

# HDFC Life Insurance

BSE SENSEX  
58,130

S&P CNX  
17,234


Bloomberg	HDFCLIFE IN
Equity Shares (m)	2,018
M.Cap.(INRb)/(USD\$)	1485.4 / 20.3
52-Week Range (INR)	776 / 556
1, 6, 12 Rel. Per (%)	1/-12/-23
12M Avg Val (INR M)	2960
Free float (%)	46.2

## Financials & Valuations (INR b)

Y/E MARCH	FY21	FY22E	FY23E
Net Premiums	381.2	453.6	540.3
Surplus / Deficit	11.0	10.9	13.3
Sh. PAT	13.6	14.5	17.2
NBP gr- unwt'd (%)	16.6	20.9	20.0
NBP gr - APE (%)	14.2	20.3	22.1
Premium gr (%)	18.0	18.8	19.2
VNB margin (%)	26.1	26.5	26.9
RoE (%)	17.6	15.7	16.5
RoEV (%)	28.9	15.4	17.8
Total AUMs (INRt)	1.7	2.2	2.6
VNB (INRb)	21.9	26.1	32.4
EV per share	131.9	152.2	179.4

## Valuations

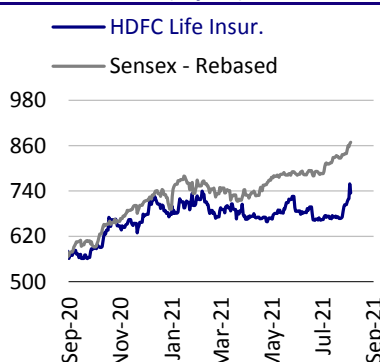
P/EV (x)	5.6	4.8	4.1
P/EVOP (x)	38.7	35.9	26.2

## Shareholding pattern (%)

As On	Jun-21	Mar-21	Jun-20
Promoter	53.8	58.9	60.4
DII	5.9	6.3	7.3
FII	26.1	25.7	23.6
Others	14.2	9.2	8.7

FII Includes depository receipts

## Stock Performance (1-year)



CMP: INR734

TP: INR750 (+2%)

Neutral

## HDFC Life announces 100% acquisition in Exide Life

Agency channel to strengthen significantly; EV per share to increase ~2-3%

- HDFC Life has announced the 100% acquisition of Exide Life for consideration of INR66.87b, of which INR7.26b would be paid in cash. Furthermore, the company would issue 87m shares to Exide Industries Limited towards the balance amount at INR685 per share. HDFC Life expects to secure all the approvals and complete the transaction by 30<sup>th</sup> Jun'22.
- In FY21, Exide Life earned a total premium of INR33.25b (8.6% that of HDFC Life), and total AUM stood at INR187.8b (10.4% that of HDFC Life). The acquisition would enable HDFC Life to increase its market share by ~140bp to 16.5% (15.1% for FY21) as per the total new business APE. This would make HDFC Life the second largest life insurer, while IPRU remains a close third, with market share of 15.7% for FY21. HDFC Life's market share among private players on an Individual APE basis would improve ~130bp to 16.8%, thus narrowing the gap with private sector leader SBI Life.
- The acquisition would enable HDFC Life to strengthen its agency channel as Exide Life has a total agent count of ~37k, nearly 34% that of HDFC Life. Exide Life has a strong foothold in southern India, especially in Tier 2 and 3 locations. This complements the overall geographical presence of HDFC Life.
- The transaction values Exide Life at 2.5x Jun'21 reported EV, which appears expensive in the context of Exide life's three-year premium and EV CAGR of ~10% and 8%, respectively. However, given the total size of the transaction, our view on the company does not change. Our EV per share estimates on HDFC Life is likely to increase by 2.5%/~2% over FY22/FY23E as the transaction is completed. Maintain Neutral.

## HDFC Life to acquire 100% stake in Exide Life

The Life Insurance industry in India is a highly fragmented market, with a total of 23 private players and the government-owned LIC. Among the private players, the top five accounts for ~67% market share in Individual APE. This group of companies has been reporting steady growth, while there is a long tail of players that have been reporting sub-optimal growth and profitability performance. HDFC Life has announced the 100% acquisition of Exide Life for consideration of INR66.87b, of which INR7.26b would be paid in cash. Furthermore, it would issue equity shares for the balance amount at a price of INR685 per share. This is the first transaction of its kind in the Life Insurance space, which has been fairly ripe for consolidation.

## HDFC Life's market share in Individual APE to increase to 16.8% as per FY21

The acquisition would enable HDFC Life to increase its market share by ~140bp to 16.5% (15.1% for FY21), as per the total new business APE. This would make HDFC Life the second largest life insurer, while IPRU remains a close third with market share of 15.7% for FY21. HDFC Life's market share among private players on an Individual APE basis would improve 130bp to 16.8%. This would narrow the gap with private sector leader SBI Life, which had Individual APE market share of 22.6% in FY21.

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Investors are advised to refer through important disclosures made at the last page of the Research Report.

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**Agency channel to get a boost; geographical diversification also improves**

The acquisition would enable HDFC Life to strengthen its agency channel as Exide Life has a total agent count of ~37k, nearly 34% that of HDFC Life. The combined entity would thus have a strong agency force of 145k agents – the third largest among private players – and would overtake Kotak Life. IPRU has the largest agency base of ~192k agents, while SBI Life has ~158k agents. Besides this, Exide Life has a strong foothold in southern India, especially in Tier 2 and 3 locations, which complements the overall geographical presence of HDFC Life.

**Exide Life has healthy mix of traditional/term products; VNB margins to recover gradually**

Exide Life's predominantly traditional and Protection-focused business (81% of the total business) would augment the medium-term profitability trends for HDFC Life. HDFC Life's management has suggested that while the pre-overrun margins of Exide Life are healthy, post-overrun margins would need to be worked on – they would improve in 12–15 months, led by improving scale, market-leading digital and product innovation capabilities, and prudent risk management.

**FY22/23E EV per share to increase 2.5%/~2%; maintain Neutral**

Exide Life had reported Embedded Value of INR27.11b as of Jun'21, which corresponds to ~10% of HDFC Life's Embedded Value. At consideration of INR66.87b, the transaction values Exide Life at 2.5x Jun'21 EV. This appears expensive in the context of Exide Life's three-year premium and EV CAGR of ~10% and 8%, respectively. However, given the small size of the transaction in the context of HDFC Life's business size and valuations, our view on the company does not change. The transaction is likely to be completed by 30<sup>th</sup> Jun'22 – subject to approvals from the IRDA, Competition Commission of India (CCI), NCLT, stock exchanges, and shareholders. Our EV per share estimates on HDFC Life is likely to increase 2.5%/~2% over FY22/FY23E as the transaction is completed. **We maintain our Neutral rating, with Target Price of INR750 (4.2x FY23E EV).**

**Exhibit 1: Key financials for merged entity**

Key numbers for FY21 (INR b)	HDFC Life	Exide Life	Merged
Total Premium	385.8	33.3	419.1
Renewal Premium	184.8	25.4	210.2
New Business Premium	201.1	7.8	208.9
Individual APE	70.0	5.9	75.9
Individual APE Market Share (%)	15.5%	1.3%	16.8%
APE	83.7	7.0	90.7
Agency New Business	9.4	3.6	13.0
No. of Agents (June'21)	1,07,895	36,710	1,44,605
Embedded Value (June'21)	273.3	27.1	300.4
AUM (June'21)	1,812.7	187.8	2,000.5

Source: MOFSL, Company

**Exhibit 2: Exide Life – key financials**

Technical account (INR m)	FY18	FY19	FY20	FY21	CAGR (FY18-21)
-First Year Premium	7,278	7,442	7,747	6,876	-2%
-Renewal Premium	17,720	20,840	23,307	25,437	13%
-Single Premium	321	580	1,142	935	43%
<b>Gross Premium</b>	<b>25,319</b>	<b>28,862</b>	<b>32,196</b>	<b>33,247</b>	<b>10%</b>
Reinsurance ceded	-742	-746	-745	-758	
<b>Net Premium</b>	<b>24,577</b>	<b>28,116</b>	<b>31,451</b>	<b>32,490</b>	<b>10%</b>
Income from Investment	9,091	9,755	8,466	16,603	
<b>Other Income</b>	<b>490</b>	<b>1,708</b>	<b>2,152</b>	<b>1,008</b>	<b>27%</b>
<b>Total income (A)</b>	<b>34,158</b>	<b>39,579</b>	<b>42,068</b>	<b>50,102</b>	<b>14%</b>
Commission	1,450	2,090	2,156	2,120	
Operating expenses	6,130	7,194	8,092	6,629	
<b>Total commission and opex</b>	<b>7,580</b>	<b>9,284</b>	<b>10,248</b>	<b>8,749</b>	<b>5%</b>
Benefits Paid (Net)	12,325	11,999	14,626	17,247	
Change in reserves	12,898	16,387	13,396	22,813	
<b>Total expenses (B)</b>	<b>32,803</b>	<b>37,792</b>	<b>38,556</b>	<b>48,896</b>	<b>14%</b>
<b>(A) - (B)</b>	<b>1,355</b>	<b>1,787</b>	<b>3,512</b>	<b>1,205</b>	<b>-4%</b>
<b>Surplus / Deficit</b>	<b>1,355</b>	<b>1,787</b>	<b>3,512</b>	<b>1,205</b>	<b>-4%</b>

Shareholder's a/c (INR m)	FY18	FY19	FY20	FY21	CAGR (FY18-21)
Transfer from technical a/c	1,055	1,088	1,516	677	
Income From Investments	664.77	775	1,049	934	
<b>Total Income</b>	<b>1,720</b>	<b>1,863</b>	<b>2,565</b>	<b>1,611</b>	<b>-2%</b>
Other expenses	812	1,707	2,183	903	
<b>Total Expenses</b>	<b>1,120</b>	<b>1,742</b>	<b>2,276</b>	<b>999</b>	<b>-4%</b>
<b>PBT</b>	<b>600</b>	<b>120</b>	<b>289</b>	<b>612</b>	<b>1%</b>
Tax	-2	-30	6	66	
<b>PAT</b>	<b>602</b>	<b>150</b>	<b>283</b>	<b>546</b>	<b>-3%</b>
Growth (%)		-75.1%	88.5%	93.3%	

Key Financials (INRb)	FY18	FY19	FY20	FY21	CAGR (FY18-21)
APE	7,310	7,500	7,861	6,969	-2%
NBP	7,599	8,022	8,889	7,810	1%
APE growth (%)		2.6%	4.8%	-11.3%	
NBP growth (%)		5.6%	10.8%	-12.1%	
Total Expense Ratio (%)	29.9%	32.2%	31.8%	26.3%	
Solvency Ratio (%)	206.0%	208.0%	210.0%	222.0%	

Source: MOFSL, Company

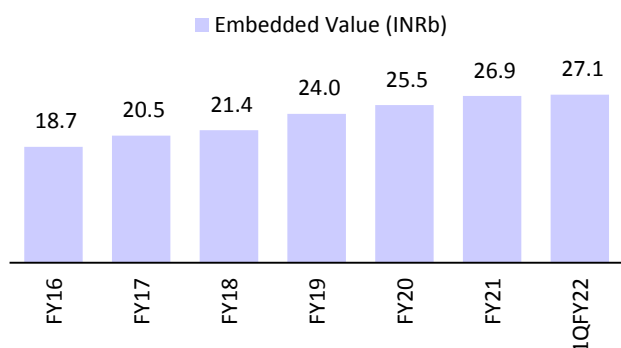
**Exhibit 3: Merged P&L as of FY21**

Technical account (INR m)	HDFC Life	Exide Life	Merged
-First Year Premium	68,584	6,876	75,460
-Renewal Premium	1,84,769	25,437	2,10,206
-Single Premium	1,32,482	935	1,33,417
<b>Gross Premium</b>	<b>3,85,835</b>	<b>33,247</b>	<b>4,19,082</b>
Reinsurance ceded	-4,612	-758	-5,370
<b>Net Premium</b>	<b>3,81,223</b>	<b>32,490</b>	<b>4,13,713</b>
Income from Investment	3,26,776	16,603	3,43,379
<b>Other Income</b>	<b>4,420</b>	<b>1,008</b>	<b>5,428</b>
<b>Total income (A)</b>	<b>7,12,418</b>	<b>50,102</b>	<b>7,62,520</b>
Commission	17,104	2,120	19,224
Operating expenses	45,860	6,629	52,489
<b>Total commission and opex</b>	<b>62,964</b>	<b>8,749</b>	<b>71,713</b>
Benefits Paid (Net)	2,25,748	17,247	2,42,995
Change in reserves	4,08,296	22,813	4,31,109
<b>Total expenses (B)</b>	<b>6,95,122</b>	<b>48,896</b>	<b>7,44,018</b>
<b>(A) - (B)</b>	<b>17,296</b>	<b>1,205</b>	<b>18,501</b>
<b>Surplus / Deficit</b>	<b>10,984</b>	<b>1,205</b>	<b>12,190</b>

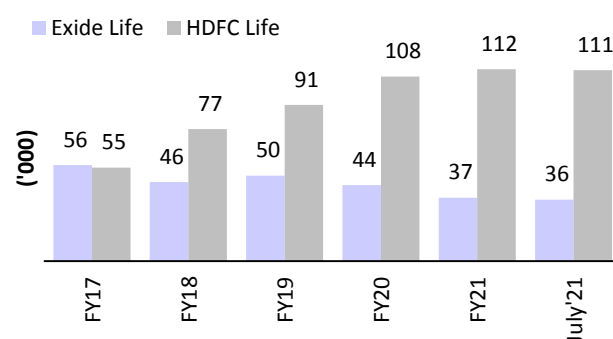
**Shareholder's a/c (INR m)**

Transfer from technical a/c	9,909	677	10,586
Income From Investments	6,476	934	7,409
<b>Total Income</b>	<b>16,385</b>	<b>1,611</b>	<b>17,995</b>
Other expenses	637	903	1,541
<b>Total Expenses</b>	<b>2,850</b>	<b>999</b>	<b>4,222</b>
<b>PBT</b>	<b>13,535</b>	<b>612</b>	<b>13,774</b>
Tax	-66	66	-0
<b>PAT</b>	<b>13,601</b>	<b>546</b>	<b>13,774</b>

Source: MOFSL, Company

**Exhibit 4: EV trend in Exide Life for past few years**

Source: MOFSL, Company

**Exhibit 5: Agent networks of both players**

Source: MOFSL, Company

**Exhibit 6: Impact on Embedded Value (EV)**

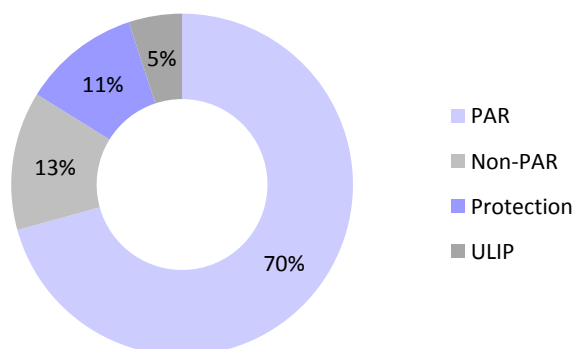
	Current Estimates			Post-Merger	
	FY21	FY22	FY23	FY22	FY23
No of Shares (m)	2,018	2,018	2,018	2,105	2,105
Embedded Value (INRb)	266.2	307.1	361.9	328.3	384.7
EV per share	131.9	152.2	179.4	156.0	182.8
<b>P/EV</b>	<b>5.6</b>	<b>4.8</b>	<b>4.1</b>	<b>4.7</b>	<b>4.0</b>
<b>Increase in EV</b>				<b>2.5%</b>	<b>1.9%</b>

Source: MOFSL, Company

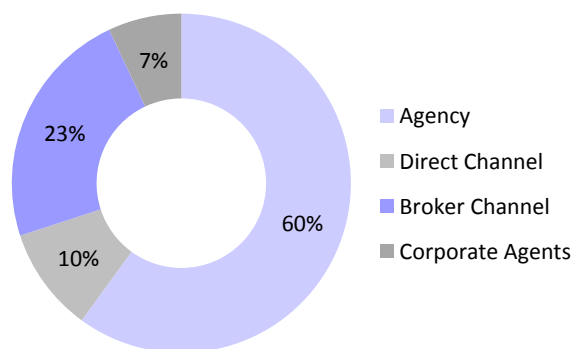
**Exhibit 7: Persistency ratio trends (%)**

Persistency Ratios (%)	HDFC Life		Exide Life	
	FY20	FY21	FY20	FY21
13th Month	90.1%	91.7%	72.5%	75.3%
25th Month	80.2%	84.2%	61.1%	63.6%
37th Month	73.8%	74.7%	51.5%	55.0%
49th Month	67.2%	69.6%	44.0%	49.4%
61st Month	55.0%	54.4%	46.0%	40.6%

Source: MOFSL, Company

**Exhibit 8: Exide Life: Product mix breakup (%)**

Source: MOFSL, HDFC Life Concall

**Exhibit 9: Exide Life: Distribution mix (%)**

Source: MOFSL, HDFC Life Concall

## Financials and valuations

Technical account (INR b)	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Gross Premiums	194.5	235.6	291.9	327.1	385.8	458.4	546.3
Reinsurance Ceded	(1.7)	(1.9)	(2.6)	(4.8)	(4.6)	(4.9)	(5.9)
Net Premiums	192.7	233.7	289.2	322.2	381.2	453.6	540.3
Income from Investments	111.4	85.9	90.3	(33.1)	326.8	133.7	154.6
<b>Total income (A)</b>	<b>305.5</b>	<b>322.4</b>	<b>384.4</b>	<b>292.6</b>	<b>712.4</b>	<b>592.1</b>	<b>700.3</b>
Commission	7.9	10.7	11.2	14.9	17.1	19.5	24.7
Operating expenses	23.9	31.6	38.1	42.7	45.9	54.6	62.5
<b>Total commission and opex</b>	<b>31.8</b>	<b>42.3</b>	<b>49.3</b>	<b>57.6</b>	<b>63.0</b>	<b>74.1</b>	<b>87.2</b>
Benefits Paid (Net)	100.0	131.1	139.9	190.2	225.7	257.0	314.8
Change in reserves	160.5	133.2	175.1	24.4	408.3	235.7	267.9
Prov for doubtful debts	0.3	0.0	0.9	5.7	(1.9)	8.5	10.6
<b>Total expenses (B)</b>	<b>292.7</b>	<b>306.7</b>	<b>365.2</b>	<b>277.9</b>	<b>695.1</b>	<b>575.3</b>	<b>680.6</b>
<b>(A) - (B)</b>	<b>12.9</b>	<b>15.7</b>	<b>19.2</b>	<b>14.7</b>	<b>17.3</b>	<b>16.8</b>	<b>19.7</b>
Tax (incl GST)	3.4	4.7	5.7	5.0	6.3	5.9	6.4
<b>Surplus / Deficit</b>	<b>9.5</b>	<b>10.9</b>	<b>13.5</b>	<b>9.7</b>	<b>11.0</b>	<b>10.9</b>	<b>13.3</b>

Shareholder's a/c (INR b)	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Transfer from technical a/c	7.9	10.0	12.1	11.9	9.9	10.7	13.2
Income From Investments	2.3	2.8	4.1	4.4	6.5	7.0	5.1
<b>Total Income</b>	<b>10.1</b>	<b>13.0</b>	<b>16.4</b>	<b>16.5</b>	<b>16.4</b>	<b>17.7</b>	<b>18.3</b>
<b>Total Expenses</b>	<b>1.0</b>	<b>1.7</b>	<b>3.5</b>	<b>3.4</b>	<b>2.8</b>	<b>3.0</b>	<b>0.8</b>
<b>PBT</b>	<b>9.1</b>	<b>11.3</b>	<b>12.9</b>	<b>13.1</b>	<b>13.5</b>	<b>14.7</b>	<b>17.5</b>
Tax	(0.2)	(0.2)	(0.1)	(0.2)	0.1	(0.2)	(0.3)
<b>PAT</b>	<b>8.9</b>	<b>11.1</b>	<b>12.8</b>	<b>13.0</b>	<b>13.6</b>	<b>14.5</b>	<b>17.2</b>
<b>Growth</b>	<b>9%</b>	<b>24%</b>	<b>15%</b>	<b>1%</b>	<b>5%</b>	<b>7%</b>	<b>19%</b>

Premium (INR b) & growth (%)	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
NBP - unweighted	86.2	113.5	149.7	172.4	201.1	243.1	291.7
NBP - wrp	41.5	54.0	60.5	71.6	81.8	98.5	120.3
Renewal premium	108.2	122.1	142.1	154.7	184.8	215.4	254.6
Total premium - unweighted	194.5	235.6	291.9	327.1	385.8	458.4	546.3
NBP growth - unweighted	32.9%	31.7%	31.9%	15.1%	16.6%	20.9%	20.0%
NBP growth - wrp	14.9%	30.0%	12.0%	18.4%	14.2%	20.3%	22.1%
Renewal premium growth	10.2%	12.8%	16.4%	8.8%	19.4%	16.6%	18.2%
Tot. premium growth - unweighted	19.2%	21.2%	23.9%	12.1%	18.0%	18.8%	19.2%

Premium mix (%)	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
<b>New business - unweighted</b>							
- Individual mix	48.7%	52.4%	51.1%	48.8%	49.9%	63.0%	65.0%
- Group mix	51.3%	47.6%	48.9%	51.2%	50.1%	37.0%	35.0%
<b>New business mix - WRP</b>							
- Participating	30.0%	24.8%	14.4%	15.9%	28.8%	27.6%	26.9%
- Non-participating	21.5%	22.7%	38.5%	59.5%	49.9%	40.5%	40.7%
- ULIPs	48.5%	52.5%	47.1%	24.5%	21.3%	31.8%	32.4%
<b>Total premium mix - unweighted</b>							
- Participating	25.9%	24.9%	20.0%	18.5%	19.8%	40.0%	40.0%
- Non-participating	27.4%	31.5%	41.2%	47.3%	51.0%	12.8%	12.8%
- ULIPs	46.7%	43.6%	38.8%	34.2%	29.1%	47.2%	47.2%

Indi premium sourcing mix (%)	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Individual agents	15.5%	13.2%	13.8%	13.3%	12.3%	22.4%	22.4%
Corporate agents-Banks	61.1%	58.8%	46.7%	41.8%	45.8%	52.6%	52.6%
Direct business	14.9%	19.4%	31.8%	35.0%	33.4%	17.5%	17.5%
Others	8.6%	8.6%	7.8%	9.9%	8.5%	7.5%	7.5%

## Financials and valuations

Balance sheet (INR b)	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
<b>Sources of Fund</b>							
Share Capital	20.0	20.1	20.2	20.2	20.2	20.2	20.2
Reserves And Surplus	18.1	27.1	36.4	49.7	64.1	75.7	89.0
<b>Shareholders' Fund</b>	<b>38.4</b>	<b>47.5</b>	<b>56.6</b>	<b>68.0</b>	<b>86.4</b>	<b>98.0</b>	<b>111.3</b>
Policy Liabilities	327.8	423.2	536.7	652.7	855.2	1,067.4	1,260.1
Prov. for Linked Liab.	538.0	546.0	605.2	508.4	709.6	759.3	827.0
Funds For Future App.	8.7	35.5	39.5	42.2	47.9	56.5	66.9
Current liabilities & prov.	38.2	46.5	51.2	49.8	65.0	84.5	109.9
<b>Total</b>	<b>951.1</b>	<b>1,104.8</b>	<b>1,300.3</b>	<b>1,321.6</b>	<b>1,795.7</b>	<b>2,065.6</b>	<b>2,375.5</b>
<b>Application of Funds</b>							
Shareholders' invt	32.5	40.7	50.5	58.6	85.4	102.5	123.0
Policyholders' invt	346.9	453.5	571.2	671.9	905.4	1,085.0	1,280.7
Assets to cover linked liab.	538.0	571.9	633.8	541.8	747.6	807.4	1,280.7
<b>Total</b>	<b>951.1</b>	<b>1,104.8</b>	<b>1,300.3</b>	<b>1,321.6</b>	<b>1,795.7</b>	<b>2,065.6</b>	<b>2,375.5</b>

Operating ratios (%)	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Investment yield	12.6%	8.4%	7.5%	-2.7%	19.8%	7.1%	7.1%
<b>Commissions / GWP</b>	<b>4.1%</b>	<b>4.6%</b>	<b>3.8%</b>	<b>4.6%</b>	<b>4.4%</b>	<b>4.3%</b>	<b>4.5%</b>
- first year premiums	17.7%	18.4%	15.5%	17.9%	18.5%	16.6%	19.7%
- renewal premiums	1.3%	1.3%	1.5%	1.6%	1.5%	2.0%	1.5%
- single premiums	0.1%	0.8%	1.2%	1.3%	1.0%	1.0%	0.5%
Operating expenses / GWP	12.3%	13.4%	13.1%	13.0%	11.9%	11.9%	11.4%
<b>Total expense ratio</b>	<b>16.3%</b>	<b>18.0%</b>	<b>16.9%</b>	<b>17.6%</b>	<b>16.3%</b>	<b>16.2%</b>	<b>16.0%</b>
Solvency ratio	192%	192%	188%	184%	201%	192%	187%

Persistence ratios (%)	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
13th Month	81.0%	87.1%	87.2%	90.1%	91.7%	92.3%	92.6%
25th Month	73.0%	77.4%	80.5%	80.2%	84.2%	85.2%	85.5%
37th Month	64.0%	70.9%	72.0%	73.8%	74.7%	75.9%	76.2%
49th Month	58.0%	62.2%	67.7%	67.2%	69.6%	70.9%	72.5%
61st Month	57.0%	51.0%	52.3%	55.0%	54.4%	55.8%	56.6%

Profitability ratios (%)	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
VNB margin (%)	22.0%	23.2%	24.6%	25.9%	26.1%	26.5%	26.9%
RoE (%)	25.5%	25.8%	24.5%	20.8%	17.6%	15.7%	16.5%
Operating ROEV	21.9%	21.6%	20.1%	18.2%	18.5%	15.5%	18.4%
RoEV (%)	22.0%	22.0%	20.3%	12.9%	28.9%	15.4%	17.8%

Valuation & key data	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Total AUMs (INRb)	917	1,066	1,256	1,272	1,738	2,194	2,608
- of which equity AUMs (%)	41%	39%	38%	29%	36%	32%	33%
Dividend %	11%	14%	16%	0%	0%	12%	16%
Dividend payout ratio (%)	30%	30%	31%	0%	0%	20%	23%
EPS, INR	4.5	5.5	6.3	6.4	6.7	7.2	8.5
VNB (INRb)	9.1	12.8	15.40	19.18	21.85	26.1	32.4
Embedded Value (INRb)	124.5	151.9	182.7	206.3	266.2	307.1	361.9
EV per share (INR)	61.7	75.3	90.6	102.3	131.9	152.2	179.4
P/EV (x)	11.9	9.8	8.1	7.2	5.6	4.8	4.1
P/EPS (x)	164.3	132.8	115.8	114.4	109.1	102.4	86.3
P/EVOP (x)	66.3	55.2	48.4	44.7	38.7	35.9	26.2

## NOTES



Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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