash flow

Net debt issuance for three consecutive years

Statement of Cash Flows - Year-over-Year - Standardized - Year-over-Year
(Thousands of U.S. Dollars)

| Period Ended | 9 mos 7/31/2020 | 9 mos 7/31/2019 | 9 mos 7/31/2018 | 9 mos 7/31/2017 | 9 mos 7/31/2016 |
|--|--------------------|--------------------|--------------------|--------------------|---------------------------|
| | | | | | Reclassified 7/31/2017 |
| Cash Flows from Operating Activities: | | | | | |
| Net income | (\$199,522) | (\$6,295) | \$19,935 | \$229 | (\$1,596) |
| Depreciation/depletion | 36,395 | 35,010 | 33,775 | 30,946 | 28,385 |
| Deferred taxes | 2,044 | 232 | (2,251) | 7,202 | 7,672 |
| Non-cash items | 138,452 | 686 | 5,618 | 5,077 | 2,854 |
| Changes in working capital | (17,586) | (5,279) | (6,196) | 26,064 | 12,205 |
| Total cash from operating activities | (40,217) | 24,354 | 50,881 | 69,518 | 49,520 |
| Cash Flows from Investing Activities: | | | | | |
| Capital expenditures | (23,501) | (48,643) | (38,668) | (32,564) | (18,023) |
| Other investing cash flow items, total | 3,274 | 18,208 | (59,785) | 8,685 | (150) |
| Total cash from investing activities | (20,227) | (30,435) | (98,453) | (23,879) | (18,173) |
| Cash Flows from Financing Activities: | | | | | |
| Financing cash flow items | (98) | (1,948) | (105) | (221) | (308) |
| Issuance/retirement of stock, net | n/a | 0 | 41 | 40,314 | 0 |
| Issuance/retirement of debt, net | 74,104 | 2,905 | 55,840 | (79,930) | (39,515) |
| Total cash from financing activities | 74,006 | 957 | 55,776 | (39,837) | (39,823) |
| Foreign exchange effects | 2,380 | 217 | 336 | (227) | (48) |
| Net change in cash | 15,942 | (4,907) | 8,540 | 5,575 | (8,524) |
| Net cash-beginning balance | 14,320 | 16,843 | 8,736 | 8,696 | 13,100 |
| Net cash-ending balance | \$30,262 | \$11,936 | \$17,276 | \$14,271 | \$4,576 |
| Supplemental Disclosures: | | | | | |
| Cash interest paid | n/a | n/a | 7,661 | 10,305 | 11,543 |
| Cash taxes paid, supplemental | n/a | n/a | 2,779 | 1,538 | 5,702 |
| Source: | 10-Q 9/9/2020 | 10-Q 9/5/2019 | 10-Q 9/7/2018 | 10-Q 8/29/2017 | 10-Q 8/29/2017 |

NEWS ALERTS: A TIMELINE OF CONCERNING NEWS ITEMS

| | | |
|--|-------------------|---|
| <p>Q2 2019 fiscal results – Although management guided for improved profitability, its net profit margin was only 0.4%. Additionally, anecdotal disclosures of market softness and restructuring measures were warning signs that the company may not achieve its financial targets. In the subsequent five quarters, net sales continued to fall and net losses were persistent.</p> | | |
| 06/10/2019 | CRMZ News Service | Shiloh Industries Reports Second Quarter Fiscal 2019 Results |
| <p>Shiloh Industries' FRISK® score was downgraded to a "1" for the first time, indicating a probability of bankruptcy between 10% and 50% within the next 12 months. This warning provided subscribers a major red flag that the business was dealing with severe financial uncertainty. According to our statistics, more than 65% of companies that go bankrupt are captured by the FRISK® score categories of "1" and "2."</p> | | |
| 09/14/2019 | CRMZ News Service | Shiloh Industries, Inc.: FRISK® score downgraded to 1 |
| <p>Q4 2019 filing: The company stated that it entered into its ninth credit amendment on June 6, 2019, which adjusted the consolidated leverage ratio and capacity to implement certain financial transactions. Management also provided no assurance as to whether financial covenants would remain satisfied in the future and noted that compliance could be strained during the next fiscal year.</p> | | |
| 12/20/2019 | CRMZ News Service | Shiloh Industries, Inc.: a Form 10-K has been filed with the SEC |
| <p>Management withdrew FY2020 guidance given the impact of the coronavirus pandemic. As a generalized statement, management could not determine the full extent of the COVID-19 impact on its business. Being a supplier to the cyclical automotive manufacturing industry would have a substantial adverse impact on operating and financial performance.</p> | | |
| 05/08/2020 | CRMZ News Service | Shiloh Industries, Inc. Withdraws FY2020 Outlook due to COVID-19 Uncertainty |
| <p>Shiloh Industries announced the departure of Jean Brunol, who resigned from his director position. The CEO also resigned in May, only two months beforehand. Abrupt exits from the executive management team and Board of Directors often transpire prior to a business' decline and eventual filing for bankruptcy.</p> | | |
| 07/08/2020 | CRMZ News Service | Shiloh Industries, Inc. files (8-K) Disclosing Change in Directors or Principal Officers |
| <p>Q2 2020 filing: The company reported a \$24.5 million asset impairment charge. As a result of operating performance deterioration, the company failed to satisfy its financial covenants and received a waiver in support of an effort to refinance its debt, among several other strategic alternatives. Such language is often present within public filings prior to a bankruptcy restructuring.</p> | | |
| 07/24/2020 | CRMZ News Service | Shiloh Industries, Inc.: a Form 10-Q has been filed with the SEC |
| <p>Shiloh Industries filed for Chapter 11 bankruptcy protection and received a commitment of approximately \$123.5 million of debtor-in-possession financing from its existing lenders to support the business during legal proceedings. This operator supplies parts to major auto manufacturers including BMW, Daimler AG, Ford Motor Co, and General Motors Co. Trade creditors are vulnerable during the restructuring process, many of which were steel producers that provided raw input materials.</p> | | |
| 08/30/2020 | PR Newswire | Shiloh Industries, Inc. Enters into Stock and Asset Purchase Agreement with Grouper Holdings, LLC, a Subsidiary of MiddleGround Capital |

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