

Singapore Company Guide

CapitaLand

Version 13 | Bloomberg: CAPL SP | Reuters: CATL.SI

Refer to important disclosures at the end of this report

DBS Group Research . Equity

8 Jan 2018

BUY

Last Traded Price (5 Jan 2018): S\$3.65 (STI : 3,489.45)

Price Target 12-mth: S\$4.35 (19% upside)

Analyst

Derek TAN +65 6682 3716 derektan@db.com

Rachel TAN +65 6682 3713 racheltanlr@db.com

What's New

- Sale of 20 malls for RMB8.4bn (S\$1.7bn) a positive strategic move
- Target divested portfolio are located in Tier 2/3 cities with limited scope for expansion
- Gain of S\$75m; proceeds of S\$66m could be redeployed to higher-yielding opportunities

Price Relative



Forecasts and Valuation

FY Dec (S\$ m)	2016A	2017F	2018F	2019F
Revenue	5,252	5,324	4,758	5,483
EBITDA	2,374	2,810	1,873	2,298
Pre-tax Profit	1,907	2,357	1,364	1,769
Net Profit	1,190	1,392	805	1,044
Net Pft (Pre Ex.)	1,190	1,392	805	1,044
Net Pft Gth (Pre-ex) (%)	11.7	16.9	(42.1)	29.6
EPS (S cts)	28.0	32.7	18.9	24.6
EPS Pre Ex. (S cts)	28.0	32.7	18.9	24.6
EPS Gth Pre Ex (%)	12	17	(42)	30
Diluted EPS (S cts)	28.0	32.7	18.9	24.5
Net DPS (S cts)	9.95	11.0	11.5	12.0
BV Per Share (S cts)	413	437	445	458
PE (X)	13.1	11.1	19.3	14.9
PE Pre Ex. (X)	13.1	11.1	19.3	14.9
P/Cash Flow (X)	4.7	13.2	17.3	12.2
EV/EBITDA (X)	13.5	11.5	17.7	14.6
Net Div Yield (%)	2.7	3.0	3.2	3.3
P/Book Value (X)	0.9	0.8	0.8	0.8
Net Debt/Equity (X)	0.4	0.4	0.4	0.4
ROAE (%)	6.7	7.7	4.3	5.4
Earnings Rev (%):	-	-	-	-
Consensus EPS (S cts):	21.5	21.2	21.7	
Other Broker Recs:	B: 17	S: 0	H: 5	

Source of all data on this page: Company, DBS Bank, Bloomberg Finance L.P

Focus on staying dominant in core cities

Maintain BUY and TP of S\$4.35. We continue to see value in CapitaLand Limited (CAPL) as we anticipate strong catalysts in the medium term to drive its share price higher. We believe that market has not factored in potential higher dividend payouts given the group's upward trajectory in recurring earnings. Stock remains cheap at 0.8x P/NAV compared to sector's average of 0.9x. BUY!

Where we differ: TP ahead of consensus average; potential for higher dividends which will surprise investors. We believe that our above consensus-average target price of close to 1x forward P/NAV is achievable given expectations that the group will deliver a robust set of results on the back of strong revaluation gains for its commercial portfolio, and locked-in sales for its residential portfolio. Most importantly, with recurring income projected to grow strongly from FY17F onwards, we see increasing potential that CAPL may raise dividends (payout ratio of 50%) progressively over the next few years on the back of a firmer footing, a non-consensus view at this moment. This will send a strong signal to investors of management's confidence in the group's financial position and earnings outlook.

Sale of 20 malls in China a positive catalyst. The proposed sale of 20 malls in China will empower the group with additional capital to deploy into other opportunities with a longer runway of growth. The target divested portfolio, in our view, will remain a drag on performance given that individually, the properties have limited scope for repositioning. Therefore, we believe that the divestment is a good opportunity.

Valuation:

Our target price of S\$4.35 is based on a 10% discount to our adjusted RNAV of S\$4.81/share.

Key Risks to Our View:

Slowdown in Asian economies. The risk to our view is if there is a slowdown in Asian economies, especially China, which could dampen demand for housing and private consumption.

At A Glance

Issued Capital (m shrs)	4,247
Mkt. Cap (S\$m/US\$m)	15,502 / 11,683
Major Shareholders (%)	
Temasek Holdings Private Ltd	40.0
Blackrock	6.0
Free Float (%)	54.0
3m Avg. Daily Val (US\$m)	23.8
ICB Industry : Real Estate / Real Estate	

WHAT'S NEW

Proposed sale of 20 malls in China to consortium led by China Vanke

What has happened:

- CapitaLand (CAPL) announced the proposed divestment of 20 China retail malls for an agreed property value of RMB8,365bn (S\$1,705.9m). The malls are spread across 19 cities, of which 14 are in non-core cities which has a single mall in each.
- The 20 malls are mainly from the CapitaLand Mall China Income Funds 1 & 2 and also from CapitaMalls Asia.
- The buyer is understood to be a joint venture between China Vanke, Vanke's subsidiary SCPG Commercial Property and Triwater, an affiliate of the fund.
- CAPL is expected to generate net proceeds of S\$660m and a net gain of c.S\$75m, based on its effective stake in the properties, which range from c.45-73% for individual assets.
- Loss of income from this mall is limited as the 20 malls account for 4% and 7% of total and China retail mall portfolio respectively.
- The transaction is expected to complete in 2Q18.
- **Asset reconstitution to drive value creation for shareholders.** This round of divestment comes on the back of the group's recent sale of CapitaLand Kunshan and acquisition of Rock Square in Guangzhou (JV with CapitaLand Retail China Trust). In addition, the recent opening of 1m sqm of retail space across eight developments in Singapore, China Malaysia, of which six of these properties are integrated developments, will drive NAV and earnings going forward. Earnings contribution from the sizeable newly completed properties are expected to more than compensate for the income loss from the sale from these 20 retail malls.
- **Exit yield estimated at close to 3.0%.** While not disclosed by management, we understand that portfolio yields on cost for malls in Tier 2/3 cities are close to 6.3%. Given the fair value gains recorded over the years since investment close to ten years ago, based on the agreed price of S\$1.7bn, we estimate that the exit yield could be about 3.0%.

Our thoughts:

- **Target portfolios are largely located in Tier 2/3 cities with limited scope for expansion.** We are positive on this deal as a majority of the 20 malls are mainly located in Tier 2/3 cities where CAPL does not have geographical scale, which makes it tough to manage with synergies and/or scale up operationally. We note that close to 15 out of the 20 malls are in cities that CAPL currently has only one operating mall.
- In addition, these malls are mainly covering c.40,000 sqm, which in management's view is subscale in today's operating environment in China. In our view, this means that the malls' smaller operational scale limits their product offering to investors. In addition, we note that a number of malls targeted to be divested have anchor tenants (i.e. Walmart) which take up a substantial space, limiting CAPL's ability to drive value through active management or repositioning of these assets. In addition, we understand that lease tenures for these anchors are usually fairly long, and therefore limits upside to capital values and operational performance in the medium term.
- **Sharpening focus in core cities.** The transaction will sharpen the group's geographical focus into cities where CAPL possesses a dominant advantage vs peers through having large-scale operational synergies. Post sale, CAPL's network will be concentrated in 22 cities vs 36 cities before and the group can then build meaningful scale in identified core city clusters.
- **A positive catalyst.** We believe that investors should take this news positively as this will empower the group with additional capital to invest in higher-yield properties with a longer growth runway. We believe that gains of c.S\$75m could be a stronger cause for potential higher dividends in FY18. Strategy-wise, it appears that the group has chosen to stay out of the current euphoria in the Singapore residential market and focus on investing in its core competencies and recycling its portfolio assets.

Portfolio of malls held by CapitaLand

CapitaLand's Mall Portfolio In China



Source of all data: Company, DBS Bank

Summary of divested malls

No	Mall	CAPL Stake	City	Valuation RMB'm	Expiry	GFA (sqm)	Source	Anchor
1	CAPL Beiguan	45.0%	Anyang	271	2046	36922	CCIF I	Wal-Mart
2	CAPL Chengnanyuan	45.0%	Nanchang	291	2045	56141	CCIF I	Wal-Mart
3	CAPL Cuiwei	45.0%	Beijing	1395	2046	38612	CCIF I	BHG
4	CAPL Deyang	45.0%	Deyang	322	2045	43167	CCIF I	Wal-Mart
5	CAPL Dongguan	45.0%	Dongguan	463	2055	41877	CCIF I	Various
6	CAPL Guicheng	73.0%	Foshan	602	2044	41400	CMA / CCIFI	Walmart
7	CAPL Jinshui	30.0%	Zhengzhou	610	2045	44489	CCIF II	Various Various, BHG
8	CAPL Jiulongpo	73.1%	Chongqing	318	2042	49115	CMA / CCIFI	Yonghui
9	CAPL Maoming	73.1%	Maoming	313	2044	37882	CMA / CCIFI	Walmart
10	CAPL Na'an	45.0%	Yibin	270	2045	45607	CCIF I	Wal-Mart
11	CAPL Quanzhou	45.0%	Quanzhou	271	2045	43096	CCIF I	Wal-Mart
12	CAPL Shapingba	30.0%	Chongqing	-	2023	48946	CCIF II	Various
13	CAPL Shawan	30.0%	Chengdu	390	2046	52536	CCIF II	Various
14	CAPL Taohualun	30.0%	Yiyang	244	2045	37524	CCIF I	Wal-Mart
15	CAPL Weifang	45.0%	Weifang	304	2044	34895	CCIF I	Wal-Mart
16	CAPL Yangzhou	45.0%	Yangzhou	355	2039/2045	47266	CCIFI	Wal-Mart
17	CAPL Zhangzhou	73.1%	Zhangzhou	343	2043	52725	CMA / CCIFI	Wal-Mart
18	CAPL Zhanjiang	45.0%	Zhanjiang	375	2044	44840	CCIF I	Wal-Mart
19	CAPL Zhaoqing	45.0%	Zhaoqing	370	2055	55451	CCIF I	Wal-Mart
20	CapitaMall Zibo	45.0%	Zibo	276	2045	41994	CCIF I	Wal-Mart
			Total	7,783				

Source: Company, DBS Bank

CRITICAL DATA POINTS TO WATCH

Critical Factors

Growing recurring revenues from retail mall portfolio and Ascott. While trading properties (residential development and strata offices) account for 24% of assets, we see continued strength from CMA (CAPL’s retail mall division) and commercial integrated developments, including Ascott Group, its successful serviced residence brand, which form a significant 76% of total assets and is expected to contribute to growing recurring income for the group.

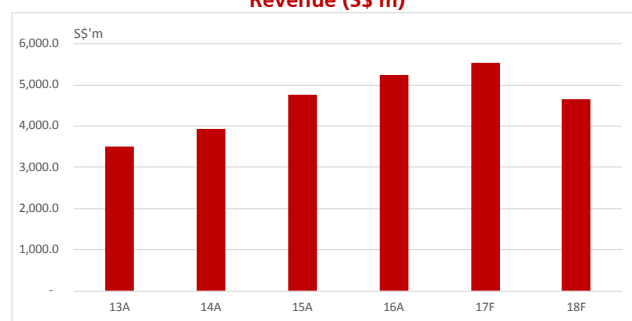
Retail malls seeing good tenant sales growth, operational outlook remains stable. The group’s retail malls in China, Singapore and Malaysia are seeing improving operating metrics, with tenant sales and traffic on an uptrend. The proposed sale of 20 malls, of which mostly are in Tier 2/3 cities at 7% premium above valuation, crystallises value for investors and is a testament of the group’s proactive asset management capabilities.

Income lost will be more than compensated by the completion of more than 1m sqm of retail GFA in 2017, a majority coming from China (Suzhou Center Mall) and three Raffles City projects (Raffles City Changning, Raffles City Hangzhou and Raffles City Shenzhen) which have seen strong pre-leasing interest with committed rates of more than 90%.

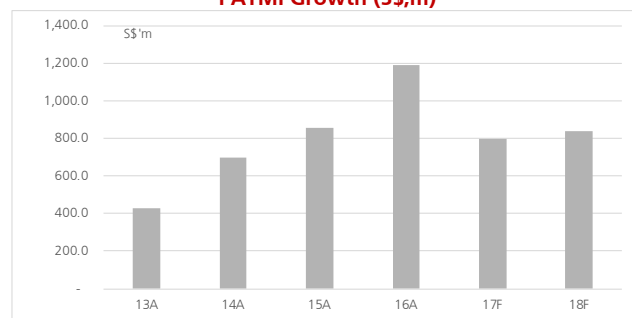
The Ascott Limited remains on the fast track to achieve its 80,000-unit target by year 2020. Ascott’s investment in China’s largest and fastest-growing online apartment sharing platform, Tujia has yet to bear fruit meaningfully but we continue to believe in its longer-term synergies and ability to leverage on Tujia’s platform to reach out to a wider addressable market in the medium term.

Residential sales see strong uplift as property market sentiment improves. CAPL continues to see strong momentum in its residential divisions in both Singapore and China. In Singapore, the group has substantially sold most of its available development projects. China sales momentum remains strong and the group will look to launch another 7,000 units for the remainder of 2018. In addition, the group has close to RMB10.5bn in unrecognised revenues which will be booked in 2017-2018.

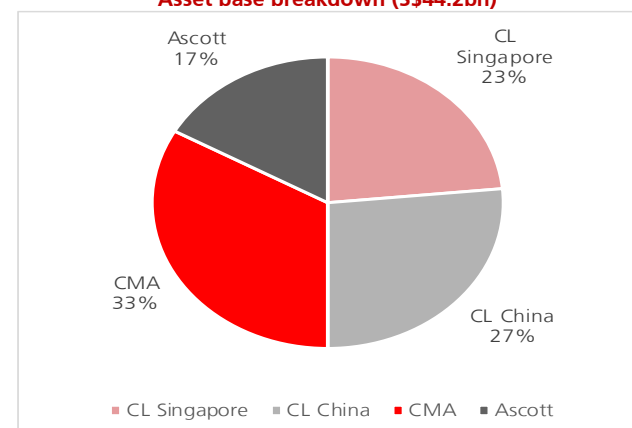
Revenue (S\$m)



PATMI Growth (S\$m)



Asset base breakdown (S\$44.2bn)



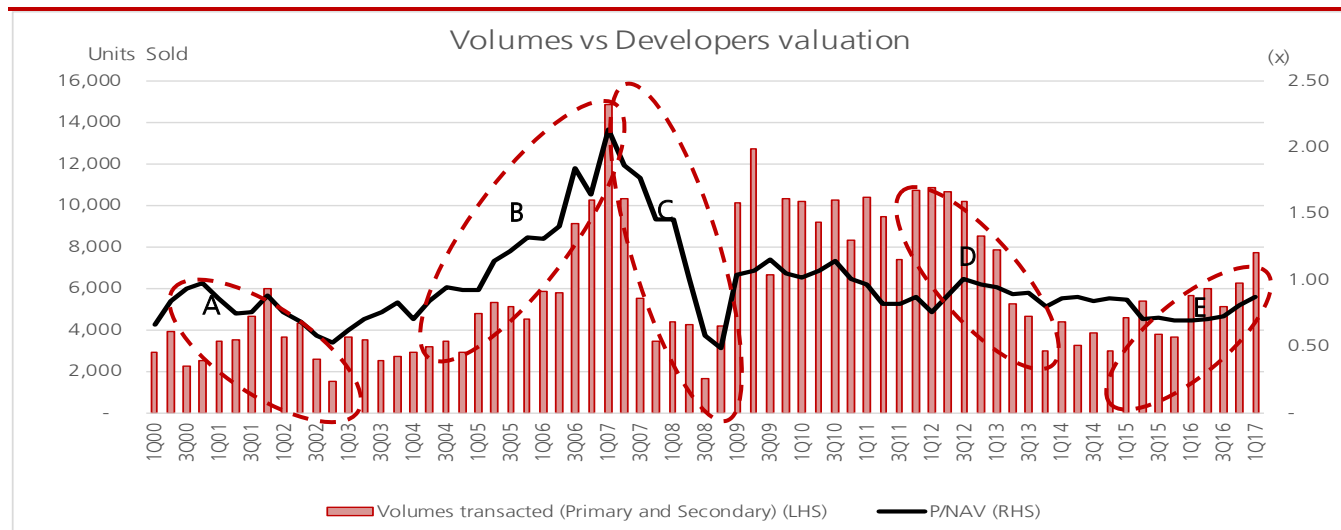
RNAV

RNAV of CapitaLand	S\$m
Value of CapitaLand Singapore	7,331.8
Value of CapitaLand China	9,819.4
CapitaMalls Asia	17,399.3
Ascott	4,237.1
Others	855.0
GDV of CAPL Group	39,642.6
Less: Net Debt	(11,552.3)
Less: devt capex	(7,709.0)
RNAV of CAPL	20,501.3
Total Shares	4,258.6
RNAV per share	4.81
Discount to RNAV	10%
Target price	4.35

Source: Company, DBS Bank

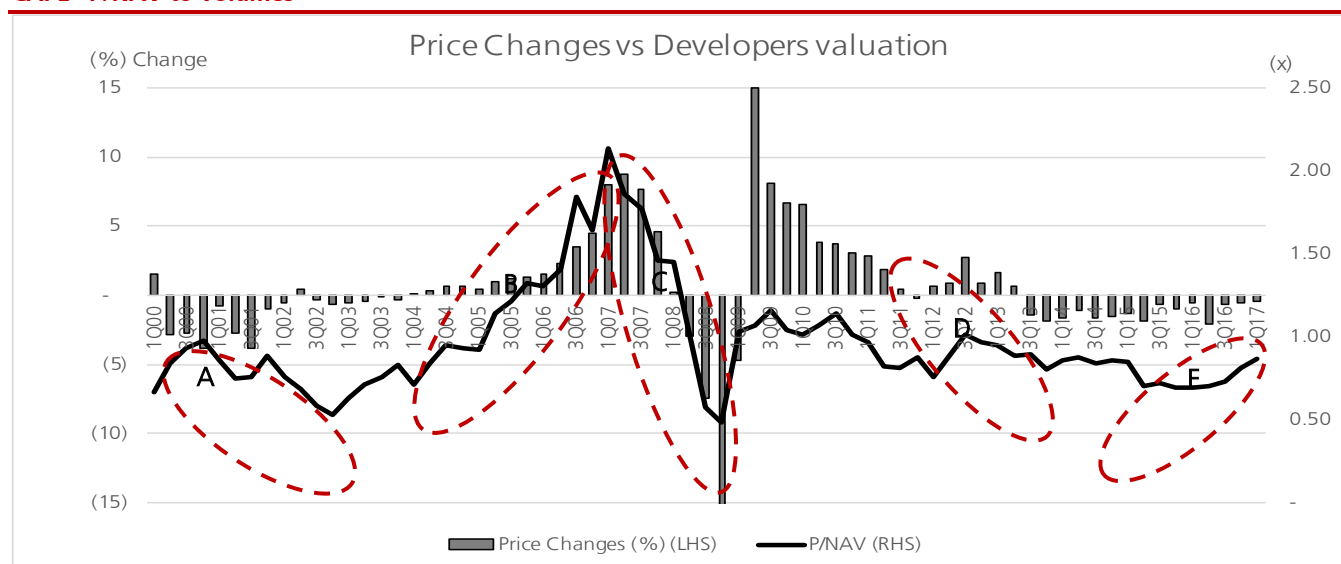
Appendix 1:

CAPL' P/NAV to volumes



Source: URA, Bloomberg Finance L.P., DBS Bank

CAPL' P/NAV to volumes



Source: URA, Bloomberg Finance L.P., DBS Bank

Period	Observations
A	1Q01-1Q03 Developers' prices / P/NAV declined by >40% as volumes tapered off due to SARS
B	3Q03 – 1Q07 Multi-year bull run in prices and volumes, which correspondingly saw developer's P/NAV rise from a low of 0.7x to a peak of more than 2.0x
C	2Q07-1Q09 Global Financial Crisis which saw volumes dry up and prices correct significantly. Developers' shares corrected to multi-year lows
D	3Q12 – 2Q15 A minimal correction in prices and volumes due to eight rounds of cooling measures. Developers' shares corrected from >1.0x P/NAV to as low as 0.65x P/NAV
E	1Q17 onwards Volumes started to move up in 2016 and 1H17, while prices have yet to do so. Developers' P/NAV have re-rated close to their mean of 0.9x P/NAV.

Source: URA, Bloomberg Finance L.P., DBS Bank

CapitaLand

Balance Sheet:

Balance sheet remains strong. We forecast debt/equity ratio to remain stable, at below c.0.6x in the coming years. Debt maturity profile remains long at 3.0 years with an average cost of 3.4%. Approximately 70% of the interest cost is hedged into fixed rate debt.

Share Price Drivers:

Strong residential sales to translate into higher prices. CAPL has taken advantage of the improved property sentiment in Singapore to sell most of its existing inventory. Key will be potential land-banking opportunities to replenish its balance sheet. In addition, strong sales in China, we believe, will result in higher prices.

M&A and acquisitions. CAPL is looking at opportunities across the region and with the strong residential sales recorded in recent years across Singapore, China and Vietnam, it makes sense to be replenishing land banks in these countries. Acknowledging strong competition for land, management is looking at opportunities to acquire land through JVs or mergers & acquisitions (M&A) which will offer the group an alternative and cheaper entry price. The group remains keen to build on its recurring income base and we could see acquisitions in that space.

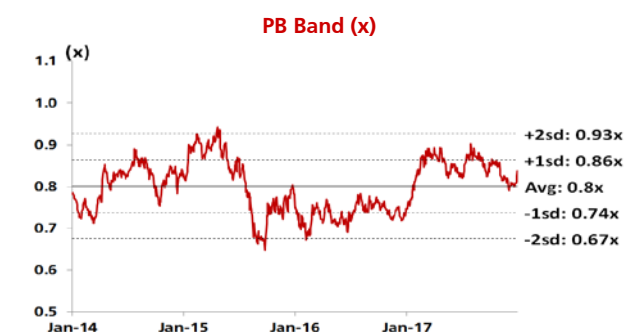
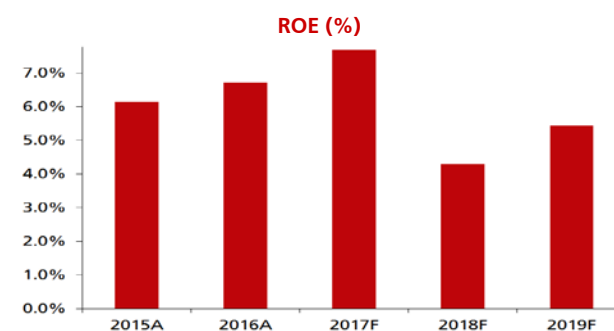
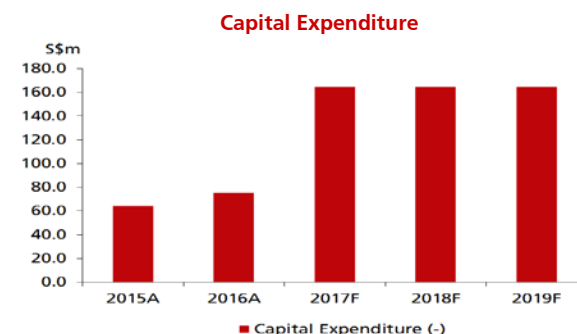
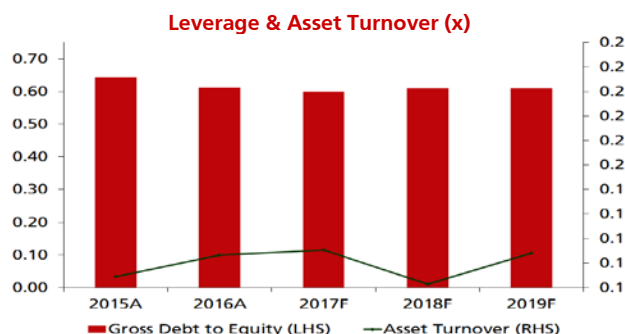
Asset recycling into listed S-REITs/funds. CAPL will continue to demonstrate its ability to crystallise value through strategic divestments of mature assets to its listed REITs, which are market leaders in their respective subsectors of retail, office and hospitality. The ability to recycle capital efficiently will enable the group to free up capital, improve its balance sheet position and deploy capital to projects with higher returns.

Key Risks:

Slowdown in Asian economies. The risk to our view is a further slowdown in Asian economies which could dampen demand for housing and private consumption expenditure and retail sales. This could, in turn, result in slower-than-expected projections.

Company Background

CapitaLand (CAPL) is one of Asia's largest real estate companies headquartered and listed in Singapore. Its two core markets are Singapore and China; while Indonesia, Malaysia and Vietnam have been identified as new growth markets.



Source: Company, DBS Bank

Segmental Breakdown

FY Dec	2015A	2016A	2017F	2018F	2019F
Revenues (\$m)					
CapitaLand Singapore	1,229	1,192	1,722	1,057	948
CapitaLand China	2,039	2,376	1,772	1,625	2,417
CMA	663	588	904	1,128	1,148
Ascott	744	1,032	775	794	814
Others	86.1	65.3	151	153	156
Total	4,761	5,252	5,324	4,758	5,483

Driven by stronger recurring income

Income Statement (\$m)

FY Dec	2015A	2016A	2017F	2018F	2019F
Revenue	4,762	5,252	5,324	4,758	5,483
Cost of Goods Sold	(3,287)	(3,654)	(3,228)	(2,659)	(2,944)
Gross Profit	1,475	1,598	2,096	2,099	2,539
Other Opng (Exp)/Inc	(431)	(435)	(444)	(466)	(489)
Operating Profit	1,044	1,163	1,652	1,633	2,049
Other Non Opg (Exp)/Inc	490	437	528	0.0	0.0
Associates & JV Inc	726	708	564	174	183
Net Interest (Exp)/Inc	(422)	(401)	(386)	(443)	(463)
Exceptional Gain/(Loss)	0.0	0.0	0.0	0.0	0.0
Pre-tax Profit	1,839	1,907	2,357	1,364	1,769
Tax	(344)	(403)	(424)	(246)	(318)
Minority Interest	(430)	(314)	(541)	(313)	(406)
Preference Dividend	0.0	0.0	0.0	0.0	0.0
Net Profit	1,066	1,190	1,392	805	1,044
Net Profit before Except.	1,066	1,190	1,392	805	1,044
EBITDA	2,325	2,374	2,810	1,873	2,298
Growth					
Revenue Gth (%)	21.3	10.3	1.4	(10.6)	15.2
EBITDA Gth (%)	(4.9)	2.1	18.4	(33.3)	22.7
Opg Profit Gth (%)	20.2	11.3	42.1	(1.1)	25.5
Net Profit Gth (Pre-ex) (%)	(8.2)	11.7	16.9	(42.1)	29.6
Margins & Ratio					
Gross Margins (%)	31.0	30.4	39.4	44.1	46.3
Opg Profit Margin (%)	21.9	22.1	31.0	34.3	37.4
Net Profit Margin (%)	22.4	22.7	26.1	16.9	19.0
ROAE (%)	6.1	6.7	7.7	4.3	5.4
ROA (%)	2.3	2.6	3.0	1.7	2.2
ROCE (%)	2.0	2.2	3.3	3.1	3.8
Div Payout Ratio (%)	35.9	35.6	33.6	60.7	48.8
Net Interest Cover (x)	2.5	2.9	4.3	3.7	4.4

Source: Company, DBS Bank

Quarterly / Interim Income Statement (S\$m)

FY Dec	3Q2016	4Q2016	1Q2017	2Q2017	3Q2017
Revenue	1,374	1,853	898	992	1,507
Cost of Goods Sold	(950)	(1,261)	(564)	(616)	(1,000)
Gross Profit	423	592	334	377	507
Other Oper. (Exp)/Inc	(103)	(143)	(93.2)	(97.9)	(114)
Operating Profit	320	449	241	279	393
Other Non Opg (Exp)/Inc	13.7	153	200	356	265
Associates & JV Inc	149	195	169	340	136
Net Interest (Exp)/Inc	(101)	(90.1)	(94.3)	(91.1)	(129)
Exceptional Gain/(Loss)	0.0	0.0	0.0	0.0	0.0
Pre-tax Profit	383	707	515	883	664
Tax	(61.2)	(208)	(55.6)	(72.6)	(87.2)
Minority Interest	(74.1)	(69.0)	(72.3)	(232)	(260)
Net Profit	248	431	387	579	317
Net profit bef Except.	248	431	387	579	317
EBITDA	500	797	609	992	810

Growth

Revenue Gth (%)	21.4	34.9	(51.6)	10.6	51.9
EBITDA Gth (%)	(16.1)	59.4	(23.6)	62.9	(18.3)
Opg Profit Gth (%)	56.4	40.2	(46.4)	15.9	40.8
Net Profit Gth (Pre-ex) (%)	(15.8)	73.9	(10.2)	49.8	(45.3)

Margins

Gross Margins (%)	30.8	31.9	37.2	38.0	33.6
Opg Profit Margins (%)	23.3	24.2	26.8	28.1	26.1
Net Profit Margins (%)	18.0	23.2	43.1	58.4	21.0

Balance Sheet (S\$m)

FY Dec	2015A	2016A	2017F	2018F	2019F
Net Fixed Assets	808	781	880	978	1,077
Invts in Associates & JVs	12,858	12,617	13,184	13,497	13,816
Other LT Assets	20,760	20,577	21,471	21,971	22,471
Cash & ST Invts	4,257	5,067	5,497	5,350	5,678
Inventory	0.0	0.0	0.0	0.0	0.0
Debtors	1,424	1,859	1,775	1,586	1,828
Other Current Assets	6,945	4,839	3,813	3,800	3,993
Total Assets	47,053	45,741	46,619	47,182	48,861
ST Debt	2,246	2,373	2,373	2,373	2,373
Creditor	4,064	4,685	3,587	3,324	3,680
Other Current Liab	620	670	794	740	758
LT Debt	13,812	12,479	12,979	13,479	13,979
Other LT Liabilities	1,373	1,233	1,233	1,233	1,233
Shareholder's Equity	17,905	17,605	18,573	18,910	19,466
Minority Interests	7,032	6,696	7,080	7,123	7,372
Total Cap. & Liab.	47,053	45,741	46,619	47,182	48,861
Non-Cash Wkg. Capital	3,685	1,343	1,206	1,323	1,383
Net Cash/(Debt)	(11,801)	(9,785)	(9,855)	(10,503)	(10,675)
Debtors Turn (avg days)	91.5	114.1	124.6	128.9	113.6
Creditors Turn (avg days)	404.1	444.9	477.4	486.4	444.1
Inventory Turn (avg days)	N/A	N/A	N/A	N/A	N/A
Asset Turnover (x)	0.1	0.1	0.1	0.1	0.1
Current Ratio (x)	1.8	1.5	1.6	1.7	1.7
Quick Ratio (x)	0.8	0.9	1.1	1.1	1.1
Net Debt/Equity (X)	0.5	0.4	0.4	0.4	0.4
Net Debt/Equity ex MI (X)	0.7	0.6	0.5	0.6	0.5
Capex to Debt (%)	0.4	0.5	1.1	1.0	1.0
Z-Score (X)	1.1	1.1	1.2	1.1	1.1

Gearing to remain conservative

Source: Company, DBS Bank

Cash Flow Statement (S\$m)

FY Dec	2015A	2016A	2017F	2018F	2019F
Pre-Tax Profit	1,839	1,907	2,357	1,364	1,769
Dep. & Amort.	65.0	66.0	66.0	66.0	66.0
Tax Paid	(145)	(350)	(300)	(300)	(300)
Assoc. & JV Inc/(loss)	(726)	(708)	(564)	(174)	(183)
Chg in Wkg.Cap.	1,264	2,292	12.3	(61.8)	(78.3)
Other Operating CF	169	97.5	(400)	0.0	0.0
Net Operating CF	2,466	3,305	1,172	894	1,273
Capital Exp.(net)	(64.0)	(75.2)	(164)	(164)	(164)
Other Invt.(net)	(718)	(575)	(494)	(500)	(500)
Invt in Assoc. & JV	509	65.3	(200)	(200)	(200)
Div from Assoc & JV	394	393	197	60.9	64.0
Other Investing CF	33.0	121	275	0.0	0.0
Net Investing CF	154	(71.4)	(387)	(804)	(800)
Div Paid	(727)	(752)	(581)	(738)	(645)
Chg in Gross Debt	(212)	(809)	500	500	500
Capital Issues	0.0	0.0	0.0	0.0	0.0
Other Financing CF	(274)	(901)	0.0	0.0	0.0
Net Financing CF	(1,213)	(2,462)	(80.7)	(238)	(145)
Currency Adjustments	16.9	(153)	0.0	0.0	0.0
Chg in Cash	1,424	619	704	(147)	328
Opg CFPS (S cts)	28.2	23.8	27.3	22.5	31.8
Free CFPS (S cts)	56.4	75.8	23.7	17.2	26.1

Source: Company, DBS Bank

Target Price & Ratings History



Note: Share price and Target price are adjusted for corporate actions.

S.No.	Date of Report	Closing Price	12-mth Target Price	Rating
1:	09 Jan 17	3.09	3.60	BUY
2:	16 Jan 17	3.15	3.60	BUY
3:	06 Feb 17	3.43	3.60	BUY
4:	13 Feb 17	3.50	3.60	BUY
5:	16 Feb 17	3.45	3.85	BUY
6:	17 Feb 17	3.46	3.85	BUY
7:	13 Mar 17	3.69	3.85	BUY
8:	19 Apr 17	3.64	3.85	BUY
9:	27 Apr 17	3.76	4.33	BUY
10:	16 May 17	3.50	4.33	BUY
11:	26 May 17	3.52	4.33	BUY
12:	02 Jun 17	3.62	4.33	BUY
13:	05 Jun 17	3.60	4.33	BUY
14:	14 Jun 17	3.60	4.33	BUY
15:	30 Jun 17	3.50	4.33	BUY
16:	07 Jul 17	3.49	4.33	BUY
17:	12 Jul 17	3.53	4.33	BUY
18:	14 Jul 17	3.63	4.33	BUY
19:	28 Jul 17	3.69	4.33	BUY
20:	04 Aug 17	3.86	4.35	BUY
21:	16 Aug 17	3.82	4.35	BUY
22:	25 Aug 17	3.71	4.35	BUY
23:	12 Sep 17	3.74	4.35	BUY
24:	08 Nov 17	3.64	4.35	BUY
25:	20 Dec 17	3.53	4.35	BUY

Source: DBS Bank

Analyst: Derek TAN

Rachel TAN

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STRONG BUY (>20% total return over the next 3 months, with identifiable share price catalysts within this time frame)

BUY (>15% total return over the next 12 months for small caps, >10% for large caps)

HOLD (-10% to +15% total return over the next 12 months for small caps, -10% to +10% for large caps)

FULLY VALUED (negative total return i.e. > -10% over the next 12 months)

SELL (negative total return of > -20% over the next 3 months, with identifiable catalysts within this time frame)

Share price appreciation + dividends

Completed Date: 8 Jan 2018 08:45:53 (SGT)

Dissemination Date: 8 Jan 2018 08:55:19 (SGT)

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DBS Regional Research Offices

HONG KONG

DBS Vickers (Hong Kong) Ltd

Contact: Paul Yong
18th Floor Man Yee Building
68 Des Voeux Road Central
Central, Hong Kong
Tel: 65 6878 8888
Fax: 65 65353 418
e-mail: equityresearch@dbs.com
Participant of the Stock Exchange of Hong Kong

MALAYSIA

AllianceDBS Research Sdn Bhd

Contact: Wong Ming Tek (128540 U)
19th Floor, Menara Multi-Purpose,
Capital Square,
8 Jalan Munshi Abdullah 50100
Kuala Lumpur, Malaysia.
Tel.: 603 2604 3333
Fax: 603 2604 3921
e-mail: general@alliancedbs.com

SINGAPORE

DBS Bank Ltd

Contact: Janice Chua
12 Marina Boulevard,
Marina Bay Financial Centre Tower 3
Singapore 018982
Tel: 65 6878 8888
Fax: 65 65353 418
e-mail: equityresearch@dbs.com
Company Regn. No. 196800306E

INDONESIA

PT DBS Vickers Sekuritas (Indonesia)

Contact: Maynard Priajaya Arif
DBS Bank Tower
Ciputra World 1, 32/F
Jl. Prof. Dr. Satrio Kav. 3-5
Jakarta 12940, Indonesia
Tel: 62 21 3003 4900
Fax: 6221 3003 4943
e-mail: research@id.dbsvickers.com

THAILAND

DBS Vickers Securities (Thailand) Co Ltd

Contact: Chanpen Sirithanarattanakul
989 Siam Piwat Tower Building,
9th, 14th-15th Floor
Rama 1 Road, Pathumwan,
Bangkok Thailand 10330
Tel. 66 2 857 7831
Fax: 66 2 658 1269
e-mail: research@th.dbs.com
Company Regn. No 0105539127012
Securities and Exchange Commission, Thailand