

Company Report

China Telecom (728 HK)

Well-positioned for 4G transition; Reiterate BUY

- FY14 results in-line with solid mobile APRU/net adds despite weaker EBITDA margin on network costs.
- Multiple catalysts: Improving blended ARPU, stronger 4G net-add and service quality, and tower company progress.
- Reiterate BUY with DCF-derived TP HK\$5.4 (17.5x FY15E P/E)

Solid FY14 on resilient mobile APRU and better wireline broadband despite weaker EBITDA due to network costs

China Telecom (CT) reported 4Q14 revenue of RMB80.8bn (-3% YoY, +4% QoQ), above consensus by 2.1% but slightly below our estimates due to VAT impact and higher tariff subsidy. FY14 mobile APRU was RMB54.0, in-line with our estimate of RMB54.1, while broadband net adds was 6.9mn in FY14 (+6.8% YoY). 4Q14 EBITDA margin was down 1.4ppt, due to network costs for 4G maintenance and PHS asset write-off. We remain positive on CT as we expect its 4G growth momentum to accelerate in FY15E, backed by improving 4G quality with higher CAPEX, maturing value chain and solid execution on clear strategy.

Catalysts: 4G coverage, TowerCo and 6-mode handsets

CT plans to expand 4G services to 120 cities (75% of mobile data traffic) by deploying 460k+ 4G BTS (200k net adds), and targets 60mn 4G subs in FY15 (vs 7mn in FY14). FY15 CAPEX budget is RMB108bn (vs RMB77bn in FY14), above market expectations, with RMB61bn for 4G service and RMB6bn as contingency fund for TowerCo. CT reiterated its close partnership with major chipset/handset vendors and will launch 6-mode handsets in July, with 400 models available by end of FY15E.

Valuation

We believe CT is the pioneer among three Chinese operators to accelerate business transition in 4G era. We remain positive on CT given 1) its promising 4G outlook with stable mobile APRU and 4G subs net add, 2) major beneficiary of tower company for CAPEX savings, and 3) continued share gain in 3G/4G businesses and wireline broadband market. The stock now trades at 15.7x FY15E P/E and 4.0x FY15E EV/EBITDA. We reiterate BUY with DCF-derived TP of HK\$5.4, implying FY15E 17.5x PE and 4.3x EV/EBITDA with 2.0% dividend yield.

Financials

RMB mn	2012	2013	2014	2015E	2016E
Revenue	283,176	321,584	324,394	334,523	357,196
Growth (%)	16%	14%	1%	3%	7%
Net profit	14,949	17,545	17,680	19,871	23,777
Growth (%)	-9%	17%	1%	12%	20%
EPS (RMB)	0.18	0.22	0.22	0.25	0.29
DPS (RMB)	0.07	0.08	0.08	0.09	0.10
P/E (x)	21.2	17.6	17.4	15.7	13.1
P/B (x)	1.2	1.1	1.1	1.0	1.0
ROE (%)	5.7%	6.3%	6.1%	6.5%	7.5%

Source: Company data, CMS (HK) estimates

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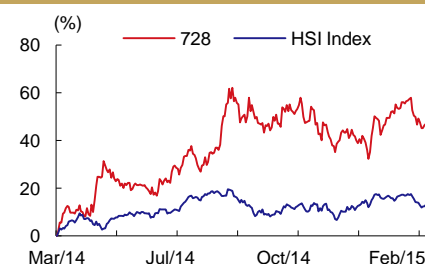
WHAT'S NEW

N/A

BUY

Previous	BUY
Price	HK\$4.84
12-month Target Price (Potential upside)	HK\$5.4 (+12%)
Previous	HK\$5.4

Price Performance



Source: Bigdata

%	1m	6m	12m
728 HK	(0.8)	2.3	57.5
HSI	(2.9)	(0.2)	11.8

Technology, Media & Telecom

Hang Seng Index	24120
HSCEI	11982

Key Data

52-week range (HK\$)	3.14-5.22
Market cap (HK\$ mn)	362,577
Avg. daily volume (mn)	61.47
BVPS (HK\$)	4.37

Shareholdings Structure

JP Morgan Chase & Co	12.79%
Commonwealth Bank of Australia	9.56%
Blackrock	7.88%
No. of shares outstanding	13,877.4M
Free float	100.00%

Related Research

1. China Telecom (728 HK) - Well-positioned to benefit from subs/ARPU boost in 4G transition; Assume coverage with BUY and TP HK\$5.4 – 12 Dec 2014

4Q14 Financials Review

Figure 1: 2014 Result Summary

RMB mn	2013A	2014A	YoY%	CMS 2014E	Diff%	Consensus 2014E	Diff%
Total revenue	321,584	324,394	0.9%	325,863	-0.5%	324,403	0.0%
EBITDA	96,551	94,853	-1.8%	97,433	-2.6%	97,415	-2.6%
Net profit	17,545	17,680	0.8%	17,939	-1.4%	18,300	-3.4%
EPS (in RMB)	0.22	0.22	0.8%	0.22	-1.4%	0.23	-3.3%
EBITDA margin	30.0%	29.2%		31.2%		30.9%	
Net margin	5.5%	5.5%		6.1%		6.7%	

Source: Company, CMS(HK)

Figure 2: 4Q14 Result Summary

RMB mn	4Q13	1Q14	2Q14	3Q14	4Q14	% YoY	% QoQ	CMS 4Q14E	Diff%	Cons 4Q14E	Diff%
Total revenue	83,255	83,184	82,789	77,635	80,786	-3.0%	4.1%	82,255	-1.8%	79,120	2.1%
yoy growth (%)	13.7%	6.9%	3.9%	-3.9%	-3.0%						
excl. handset sales	68,627	74,146	75,216	70,930	67,087	-2.2%	-5.4%	-	-	-	-
yoy growth (%)	2.7%	8.1%	6.5%	-0.1%	-2.2%						
EBITDA	21,847	25,085	25,453	24,255	20,060	-8.2%	-17.3%	22,640	-11.4%	21,504	-6.7%
yoy growth (%)	36.3%	0.6%	1.0%	-1.3%	-8.2%						
Margin (%)	26.2%	30.2%	30.7%	31.2%	24.8%						
Net profit	2,820	5,547	5,889	4,733	1,511	-46.4%	-68.1%	1,770	-14.6%	3,028	-50.1%
yoy growth (%)	18.2%	17.9%	6.7%	5.2%	-46.4%						
Margin (%)	3.4%	6.7%	7.1%	6.1%	1.9%						

Source: Company, CMS(HK)

Figure 3: 4Q14 Operating Data

	4Q13	1Q14	2Q14	3Q14	4Q14	% YoY	% QoQ
Mobile KPIs							
Total Mobile subs ('mn)	185.6	183.2	180.2	181.6	185.6	0.0%	2.2%
2G	82.5	79.1	73.0	69.1	67.0	-18.8%	-3.0%
3G&4G	103.1	104.1	107.2	112.5	118.6	15.1%	5.4%
Mobile Net adds ('mn)	4.4	(2.4)	(3.0)	1.3	4.1	-8.8%	204.5%
2G	(2.2)	(3.4)	(6.1)	(3.9)	(2.1)	-5.5%	-47.5%
3G&4G	6.6	1.0	3.1	5.3	6.1	-7.7%	16.1%
Mobile Voice Usage (Mn Min)	159,171	153,390	167,387	168,329	166,833	4.8%	-0.9%
Wireline KPIs							
Broadband Sub (mn)	100.1	102.3	104.1	105.7	107.0	6.8%	1.2%
Net Add (Million)	2.1	2.2	1.8	1.6	1.2	-39.8%	-21.5%
Local Access Lines in Service (mn)	155.8	152.8	149.2	146.3	143.6	-7.9%	-1.9%
Household	97.6	96.2	94.4	92.7	90.9	-6.9%	-1.9%
Government & Enterprise	40.2	40.3	40.6	40.7	40.9	1.8%	0.4%
Public Telephone	12.6	12.2	11.8	11.6	11.4	-9.2%	-1.6%
Wireless Local Access	5.5	4.1	2.5	1.4	0.4	-92.7%	-70.6%
Local Voice Usage (Mn Pulses)	36,832	32,121	33,613	33,406	31,299	-15.0%	-6.3%
Long Distance Usage (Mn Min)	8,369	7,103	7,733	7,678	7,552	-9.8%	-1.6%

Source: Company, CMS(HK)

Figure 4: Key assumptions

	2012	2013	2014	2015E	2016E
Wireless					
2G Subs (mn)	91.6	82.5	67.0	48.0	28.3
Net adds	1.4	-9.1	-15.5	-17.6	-19.7
yoy growth (%)	1.5%	-9.9%	-18.8%	-28.4%	-41.1%
3G/4G Subs (mn)	69.1	103.1	118.6	144.8	171.6
Net adds	32.8	34.1	15.5	26.5	26.8
yoy growth (%)	90.3%	49.3%	15.1%	22.1%	18.5%
Total Subs (mn)	160.6	185.6	185.6	192.8	199.9
Net adds	34.2	25.0	0.0	8.9	7.1
yoy growth (%)	27.0%	15.5%	0.0%	3.9%	3.7%
2G ARPU (RMB)	43.5	38.2	34.0	29.0	27.5
yoy growth (%)	-5.0%	-12.1%	-11.1%	-14.6%	-5.2%
3G/4G ARPU (RMB)	71.8	71.5	67.5	67.0	67.0
yoy growth (%)	-4.8%	-0.4%	-5.6%	-0.7%	0.0%
Blended ARPU (RMB)	53.9	54.8	54.0	55.5	59.3
yoy growth (%)	2.9%	1.6%	-1.4%	2.9%	6.8%
Fixed-line					
Local access Subs (mn)	163.0	155.8	143.6	129.8	117.8
yoy growth (%)	-3.9%	-4.4%	-7.9%	-9.6%	-9.2%
Local access voice ARPU (RMB)	21.7	20.2	18.7	17.0	16.5
yoy growth (%)	-9.7%	-7.1%	-7.4%	-9.1%	-2.9%
Broadband Subs (mn)	90.1	100.1	107.0	114.5	120.3
yoy growth (%)	17.3%	11.1%	6.8%	7.1%	5.1%
Broadband ARPU (RMB)	66.6	62.1	59.2	54.5	51.5
yoy growth (%)	-7.8%	-6.8%	-4.7%	-7.9%	-5.5%
Income Stmt					
2G revenue	47,423	39,894	30,463	19,752	12,576
3G/4G revenue	45,380	73,857	89,805	105,774	127,201
Others (Handset sold)	25,023	37,435	31,343	30,996	29,446
Total Wireless Revenue	117,826	151,186	151,611	156,523	169,224
yoy growth (%)	42.5%	28.3%	0.3%	3.2%	8.1%
Fixed-line voice revenue	43,369	38,633	33,587	27,807	24,514
Internet access revenue	67,782	71,432	74,622	73,568	73,559
Fixed-line VAS revenue	30,720	34,274	38,047	47,709	59,637
Lease of telecom network revenue	15,577	17,203	16,869	18,966	19,915
Other fixed-line revenue	7,902	8,856	9,658	9,950	10,348
Total Fixed-line Revenue	165,350	170,398	172,783	178,001	187,973
yoy growth (%)	1.8%	3.1%	1.4%	3.0%	5.6%
Total Revenue	283,176	321,584	324,394	334,523	357,196
yoy growth (%)	15.5%	13.6%	0.9%	3.1%	6.8%
EBITDA	70,874	96,551	94,853	102,030	110,374
yoy growth (%)	-6.0%	36.2%	-1.8%	7.6%	8.2%
Margin (%)	25.0%	30.0%	29.2%	30.5%	30.9%
Net income	15,064	17,666	17,680	19,871	23,945
yoy growth (%)	-9.4%	17.4%	0.8%	12.4%	19.7%
Margin (%)	5.3%	5.5%	5.5%	5.9%	6.7%

Source: Company, CMS(HK)

Valuation

Maintain BUY and DCF-based 12-m TP at HK\$5.4

Our 12-m target price is based on a 10-year DCF valuation that assumes a WACC of 9.9% derived from cost of equity of 11.1%, cost of debt of 6.5%, risk premium of 9.5% and a risk-free rate of 4.0%. We assume a beta of 0.8 and terminal growth rate of 1.0%.

CT is trading at FY15E/FY16E 4.0x/3.5x EV/EBITDA and 15.7x/13.1x P/E, with a 2.0% dividend yield. Our target price of HK\$5.4 implies a P/E of 17.5x/14.6x and EV/EBITDA of 4.3x/3.9x for FY15E/FY16E.

Future catalysts include improving blended ARPU, expanding 4G user base, and CAPEX saving from tower company. Key downside risks include intensified competition, higher capex plan, and slower 4G network coverage/quality.

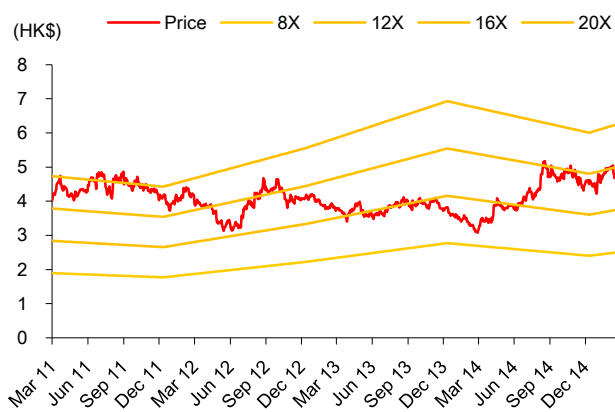
Figure 5: CT's DCF analysis

RMB million	2014E	2015E	2016E	2017E	2018E	2019E	2020E	2021E	2022E	2023E
EBIT	28,456	31,259	36,721	35,970	37,549	39,007	40,957	42,800	44,726	46,739
(-) Tax	(5,705)	(6,319)	(7,561)	(7,913)	(8,261)	(8,581)	(9,011)	(9,416)	(9,840)	(10,282)
NOPAT	22,751	24,940	29,160	28,056	29,288	30,425	31,946	33,384	34,886	36,456
(+) Depre.&Amort.	68,977	70,771	73,652	78,071	83,146	88,551	93,864	99,495	104,968	110,216
(-) Working capital	(1,586)	5,930	4,363	3,927	3,534	3,252	2,991	2,812	2,643	2,537
(-) CAPEX	(80,300)	(88,000)	(81,000)	(76,950)	(76,950)	(76,950)	(76,950)	(76,950)	(76,950)	(76,950)
Free Cash Flow	9,842	13,641	26,175	33,105	39,018	45,277	51,851	58,741	65,547	72,260

		WACC Assumptions	
Terminal growth rate	1.0%	Cost of equity	11.1%
PV of Terminal value	260,812	Cost of debt	6.5%
Implied Terminal FCF multiple	12.380	Tax rate	25.0%
Sum of NPV	438,155	Risk-free rate	4.0%
Net Cash / (Debt)	(92,019)	Risk Premium	9.5%
Net Value	346,136	Beta	0.8
Shares outstanding (mn)	80,932	Target D/(D+E)	0.20
Equity value (RMB/share)	4.3	Exchange Rate	0.80
Equity value (HKD/share)	5.4	WACC	9.9%

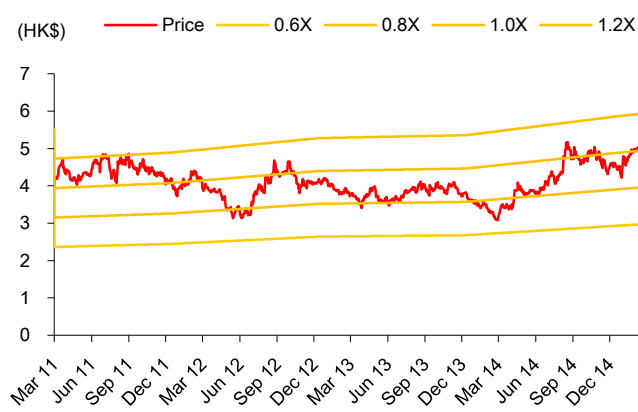
Source: Company, CMS(HK)

Figure 6: PE Band



Source: Company, CMS(HK)

Figure 7: PB Band



Source: Company, CMS(HK)

Figure 8: Asia peers valuation comparison

Name	Ticker	Price (LC)	Mkt Cap (USD mn)	PE			EV/EBITDA			PB			ROE			DY	
				FY13A	FY14E	FY15E	FY13A	FY14E	FY15E	FY13A	FY14E	FY15E	FY13A	FY14E	FY15E		
CHINA MOBILE	941 HK	103.2	272,434	15.0	13.6	12.6	5.1	5.2	4.7	1.3	1.2	1.2	12.7	12.9	12.8	3.4	
CHINA UNICOM	762 HK	11.92	36,804	19.7	16.1	14.3	3.8	3.5	3.2	1.0	1.0	1.0	5.3	6.2	6.7	2.5	
CHINA TELECOM	728 HK	4.84	51,236	17.6	17.4	15.7	4.2	4.2	4.0	1.1	1.1	1.0	6.3	6.2	6.5	2.1	
China Average				17.4	15.7	14.2	4.4	4.3	4.0	1.1	1.1	1.1	8.1	8.4	8.7	2.7	
HUTCHISON TELECOM	215 HK	3.71	2,305	22.9	19.0	17.3	7.7	8.5	7.9	1.6	1.5	1.5	6.9	8.2	8.8	3.9	
SMARTONE TELECOM	315 HK	15.22	2,066	27.4	20.2	19.0	5.1	5.8	5.5	5.0	4.4	4.1	19.7	23.8	22.9	3.2	
PCCW LTD	8 HK	4.66	4,478	14.3	13.8	12.1	8.8	6.6	5.5	2.9	3.1	2.9	24.3	23.2	24.5	5.3	
HKT TRUST AND HKT	6823 HK	9.98	9,743	23.1	18.9	17.4	13.9	10.8	8.8	1.9	2.0	2.0	9.3	10.3	11.1	5.4	
Hong Kong Average				21.9	18.0	16.4	8.8	7.9	6.9	2.9	2.8	2.6	15.1	16.4	16.8	4.4	
CHUNGHWA TELECOM	2412 TT	98.9	24,430	20.1	20.3	19.8	9.3	9.4	9.3	2.2	2.1	2.1	10.6	10.5	10.8	4.7	
TAIWAN MOBILE	3045 TT	110	11,982	19.7	20.5	19.1	13.9	13.7	13.0	5.5	5.4	5.3	26.1	25.2	26.5	4.7	
Taiwan Average				19.9	20.4	19.4	11.6	11.6	11.1	3.8	3.8	3.7	18.4	17.9	18.7	4.7	
KT CORP	030200 KS	29900	7,014	#N/A	N/A	13.0	11.3	4.2	5.6	4.0	0.7	0.7	0.7	-5.8	5.2	5.6	2.6
SK TELECOM	017670 KS	286500	20,784	12.2	10.3	9.7	6.0	6.1	5.6	1.5	1.4	1.3	12.5	13.9	13.3	3.5	
LG UPLUS CORP	032640 KS	11150	4,374	20.2	12.1	10.1	4.9	4.6	4.0	1.2	1.1	1.0	6.0	9.4	10.3	2.5	
Korea Average				16.2	11.2	9.9	5.5	5.3	4.8	1.4	1.2	1.1	9.2	11.6	11.8	3.0	
NTT DOCOMO INC	9437 JP	2216	80,526	18.0	20.7	18.7	6.3	6.2	7.1	1.6	1.6	1.5	9.2	7.8	8.4	2.9	
KDDI CORP	9433 JP	8283	61,851	20.4	15.9	14.1	9.0	7.4	6.8	2.6	2.3	2.1	13.9	15.5	15.8	2.0	
SOFTBANK CORP	9984 JP	7031	70,278	16.9	12.6	14.9	15.9	9.7	8.5	4.1	3.2	2.5	25.2	29.2	21.8	0.6	
Japan Average				18.4	16.4	15.9	10.4	7.8	7.5	2.8	2.4	2.1	16.1	17.5	15.3	1.8	
BHARTI AIRTEL LTD	BHARTI IN	382.25	24,508	49.8	26.9	22.3	8.7	7.7	6.8	2.5	2.3	2.1	5.5	8.9	9.4	0.6	
RELIANCE COMM	RCOM IN	66.8	2,667	11.8	19.3	14.0	10.2	8.9	9.1	0.4	0.5	0.5	3.7	2.6	3.1	0.6	
India Average				30.8	23.1	18.1	9.4	8.3	8.0	1.5	1.4	1.3	4.6	5.8	6.2	0.6	
M1 LTD	M1 SP	3.79	2,570	20.2	18.7	17.6	12.0	11.5	10.8	8.6	8.6	8.2	44.1	47.0	47.4	4.9	
SINGAPORE TELECOM	ST SP	4.2	48,606	18.3	17.6	16.7	14.7	15.0	14.8	2.7	2.7	2.6	14.9	15.5	15.5	4.2	
PHILIPPINE LONG DIST.	TEL PM	2800	13,552	16.3	17.0	16.5	8.9	9.4	9.2	4.5	4.4	4.3	27.3	26.6	26.9	5.5	
TELEKOM MALAYSIA	T MK	7.04	7,120	29.8	26.7	24.5	8.7	8.1	7.7	3.5	3.4	3.3	11.8	12.7	13.9	3.5	
Others Average				21.2	20.0	18.8	11.1	11.0	10.6	4.8	4.8	4.6	24.5	25.5	25.9	4.5	

Source: Company, Bloomberg, CMS(HK)

Financial Summary

Balance Sheet

RMB million	2012	2013	2014	2015E	2016E
Current Assets	65,375	52,783	59,543	66,165	91,319
Cash & equivalents	30,099	16,070	20,436	27,731	46,618
Inventories	5,928	6,523	4,225	6,785	7,245
Income tax recoverable	1,505	312	1,360	312	312
Accounts receivable	18,782	20,022	21,562	21,177	26,449
Prepayments and other current	6,331	7,569	10,581	7,874	8,407
Time deposits over three months	2,730	2,287	1,379	2,287	2,287
Others	0	0	0	0	0
Non-current assets	479,916	490,456	501,731	519,009	526,356
Investments	1,632	2,132	5,078	2,132	2,132
Plant, property & equipment	406,281	418,498	426,057	446,827	454,872
Intangible assets	39,132	37,962	38,901	38,186	37,488
Other assets	32,871	31,864	31,695	31,864	31,864
Total Assets	545,291	543,239	561,274	585,174	617,675
Current liabilities	193,610	200,098	206,325	217,190	234,069
Short-term debt	6,523	27,687	43,976	38,713	44,962
Accounts payable	68,948	81,132	88,458	84,396	90,117
Current portion of L-T liabilities	11,866	21,275	1,142	21,275	21,275
Accrued expenses & Others	106,273	70,004	72,749	72,806	77,715
Non-current liabilities	85,581	64,477	64,841	64,477	64,477
Long-term debts	83,073	62,617	62,918	62,617	62,617
Deferred revenues	1,791	1,229	798	1,229	1,229
Deferred tax liabilities	717	631	1,125	631	631
Total liabilities	279,191	264,575	271,166	281,667	298,546
Share capital	80,932	80,932	80,932	80,932	80,932
Reserves	184,207	196,809	208,251	221,652	237,275
Minority interests	961	923	925	923	923
Total liabilities and equity	545,291	543,239	561,274	585,174	617,675

Cashflow Statement

RMB million	2012	2013	2014E	2015E	2016E
CF from OA	70,722	88,351	85,456	96,712	101,960
Profit before tax	19,817	23,088	23,770	26,330	31,506
D&A	49,666	69,083	68,977	70,771	73,652
Finance cost	1,563	5,150	4,790	5,036	5,330
Investment income	-93	-670	-	-	-
Changes of WC	6,031	450	-1,586	5,930	4,363
Others	-6,262	-8,750	-10,495	-11,355	-12,891
CF from IA	-48,295	-107,948	-80,300	-88,000	-81,000
Capital expenditure	-48,295	-68,179	-80,300	-88,000	-81,000
Other investments	-	-39,769	-	-	-
CF and FA	-19,802	5,637	-475	-1,732	-2,073
Borrowings	-14,431	10,930	5,803	5,222	6,249
Long-term debts	-	-2	-	-	-
Change of Reserves	-77	-	-	-	-
Dividends	-5,625	-5,433	-6,279	-6,955	-8,322
Others	331	142	-	-	-
Net cash flow	2,625	-13,960	4,681	6,980	18,887

Source: Company data, CMS (HK) estimates

Profit & Loss Statement

RMB million	2012	2013	2014	2015E	2016E
Revenue	283,176	321,584	324,394	334,523	357,196
Network operations	-65,979	-53,102	-68,651	-64,563	-68,225
SG&A	-63,099	-70,448	-62,719	-63,559	-67,867
Personnel	-42,857	-46,723	-50,653	-51,517	-55,008
Other op exp	-40,367	-54,760	-47,518	-52,855	-55,723
Impairment loss	0	0	0	0	0
EBITDA	70,874	96,551	94,853	102,030	110,374
Depreciation &	-49,666	-69,083	-66,345	-70,771	-73,652
Operating profit	21,208	27,468	28,508	31,259	36,721
Finance costs	-1,562	-5,153	-5,291	-5,706	-6,000
Investment income	93	670	6	670	670
Profit of associates	78	103	34	107	114
Profit before tax	19,817	23,088	23,257	26,330	31,506
Income tax	-4,753	-5,422	-5,498	-6,319	-7,561
Profit after tax	15,064	17,666	17,759	20,011	23,945
Net Profit	14,949	17,545	17,680	19,871	23,777
EPS (RMB)	0.18	0.22	0.22	0.25	0.29

Financial

	2012	2013	2014	2015E	2016E
YoY growth rate					
Revenue	15.5%	13.6%	0.9%	3.1%	6.8%
EBITDA	-6.0%	36.2%	-1.8%	7.6%	8.2%
Net Profit	-9.4%	17.4%	0.8%	12.4%	19.7%
Profitability					
EBITDA Margin	25.0%	30.0%	29.2%	30.5%	30.9%
NP Margin	5.3%	5.5%	5.5%	5.9%	6.7%
ROE	5.7%	6.3%	6.1%	6.5%	7.5%
ROIC	4.9%	5.0%	4.7%	5.1%	6.0%
Liquidity					
Debt to Asset	18.3%	20.3%	19.1%	20.7%	20.7%
Debt to Equity	37.5%	39.6%	36.9%	40.0%	40.0%
Current ratio	0.34	0.26	0.29	0.30	0.39
Quick ratio	0.27	0.19	0.21	0.24	0.32
Operating efficiency					
Asset turnover	0.59	0.59	0.59	0.58	0.59
AR turnover	13.2	14.6	15.5	15.0	15.0
AP turnover	3.7	3.0	2.7	2.8	2.8
Per share ratios (RMB)					
EPS	0.18	0.22	0.22	0.25	0.29
CFPS	0.03	-0.17	N/A	0.09	0.23
BVPS	3.3	3.4	3.6	3.8	3.9
DPS	0.07	0.08	0.08	0.09	0.10
PE	21.2	17.6	17.4	15.7	13.1
PB	1.2	1.1	1.1	1.0	1.0
EV/EBITDA	5.4	4.2	4.2	4.0	3.5

Investment Ratings

Rating	Definition
BUY	Expected to outperform the market index by >10% over the next 12 months
NEUTRAL	Expected to outperform or underperform the market index by 10% or less over the next 12 months
SELL	Expected to underperform the market index by >10% over the next 12 months

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