



Offshore & Marine

UNDERWEIGHT (Unchanged)

4Q14 results preview

- Companies reporting results from 12 Feb. Oil should not have made full onslaught yet.
- Focus on pricing & utilisation for asset owners, order backlogs & execution for asset builders.
- Maintain Underweight. Ezion arguably still offers best resilience. Top pick in the sector.

What's New

We preview 4Q14 earnings for Singapore O&M companies. At this stage of the cycle, we reckon pricing and utilisation matter the most to asset owners and backlogs and quality, to asset builders. A more important task is to assess managements' tones during results briefings to gather a read-through for FY15.

What's Our View

Oil's rout would not have been fully felt in 4Q14. It should be felt from 1Q15. The biggest question is whether share prices have discounted the downturn. We believe the bottom remains murky given moving targets. In this earnings season, we focus on companies' strategies for coping, industry pricing, order enquiries and order-win potential.

We expect most to initiate some form of cost-cutting to mitigate pricing pressures and lower utilisation. Substantial labour retrenchments or permanent capacity rationalisation may signal expectations of a prolonged downturn.

Positive earnings surprises, if any, may spring from asset builders such as **Nam Cheong (BUY, TP SGD0.35)** and **Yangzijiang (BUY, TP SGD1.40)**. These tend to have lumpy revenue from percentage-of-completion recognition. We would not read too much into any surprises unless they are matched by positive order outlooks. Our FY14E EPS for **Sembcorp Marine (SELL, TP SGD2.65)** is 3% below consensus. We also see risks for **PACC Offshore (POSH, BUY, TP SGD0.81)** if its Mexican units remain idle, though low valuations may support its stock price.

We caution against any company that cites total immunity. We see vulnerability in the entire value chain given the extent of oil's price fall and the uncertainties surrounding its recovery. Desperate players with weak financials could sabotage industry pricing. In our view, **Ezion (BUY, TP SGD1.93)** may be the most resilient.

Maintain UNDERWEIGHT. Ezion is our conviction BUY. Other BUYS for an early positioning for a turn in sentiment. Avoid capex-sensitive rigbuilders, **Sembcorp Marine (SELL, TP SGD2.65)** and **Keppel Corp (HOLD, TP SGD8.60)**.

Analyst

Yeak Chee Keong, CFA
(65) 6231 5842
yeakcheekeong@maybank-ke.com.sg

TP and rating changes

Company	Rating		TP (SGD)	
	New	Old	New	Old
Asset builders				
Keppel Corp	unchg	HOLD	unchg	8.60
Sembcorp Ind.	unchg	SELL	unchg	4.00
Sembcorp Marine	unchg	SELL	unchg	2.65
Cosco Corp	unchg	SELL	0.50	0.54
Yangzijiang	unchg	BUY	unchg	1.40
Vard	unchg	HOLD	unchg	0.65
Nam Cheong	unchg	BUY	unchg	0.35
Asset owners				
Ezion	unchg	BUY	unchg	1.93
PACC Offshore	unchg	BUY	unchg	0.81
Pacific Radiance	unchg	BUY	unchg	1.15
Mermaid Maritime	unchg	BUY	unchg	0.38
Swiber	unchg	HOLD	0.25	0.35

Source: Maybank KE

4Q14 earnings expectations

4Q14 results will offer the first glimpse of oil's damage on service companies. Nevertheless, the full impact would not have been felt yet and earnings are likely to deteriorate further. Managements' tones during results briefings will provide read-through for FY15. But as oil prices and capital budgets are still moving targets, the companies themselves may find it difficult to size up their prospects accurately.

Figure 1: 4Q14E and FY14E forecasts: Maybank KE vs consensus

		Results release	4Q14E reported net profit				FY14E reported net profit			
			MBKE	% chg YoY	Factset Consensus	% chg YoY	MBKE	% chg YoY	Factset Consensus	% chg YoY
Cosco Corp	SGD (m)	16 Feb	(85.4)	(1,953)	8.3	80	(51.3)	(268)	42.4	39
Ezion Holdings	USD (m)	16 Feb	77.8	92	63.8	58	217.9	36	203.9	27
Mermaid Maritime*	USD (m)	25 Feb	11.8	(11)	12.5	(5)	n.a.	n.a.	n.a.	n.a.
Nam Cheong Ltd	MYR (m)	12 Feb	50.8	(29)	46.6	(34)	311.5	51	307.3	49
PACC Offshore	USD (m)	Yet to announce	18.2	334	19.2	357	82.5	12	83.5	14
Pacific Radiance	USD (m)	Yet to announce	13.1	(20)	12.4	(24)	76.4	35	75.7	33
Sembcorp Industries	SGD (m)	17 Feb	229.6	3	217.3	(3)	790.1	(4)	777.8	(5)
Sembcorp Marine	SGD (m)	12 Feb	146.5	(20)	161.9	(11)	532.6	(4)	548.0	(1)
Swiber Holdings	USD (m)	Yet to announce	12.4	(59)	3.9	(87)	43.1	(31)	34.6	(44)
Vard Holdings	NOK (m)	Yet to announce	108.9	(4)	97.4	(14)	303.9	(13)	292.4	(16)
Yangzijiang	CNY (m)	27 Feb	610.1	(18)	610.1	(18)	3,456.5	12	3,456.5	12

*1QFY9/15 results for Mermaid. Mermaid will also change its FYE from September to December in this quarter.

Source: Factset, Maybank KE

Cosco Corp (COS SP, SELL, TP SGD0.50)

SGD90m write-off in 4Q14. Excluding the write-off, we forecast a 4Q14 core net profit of SGD4.6m (-1% YoY, -36% QoQ). As it warned on 10 Jan 2015, this was a write-off for the Octabuoy semisub hull and topside module which it found hard to re-sell after its owner, ATP UK, defaulted. With a 9M14 net profit of only SGD34.1m, Cosco will almost certainly sink into net losses in FY14.

May have more defaults. Cosco has two other known contracts at risk (a DP3 drillship and another drillship for Sevan Drilling). We believe there could be more. Chinese shipyards moved into offshore projects to counter the last commercial-shipbuilding downturn. With oil prices at a 6-year low and a still-muted shipbuilding market, Cosco faces a daunting task building up its order book. Its woes are compounded by weak execution of offshore orders, which have remained unprofitable.

High gearing and weak cash flows. 9M14 net gearing was 1.2x with negative operating cash flows. Still, Cosco should be able to survive the downturn with its state support. TP cut to SGD0.50 from SGD0.54 after accounting for the SGD90m write-off in FY14. Our TP remains based on 0.9x FY15E P/BV, -1SD of its 10-year mean. Maintain SELL.

FYE Dec (SGD m)	FY12A	FY13A	FY14E	FY15E	FY16E
Revenue	3,734.3	3,508.1	4,274.2	3,732.2	3,161.8
EBITDA	468.6	310.8	222.7	258.6	249.3
Core net profit	105.7	30.6	(51.3)	11.0	16.8
Core EPS (cts)	4.7	1.4	(2.3)	0.5	0.7
Core EPS growth (%)	(24.2)	(71.0)	nm	nm	52.2
Net DPS (cts)	2.0	1.0	1.0	0.5	0.5
Core P/E (x)	11.4	39.5	(23.6)	109.7	72.0
P/BV (x)	0.9	0.9	1.0	1.0	1.0
Net dividend yield (%)	3.7	1.9	1.9	0.9	0.9
ROAE (%)	8.2	2.3	nm	0.9	1.3
ROAA (%)	1.5	0.4	nm	0.1	0.2
EV/EBITDA (x)	8.8	13.8	19.9	17.0	15.9
Net debt/equity (%)	104.1	131.3	185.9	178.3	140.0

Source: Factset, Maybank KE

Ezion Holdings (EZI SP, BUY, TP SGD1.93)

USD30m gain from marine supply base disposal. We estimate a USD77.8m (+92% YoY, +58% QoQ) 4Q14 net profit. Our forecast includes a USD30m gain from the disposal of its Melville supply base to AusGroup.

Weaker offshore logistics... Additionally, revenue from offshore logistics is expected to trail off as Ezion passed its Australian logistics contracts to AusGroup during a project gap in 4Q14. It would eventually bareboat charter its tugs and barges to AusGroup for those projects.

... compensated by more units in 4Q14. The above weakness may be tempered by contributions from 5-6 more units in 4Q14. Two were supposed to be deployed towards end-December.

Liftboat renewal concerns. Ezion's ability to renew contracts expiring in FY15 will be crucial. It has five up for renewal, with most other units under 3-4-year contracts. Still, we rate its renewal risks much lower than for other asset owners under coverage.

FYE Dec (USD m)	FY12A	FY13A	FY14E	FY15E	FY16E
Revenue	158.7	281.9	390.5	533.4	657.7
EBITDA	87.1	184.3	310.5	425.7	526.2
Core net profit	65.4	132.5	178.1	259.8	320.7
Core FDEPS (cts)	5.3	8.4	11.3	16.5	20.3
Core FDEPS growth(%)	4.2	58.6	34.4	45.8	23.5
Net DPS (cts)	0.1	0.1	0.1	0.1	0.1
Core FD P/E (x)	17.7	11.2	8.3	5.7	4.6
P/BV (x)	2.2	1.7	1.1	0.9	0.8
Net dividend yield (%)	0.1	0.1	0.1	0.1	0.1
ROAE (%)	15.9	19.6	16.7	17.8	18.3
ROAA (%)	7.8	8.2	7.0	8.3	9.7
EV/EBITDA (x)	20.7	16.4	7.8	5.3	3.8
Net debt/equity (%)	75.5	114.9	69.8	48.6	25.4

Source: Factset, Maybank KE

Note: Core net profit shown above excludes one-offs and perpetual securities payments.

Mermaid Maritime (MMT SP, BUY, TP SGD0.38)

Changing financial year to December. We expect Mermaid to report a USD11.8m (-11% YoY, -14% QoQ) 1QFY9/15 net profit. Average pricing and utilisation are still its most important metrics, in our view. YoY comparisons could be messy as Mermaid is switching its financial year-end from September to December.

Test of resilience. Mermaid's subsea IRM business has some defence against volatile oil prices. Management was cautiously optimistic in the last quarter. One of the reasons cited was the company's strong exposure to the Middle East, especially Saudi Aramco. We are looking to see if there has been any change as oil prices have slipped further since. We understand that other suppliers of Saudi Aramco have received requests for lower pricing.

MTR-2 should still have contributed. A contract for its MTR-2 tender rig was terminated early by Chevron due to Chevron's inability to obtain a drilling permit from Pertamina. Its original termination date was end-May 2015. But as the vessel was only demobilised at end-Dec 2014, it should still have contributed in 1QFY9/15. Mermaid is looking for a replacement contract but has yet to announce any. On a full-year basis, MTR-2 should have contributed about USD2.7m in gross profits.

FYE Sep (USD m)	FY13A	FY14A	FY15E	FY16E	FY17E
Revenue	269.6	313.0	402.1	398.8	433.1
EBITDA	50.5	53.2	56.5	80.2	119.0
Core net profit	15.7	45.2	47.2	55.6	63.9
Core EPS (cts)	2.0	3.2	3.3	3.9	4.5
Core EPS growth (%)	382.1	61.9	4.3	17.7	14.9
Net DPS (cts)	0.9	0.5	0.5	0.5	0.5
Core P/E (x)	11.2	6.9	6.6	5.6	4.9
P/BV (x)	0.6	0.6	0.5	0.5	0.4
Net dividend yield (%)	3.9	2.1	2.3	2.3	2.3
ROAE (%)	3.5	8.4	8.1	8.9	9.4
ROAA (%)	2.5	6.2	6.0	5.8	5.8
EV/EBITDA (x)	3.4	8.4	6.7	7.8	4.8
Net debt/equity (%)	net cash	6.5	10.4	48.0	36.8

Source: Factset, Maybank KE

Nam Cheong (NCL SP, BUY, TP SGD0.35)

Softer 4Q14 after blowout 3Q14. FY14 should be a record year for the company though we believe the market will look beyond that. We forecast a 4Q14E net profit of MYR50.8m (-29% YoY, -60% QoQ). 4Q should have been softer after a blowout 3Q14 on very strong revenue recognition. Revenue for asset builders tends to ebb and flow with percentage-of-completion recognition.

LOI may be delayed or prices lowered. Nam Cheong secured LOIs worth USD186m for the sale and charter of 12 vessels from five customers on 17 Oct 2014. The LOIs were expected to be converted into firm contracts within 90-120 days. So far, none appears to have been converted. We believe customers may be hesitant in committing and foresee either: 1) a lapsing of options; 2) an extension of conversion periods; and/or 3) lower pricing to entice exercising.

2016 build-to-stock programme may be smaller. Traditionally, Nam Cheong guides its newbuild programme for the next year during 4Q. We think investors may need to brace for smaller programmes for 2015-16. We have assumed 38 vessels for 2016 delivery, including build-to-order vessels), versus 35 vessels for 2015.

FYE Dec (MYR m)	FY12A	FY13A	FY14E	FY15E	FY16E
Revenue	876.6	1,257.4	1,891.0	2,159.4	2,166.0
EBITDA	150.3	219.9	349.8	319.7	323.1
Core net profit	136.6	205.6	311.5	274.0	284.7
Core FDEPS (sen)	7.1	9.7	14.7	13.0	13.5
Core FDEPS growth(%)	46.6	36.2	51.5	(12.0)	3.9
Net DPS (sen)	1.3	2.6	3.6	3.6	3.6
Core FD P/E (x)	11.8	8.7	5.7	6.5	6.3
P/BV (x)	2.7	1.9	1.5	1.3	1.1
Net dividend yield (%)	1.5	3.1	4.3	4.3	4.3
ROAE (%)	25.6	26.9	29.2	21.2	19.0
ROAA (%)	12.0	11.8	12.7	9.7	9.8
EV/EBITDA (x)	9.9	10.0	6.7	7.5	6.8
Net debt/equity (%)	38.2	52.1	48.0	43.5	25.1

Source: Factset, Maybank KE

PACC Offshore (POSH SP, BUY, TP SGD0.81)

4Q14 results non-indicative. Our 4Q14E net profit forecast for PACC Offshore is USD18.2m (+334% YoY, +21% QoQ), mainly from a larger fleet. 4Q14 may not have fully incorporated the fall in charter rates triggered by oil's downward spiral.

Pricing and utilisation outlook. POSH gave a 10% discount to an oil major last quarter. We believe there would be more such instances, bringing down its overall pricing. We already cut FY15E-16E charter rates by 4-17% for OSV players in our 18 Dec 2014 report.

Mexico may continue to haunt. Vessels remained idle at its Mexican outfit in 3Q14. We believe Mexico poses risks to our forecasts.

Second SSAV yet to be contracted. Our next concern is its second SSAV, which remains uncontracted. POSH previously guided for a contract by Dec 2014 but this did not materialise. Despite Brazil's unflagging demand, we believe oil-price uncertainties and corruption and financing issues in Brazil may have delayed commitment. We have factored in 570 vessel days of contribution from its two SSAVS for FY15E. Assuming the first starts work by end-Feb 2015, the second would need to contribute by Apr 2015 to meet our forecast.

FYE Dec (USD m)	FY12A	FY13A	FY14E	FY15E	FY16E
Revenue	243.0	237.3	252.3	384.0	420.2
EBITDA	96.6	114.4	144.9	189.3	212.4
Core net profit	53.5	73.4	82.5	131.6	150.5
Core EPS (cts)	2.9	4.0	4.5	7.2	8.3
Core EPS growth (%)	104.1	37.1	12.5	59.4	14.4
Net DPS (cts)	0.0	0.0	0.8	1.6	1.6
Core P/E (x)	13.3	9.7	8.6	5.4	4.7
P/BV (x)	1.1	0.8	0.6	0.5	0.5
Net dividend yield (%)	0.0	0.0	2.0	4.1	4.1
ROAE (%)	8.5	9.6	7.8	10.1	10.6
ROAA (%)	4.0	4.6	4.4	6.5	7.0
EV/EBITDA (x)	na	na	8.7	6.6	5.9
Net debt/equity (%)	79.2	92.2	43.8	39.1	35.9

Source: Factset, Maybank KE

Pacific Radiance (PACRA SP, BUY, TP SGD1.15)

Subsea to remain challenging in 4Q14. Pacific Radiance should turn in a USD13.1m (-20% YoY, -9% QoQ) 4Q14E profit. Subsea shone in 1H14 but turned weaker from 3Q14. Management traced this to delays in wrapping up previous jobs, which caused it to miss new job window.

More vessels to join fleet, unlikely to have vessel-sale gain. Four more vessels should have joined its fleet in 4Q14, possibly mitigating its subsea weakness. We do not expect much gain from the sale of vessels as such sales were exceptionally high in the first three quarters. We also reckon that asset prices could be rather weak in the current environment.

Expect lower pricing for renewals and cost-cutting measures. Our attention will really be on contract-renewal pricing and utilisation as these will determine its financial profitability. We already cut pricing for OSV operators by 4-17% in our 18 Dec 2014 report. We believe Pacific Radiance would initiate some austerity measures to cut costs.

FYE Dec (USD m)	FY12A	FY13A	FY14E	FY15E	FY16E
Revenue	130.8	168.6	188.6	244.0	261.9
EBITDA	60.6	75.6	101.1	112.4	119.3
Core net profit	32.2	56.8	76.4	74.4	78.0
Core EPS (cts)	5.8	7.8	10.5	10.3	10.7
Core EPS growth (%)	74.0	33.9	34.5	(2.5)	4.8
Net DPS (cts)	0.0	2.0	2.0	2.0	2.0
Core P/E (x)	9.6	7.2	5.3	5.5	5.2
P/BV (x)	1.5	1.1	0.9	0.8	0.7
Net dividend yield (%)	0.0	3.6	3.6	3.6	3.6
ROAE (%)	16.9	19.6	18.8	15.9	14.7
ROAA (%)	5.9	8.6	9.4	8.0	7.7
EV/EBITDA (x)	na	9.8	7.1	6.5	5.9
Net debt/equity (%)	124.9	60.7	69.1	63.4	51.2

Source: Factset, Maybank KE

Sembcorp Industries (SCI SP, SELL, TP SGD4.00)

Marine drag. We forecast a 4Q14E PATMI of SGD229.6m (+3% YoY, +17% QoQ). We expect marine to drag down SCI's performance, even as domestic power prices remain under pressure.

Domestic power price pressures. Lingering concerns are: 1) overcapacity and 2) lower vesting contract levels from 40% to 30% in 1H15 and 25% in 2H15. Vesting contract prices are 35% higher than market prices. We need to watch if power producers would respond by raising market prices.

India power plant yet to start. India power assets could be its next bright spot but they would only contribute from FY15. Even then, we believe FY15 will be more about ramping up with more material contributions only in FY16.

FYE Dec (SGD m)	FY12A	FY13A	FY14E	FY15E	FY16E
Revenue	10,189.1	10,797.6	11,137.0	11,974.3	12,233.6
EBITDA	1,341.5	1,251.5	1,411.4	1,519.9	1,558.3
Core net profit	753.3	820.4	790.1	831.9	860.9
Core FDEPS (cts)	41.8	45.6	43.9	46.2	47.8
Core FDEPS growth(%)	(7.0)	9.0	(3.7)	5.3	3.5
Net DPS (cts)	15.0	17.0	15.0	15.0	15.0
Core FD P/E (x)	10.3	9.5	9.8	9.3	9.0
P/BV (x)	1.7	1.5	1.3	1.2	1.1
Net dividend yield (%)	3.5	3.9	3.5	3.5	3.5
ROAE (%)	17.5	16.9	14.4	13.7	12.8
ROAA (%)	6.1	6.2	5.3	4.9	4.6
EV/EBITDA (x)	8.0	8.6	6.5	5.9	5.7
Net debt/equity (%)	5.8	net cash	net cash	net cash	net cash

Source: Factset, Maybank KE

Sembcorp Marine (SMM SP, SELL, TP SGD2.65)

Stronger repair revenue from one-offs. We forecast a 4Q14E PATMI of SGD146.5m (-20% YoY, +11% QoQ) on revenue of SGD1,540m. 4Q is traditionally stronger as variation orders are wrapped up by year-end. SMM previously guided SGD25m of repair work on Royal Caribbean cruise ships and two Noble semi-sub in 4Q14. These should lift its repair revenue but we would deem them one-offs. We expect recurring ship repair revenue to remain tepid on a still-listless shipping market.

Expect some currency gains to lift operating margins. Operating margins would remain the key metric to watch. We forecast a 4Q14E O&M operating margin of 10.9% (3Q/2Q/1Q14: 10.0/11.5/11.1%, 4Q13: 11.1%). Headline margins may appear stronger because of USD strength. Keppel O&M's 4Q14 operating margins already disappointed, down 1.8ppts QoQ to 13.2%.

Subdued order outlook. Stock drivers should be order backlogs and quality. We expect both to stay weak. Orders for production assets may look strong but we believe there are risks from the industry's revisions of spending plans.

FYE Dec (SGD m)	FY12A	FY13A	FY14E	FY15E	FY16E
Revenue	4,430.1	5,525.9	5,927.9	6,229.2	6,213.7
EBITDA	648.2	744.9	781.8	853.0	884.0
Core net profit	538.5	555.7	532.6	528.6	538.1
Core FDEPS (cts)	25.8	26.6	25.5	25.3	25.7
Core FDEPS growth(%)	(29.6)	3.2	(4.2)	(0.7)	1.8
Net DPS (cts)	13.0	13.0	11.0	11.0	11.0
Core FD P/E (x)	11.6	11.3	11.8	11.9	11.7
P/BV (x)	2.6	2.3	2.1	1.9	1.7
Net dividend yield (%)	4.3	4.3	3.7	3.7	3.7
ROAE (%)	22.2	21.7	18.7	16.6	15.4
ROAA (%)	9.9	8.5	6.9	6.3	6.1
EV/EBITDA (x)	13.3	11.4	7.7	7.1	6.6
Net debt/equity (%)	net cash	net cash	net cash	net cash	net cash

Source: Factset, Maybank KE

Swiber Holdings (SWIB SP, HOLD, TP SGD0.25)

Write off FY14, expect further disappointments. We are bracing for a core net loss of USD43.7m for FY14, although reported net profit may be boosted by a USD95m gain from the disposal of Kreuz at the beginning of the year. We forecast a 4Q14E net profit of USD12.4m (-59% YoY, -145% QoQ), but there are risks this wouldn't be met.

Weak order book and execution. Swiber broke a long order drought in Dec 2014 with a USD710m order from West Africa. This lifted its new contracts from USD315m to USD1.03b. But further order-book replenishments are uncertain. On top of that, we are wary of execution as West Africa is a new market for Swiber.

Takeover target? Swiber's recent rights issue may have raised SGD45.9m but its leverage remains dangerously high. We estimate an adjusted net gearing of 1.8x. Weak valuations of 0.2x P/BV may make it a takeover target in the current environment. We update our TP to reflect rights shares and cash proceeds. Our new TP is SGD0.25, still based on 0.3x FY15E P/BV. Maintain HOLD, with support from its low valuations.

FYE Dec (USD m)	FY12A	FY13A	FY14E	FY15E	FY16E
Revenue	952.2	1,039.1	751.4	732.5	901.1
EBITDA	135.5	169.9	105.5	45.4	73.2
Core net profit	45.7	62.1	(43.7)	(5.8)	29.1
Core FDEPS (cts)	7.5	9.3	(6.5)	(0.6)	3.0
Core FDEPS growth(%)	18.5	23.2	nm	nm	nm
Net DPS (cts)	0.8	0.0	3.0	0.0	0.0
Core FD P/E (x)	1.9	1.5	nm	nm	4.7
P/BV (x)	0.2	0.2	0.2	0.2	0.2
Net dividend yield (%)	5.6	0.0	21.3	0.0	0.0
ROAE (%)	10.8	12.0	nm	nm	4.8
ROAA (%)	2.7	3.1	nm	nm	1.3
EV/EBITDA (x)	7.9	6.7	11.9	28.3	16.9
Net debt/equity (%)	131.0	123.8	186.7	176.7	162.3

Source: Factset, Maybank KE

Vard Holdings (VARD SP, HOLD, TP SGD0.65)

Returning to profitability. Vard is one of the hardest companies to forecast given its unstable execution in past quarters. Nevertheless, we forecast a return to profitability in 4Q14 after the company's first-ever quarterly loss in 3Q14. Our net profit forecast is NOK108.9m (-4% YoY).

Execution hiccups not yet over. We find it difficult to estimate margins given its patchy record. Still, we are eyeballing an EBITDA margin of 4.2% for the year and a recovery in FY15, assuming better cost-control and execution.

Deepwater in deep trouble. Hopes of a resurgence beyond late FY15 may be hampered by weak order intake leading weaker revenue recognition. Vard's exposure to deepwater assets raises its risk profile. We expect weak guidance on contract potential.

Peak pessimism may support share price. Stock is trading at 0.8x FY15E P/BV, 1SD below its 4-year trough of 1.0x.

FYE Dec (NOK m)	FY12A	FY13A	FY14E	FY15E	FY16E
Revenue	11,129.0	11,155.0	11,672.2	13,059.8	11,291.4
EBITDA	1,473.0	686.0	475.9	742.1	708.2
Core net profit	902.0	357.0	303.9	409.7	404.6
Core EPS (NOK)	0.76	0.30	0.26	0.35	0.34
Core EPS growth (%)	(43.4)	(60.4)	(14.9)	34.8	(1.2)
Net DPS (NOK)	0.73	0.00	0.08	0.11	0.11
Core P/E (x)	3.8	9.6	11.2	8.3	8.4
P/BV (x)	1.1	0.9	0.9	0.8	0.7
Net dividend yield (%)	25.2	0.0	2.9	3.9	3.9
ROAE (%)	27.0	10.4	7.9	9.9	9.1
ROAA (%)	7.0	2.7	2.1	2.7	2.5
EV/EBITDA (x)	5.8	12.5	13.3	8.6	7.8
Net debt/equity (%)	47.2	106.8	76.4	71.5	48.5

Source: Factset, Maybank KE

Yangzijiang Shipbuilding (YZJSGD SP, BUY, TP SGD1.40)

Earnings should be in line. Yangzijiang has low exposure to oil and gas. We forecast a CNY610.1m (-18% YoY, -25% QoQ) 4Q14 net profit. There are chances of outperformance from percentage-of-completion recognition. Earnings should be read in conjunction with margins.

Shipbuilding margins should start to slim down. Shipbuilding margins should trend down as higher value orders are depleted. This has been widely expected and should have been priced in.

Order outlook. The recovery in its commercial shipbuilding in 2014 was lacklustre, as we predicted. 2015 may not be too strong either. FY14 order wins were USD1.8b, shy of our forecast of USD2.0b. Still, with its strong execution and financials, customers may funnel orders from the other Chinese shipyards to YJZ.

HTM assets always a concern. We would be more positive if there is some unwinding of such investments.

FYE Dec (CNY m)	FY12A	FY13A	FY14E	FY15E	FY16E
Revenue	14,799.1	14,338.6	14,755.8	17,378.3	17,421.6
EBITDA	4,811.2	4,794.8	4,125.8	3,848.2	3,852.5
Core net profit	3,580.8	3,095.9	3,456.5	2,781.9	2,861.0
Core EPS (CNY)	0.93	0.81	0.90	0.73	0.75
Core EPS growth (%)	(9.9)	(13.5)	11.6	(19.5)	2.8
Net DPS (CNY)	0.28	0.24	0.23	0.23	0.23
Core P/E (x)	6.1	7.1	6.4	7.9	7.7
P/BV (x)	1.4	1.2	1.1	1.0	0.9
Net dividend yield (%)	4.9	4.2	4.1	4.0	4.0
ROAE (%)	25.1	18.6	18.0	12.9	12.2
ROAA (%)	10.7	8.1	7.9	6.1	5.9
EV/EBITDA (x)	4.3	5.4	5.7	6.0	5.7
Net debt/equity (%)	7.3	19.8	5.8	3.5	net cash

Source: Factset, Maybank KE

Research Offices

REGIONAL

WONG Chew Hann, CA
Regional Head of Institutional Research
(603) 2297 8686 wchewh@maybank-ib.com

ONG Seng Yeow
Regional Head of Retail Research
(65) 6432 1453
ongsengyeow@maybank-ke.com.sg

Alexander GARTHOFF
Institutional Product Manager
(852) 2268 0638
alexgarthoff@kimeng.com.hk

ECONOMICS

Suhaimi ILIAS
Chief Economist
Singapore | Malaysia
(603) 2297 8682
suhaimi_ilias@maybank-ib.com

Luz LORENZO
Philippines
(63) 2 849 8836
luz_lorenzo@maybank-atrke.com

Tim LEELAHAPHAN
Thailand
(66) 2658 6300 ext 1420
tim.l@maybank-ke.co.th

JUNIMAN
Chief Economist, Bil
Indonesia
(62) 21 29228888 ext 29682
Juniman@bankbii.com

STRATEGY

Sadiq Currimbhoy
Global Strategist
(65) 6231 5836 sadiq@maybank-ke.com.sg

Willie Chan
Hong Kong / Regional
(852) 2268 0631 williechan@kimeng.com.hk

MALAYSIA

WONG Chew Hann, CA Head of Research
(603) 2297 8686 wchewh@maybank-ib.com
• Strategy • Construction & Infrastructure

Desmond CH'NG, ACA
(603) 2297 8680
desmond.chng@maybank-ib.com
• Banking & Finance

LIAW Thong Jung
(603) 2297 8688 tjliaw@maybank-ib.com
• Oil & Gas - Regional • Shipping

ONG Chee Ting, CA
(603) 2297 8678 ct.ong@maybank-ib.com
• Plantations - Regional

Mohshin AZIZ
(603) 2297 8692 mohshin.aziz@maybank-ib.com
• Aviation - Regional • Petrochem

YIN Shao Yang, CPA
(603) 2297 8916 samuel.y@maybank-ib.com
• Gaming - Regional • Media

TAN Chi Wei, CFA
(603) 2297 8690 chiwei.t@maybank-ib.com
• Power • Telcos

WONG Wei Sum, CFA
(603) 2297 8679 weisum@maybank-ib.com
• Property & REITs

LEE Yen Ling
(603) 2297 8691 lee.yl@maybank-ib.com
• Building Materials • Glove Producers

CHAI Li Shin, CFA
(603) 2297 8684 lishin.c@maybank-ib.com
• Plantation • Construction & Infrastructure

Ivan YAP
(603) 2297 8612 ivan.yap@maybank-ib.com
• Automotive

Kevin WONG
(603) 2082 6824 kevin.wong@maybank-ib.com
• REITs

LEE Cheng Hooi Regional Chartist
(603) 2297 8694
chenghooi.lee@maybank-ib.com

Tee Sze Chiah Head of Retail Research
(603) 2297 6858 szechiah.t@maybank-ib.com

HONG KONG / CHINA

Howard WONG Head of Research
(852) 2268 0648
howardwong@kimeng.com.hk
• Oil & Gas - Regional

Alexander LATZER
(852) 2268 0647
alexanderlatzer@kimeng.com.hk
• Metals & Mining - Regional

Jacqueline KO, CFA
(852) 2268 0633 jacquelineko@kimeng.com.hk
• Consumer Staples & Durables

Ka Leong LO, CFA
(852) 2268 0630 kllo@kimeng.com.hk
• Consumer Discretionary & Auto

Benjamin HO
(852) 2268 0632 benjaminho@kimeng.com.hk
• Consumer & Auto

Karen KWAN
(852) 2268 0640 karenkwon@kimeng.com.hk
• Property & REITs

Osbert TANG, CFA
(86) 21 5096 8370
osberttang@kimeng.com.hk
• Transport & Industrials

Ricky WK NG, CFA
(852) 2268 0689 rickyng@kimeng.com.hk
• Utilities & Renewable Energy

Steven ST CHAN
(852) 2268 0645 stevenchan@kimeng.com.hk
• Banking & Financials - Regional

Warren LAU
(852) 2268 0644
warrenlau@kimeng.com.hk
• Technology - Regional

INDIA

Jigar SHAH Head of Research
(91) 22 6632 2632
jigar@maybank-ke.co.in
• Oil & Gas • Automobile • Cement

Anubhav GUPTA
(91) 22 6623 2605
anubhav@maybank-ke.co.in
• Metal & Mining • Capital Goods • Property

Urmil SHAH
(91) 22 6623 2606 urmil@maybank-ke.co.in
• Technology • Media

Vishal MODI
(91) 22 6623 2607 vishal@maybank-ke.co.in
• Banking & Financials

Abhijeet Kundu
(91) 22 6623 2628 Abhijeet@maybank-ke.co.in
• Consumer

SINGAPORE

NG Wee Siang Head of Research
(65) 6231 5838 ngweesiang@maybank-ke.com.sg
• Banking & Finance

Gregory YAP
(65) 6231 5848 gyap@maybank-ke.com.sg
• SMID Caps - Regional
• Technology & Manufacturing • Telcos

YEAK Chee Keong, CFA
(65) 6231 5842
yeakcheekeong@maybank-ke.com.sg
• Offshore & Marine

Derrick HENG
(65) 6231 5843 derrickheng@maybank-ke.com.sg
• Transport (Land, Shipping & Aviation)

WEI Bin
(65) 6231 5844 weibin@maybank-ke.com.sg
• Commodity • Logistics • S-chips

John CHEONG
(65) 6231 5845 johncheong@maybank-ke.com.sg
• Small & Mid Caps • Healthcare

TRUONG Thanh Hang
(65) 6231 5847 hang.truong@maybank-ke.com.sg
• Small & Mid Caps

INDONESIA

Wilianto IE Head of Research
(62) 21 2557 1125
wilianto.ie@maybank-ke.co.id
• Strategy

Rahmi MARINA
(62) 21 2557 1128
rahmi.marina@maybank-ke.co.id
• Banking & Finance

Aurellia SETIABUDI
(62) 21 2953 0785
aurellia.setiabudi@maybank-ke.co.id
• Property

Isnaputra ISKANDAR
(62) 21 2557 1129
isnaputra.iskandar@maybank-ke.co.id
• Metals & Mining • Cement

Pandu ANUGRAH
(62) 21 2557 1137
pandu.anugrah@maybank-ke.co.id
• Infra • Construction • Transport • Telcos

Janni ASMAN
(62) 21 2953 0784
janni.asman@maybank-ke.co.id
• Cigarette • Healthcare • Retail

Adhi Tasmin
(62) 21 2557 1209
adhi.tasmin@maybank-ke.co.id
• Plantations

PHILIPPINES

Luz LORENZO Head of Research
(63) 2 849 8836
luz_lorenzo@maybank-atrke.com
• Strategy
• Utilities • Conglomerates • Telcos

Lovell SARREAL
(63) 2 849 8841
lovell_sarreal@maybank-atrke.com
• Consumer • Media • Cement

Rommel RODRIGO
(63) 2 849 8839
rommel_rodrigo@maybank-atrke.com
• Conglomerates • Property • Gaming
• Ports/ Logistics

Katherine TAN
(63) 2 849 8843
kat_tan@maybank-atrke.com
• Banks • Construction

Ramon ADVIENTO
(63) 2 849 8845
ramon_adviento@maybank-atrke.com
• Mining

Michael Bengson
(63) 2 849 8840
michael_bengson@maybank-atrke.com
• Conglomerates

Jaclyn Jimenez
(63) 2 849 8842
michael_bengson@maybank-atrke.com
• Consumer

Arabelle Maghirang
(63) 2 849 8838
arabelle_maghirang@maybank-atrke.com
• Banks

THAILAND

Maria LAPIZ Head of Institutional Research
Dir (66) 2257 0250 | (66) 2658 6300 ext 1399
Maria.L@maybank-ke.co.th
• Consumer • Materials • Ind.Estates

Jesada TECHAHUSDIN, CFA
(66) 2658 6300 ext 1394
Jesada.T@maybank-ke.co.th
• Financial Services

Kittisorn PRUITIPAT, CFA, FRM
(66) 2658 6300 ext 1395
Kittisorn.P@maybank-ke.co.th
• Real Estate • Telcos

Sittichai DUANGRATTANACHAYA
(66) 2658 6300 ext 1393
Sittichai.D@maybank-ke.co.th
• Services Sector • Transport

Sukit UDOMSIRIKUL Head of Retail Research
(66) 2658 6300 ext 5090
Sukit.u@maybank-ke.co.th

Mayuree CHOWVIKARN
(66) 2658 6300 ext 1440
mayuree.c@maybank-ke.co.th
• Strategy

Padon VANNARAT
(66) 2658 6300 ext 1450
Padon.v@maybank-ke.co.th
• Strategy

Surachai PRAMUALCHAROENKIT
(66) 2658 6300 ext 1470
Surachai.p@maybank-ke.co.th
• Auto • Conmat • Contractor • Steel

Suttatip PEERASUB
(66) 2658 6300 ext 1430
suttatip.p@maybank-ke.co.th
• Media • Commerce

Sutthichai KUMWORACHAI
(66) 2658 6300 ext 1400
sutthichai.k@maybank-ke.co.th
• Energy • Petrochem

Termporn TANTIVIVAT
(66) 2658 6300 ext 1520
termporn.t@maybank-ke.co.th
• Property

Jaroonpan WATTANAWONG
(66) 2658 6300 ext 1404
jaroonpan.w@maybank-ke.co.th
• Transportation • Small cap

Chatchai JINDARAT
(66) 2658 6300 ext 1401
chatchai.j@maybank-ke.co.th
• Electronics

VIETNAM

LE Hong Lien, ACCA
Head of Institutional Research
(84) 8 44 555 888 x 8181
lien.le@maybank-kimeng.com.vn
• Strategy • Consumer • Diversified • Utilities

THAI Quang Trung, CFA, Deputy Manager,
Institutional Research
(84) 8 44 555 888 x 8180
trung.thai@maybank-kimeng.com.vn
• Real Estate • Construction • Materials

Le Nguyen Nhat Chuyen
(84) 8 44 555 888 x 8082
chuyen.le@maybank-kimeng.com.vn
• Oil & Gas

NGUYEN Thi Ngan Tuyen, Head of Retail Research
(84) 8 44 555 888 x 8081
tuyen.nguyen@maybank-kimeng.com.vn
• Food & Beverage • Oil&Gas • Banking

TRINH Thi Ngoc Diep
(84) 4 44 555 888 x 8208
diep.trinh@maybank-kimeng.com.vn
• Technology • Utilities • Construction

TRUONG Quang Binh
(84) 4 44 555 888 x 8087
binh.truong@maybank-kimeng.com.vn
• Rubber plantation • Tyres and Tubes • Oil&Gas

PHAM Nhat Bich
(84) 8 44 555 888 x 8083
bich.pham@maybank-kimeng.com.vn
• Consumer • Manufacturing • Fishery

NGUYEN Thi Sony Tra Mi
(84) 8 44 555 888 x 8084
mi.nguyen@maybank-kimeng.com.vn
• Port operation • Pharmaceutical
• Food & Beverage

APPENDIX I: TERMS FOR PROVISION OF REPORT, DISCLAIMERS AND DISCLOSURES**DISCLAIMERS**

This research report is prepared for general circulation and for information purposes only and under no circumstances should it be considered or intended as an offer to sell or a solicitation of an offer to buy the securities referred to herein. Investors should note that values of such securities, if any, may fluctuate and that each security's price or value may rise or fall. Opinions or recommendations contained herein are in form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from the relevant jurisdiction's stock exchange in the equity analysis. Accordingly, investors' returns may be less than the original sum invested. Past performance is not necessarily a guide to future performance. This report is not intended to provide personal investment advice and does not take into account the specific investment objectives, the financial situation and the particular needs of persons who may receive or read this report. Investors should therefore seek financial, legal and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

The information contained herein has been obtained from sources believed to be reliable but such sources have not been independently verified by Maybank Investment Bank Berhad, its subsidiary and affiliates (collectively, "MKE") and consequently no representation is made as to the accuracy or completeness of this report by MKE and it should not be relied upon as such. Accordingly, MKE and its officers, directors, associates, connected parties and/or employees (collectively, "Representatives") shall not be liable for any direct, indirect or consequential losses or damages that may arise from the use or reliance of this report. Any information, opinions or recommendations contained herein are subject to change at any time, without prior notice.

This report may contain forward looking statements which are often but not always identified by the use of words such as "anticipate", "believe", "estimate", "intend", "plan", "expect", "forecast", "predict" and "project" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. Such forward looking statements are based on assumptions made and information currently available to us and are subject to certain risks and uncertainties that could cause the actual results to differ materially from those expressed in any forward looking statements. Readers are cautioned not to place undue relevance on these forward-looking statements. MKE expressly disclaims any obligation to update or revise any such forward looking statements to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

MKE and its officers, directors and employees, including persons involved in the preparation or issuance of this report, may, to the extent permitted by law, from time to time participate or invest in financing transactions with the issuer(s) of the securities mentioned in this report, perform services for or solicit business from such issuers, and/or have a position or holding, or other material interest, or effect transactions, in such securities or options thereon, or other investments related thereto. In addition, it may make markets in the securities mentioned in the material presented in this report. MKE may, to the extent permitted by law, act upon or use the information presented herein, or the research or analysis on which they are based, before the material is published. One or more directors, officers and/or employees of MKE may be a director of the issuers of the securities mentioned in this report.

This report is prepared for the use of MKE's clients and may not be reproduced, altered in any way, transmitted to, copied or distributed to any other party in whole or in part in any form or manner without the prior express written consent of MKE and MKE and its Representatives accepts no liability whatsoever for the actions of third parties in this respect.

This report is not directed to or intended for distribution to or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for distribution only under such circumstances as may be permitted by applicable law. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. Without prejudice to the foregoing, the reader is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

Malaysia

Opinions or recommendations contained herein are in the form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from Bursa Malaysia Securities Berhad in the equity analysis.

Singapore

This report has been produced as of the date hereof and the information herein may be subject to change. Maybank Kim Eng Research Pte. Ltd. ("Maybank KERPL") in Singapore has no obligation to update such information for any recipient. For distribution in Singapore, recipients of this report are to contact Maybank KERPL in Singapore in respect of any matters arising from, or in connection with, this report. If the recipient of this report is not an accredited investor, expert investor or institutional investor (as defined under Section 4A of the Singapore Securities and Futures Act), Maybank KERPL shall be legally liable for the contents of this report, with such liability being limited to the extent (if any) as permitted by law.

Thailand

The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey may be changed after that date. Maybank Kim Eng Securities (Thailand) Public Company Limited ("MBKET") does not confirm nor certify the accuracy of such survey result.

Except as specifically permitted, no part of this presentation may be reproduced or distributed in any manner without the prior written permission of MBKET. MBKET accepts no liability whatsoever for the actions of third parties in this respect.

US

This research report prepared by MKE is distributed in the United States ("US") to Major US Institutional Investors (as defined in Rule 15a-6 under the Securities Exchange Act of 1934, as amended) only by Maybank Kim Eng Securities USA Inc ("Maybank KESUSA"), a broker-dealer registered in the US (registered under Section 15 of the Securities Exchange Act of 1934, as amended). All responsibility for the distribution of this report by Maybank KESUSA in the US shall be borne by Maybank KESUSA. All resulting transactions by a US person or entity should be effected through a registered broker-dealer in the US. This report is not directed at you if MKE is prohibited or restricted by any legislation or regulation in any jurisdiction from making it available to you. You should satisfy yourself before reading it that Maybank KESUSA is permitted to provide research material concerning investments to you under relevant legislation and regulations.

UK

This document is being distributed by Maybank Kim Eng Securities (London) Ltd ("Maybank KESL") which is authorized and regulated, by the Financial Services Authority and is for Informational Purposes only. This document is not intended for distribution to anyone defined as a Retail Client under the Financial Services and Markets Act 2000 within the UK. Any inclusion of a third party link is for the recipients convenience only, and that the firm does not take any responsibility for its comments or accuracy, and that access to such links is at the individuals own risk. Nothing in this report should be considered as constituting legal, accounting or tax advice, and that for accurate guidance recipients should consult with their own independent tax advisers.

DISCLOSURES

Legal Entities Disclosures

Malaysia: This report is issued and distributed in Malaysia by Maybank Investment Bank Berhad (15938-H) which is a Participating Organization of Bursa Malaysia Berhad and a holder of Capital Markets and Services License issued by the Securities Commission in Malaysia. **Singapore:** This material is issued and distributed in Singapore by Maybank KERPL (Co. Reg No 197201256N) which is regulated by the Monetary Authority of Singapore. **Indonesia:** PT Kim Eng Securities (“PTKES”) (Reg. No. KEP-251/PM/1992) is a member of the Indonesia Stock Exchange and is regulated by the BAPEPAM LK. **Thailand:** MBKET (Reg. No.0107545000314) is a member of the Stock Exchange of Thailand and is regulated by the Ministry of Finance and the Securities and Exchange Commission. **Philippines:** Maybank ATRKES (Reg. No.01-2004-00019) is a member of the Philippines Stock Exchange and is regulated by the Securities and Exchange Commission. **Vietnam:** Maybank Kim Eng Securities Limited (License Number: 117/GP-UBCK) is licensed under the State Securities Commission of Vietnam. **Hong Kong:** KESHK (Central Entity No AAD284) is regulated by the Securities and Futures Commission. **India:** Kim Eng Securities India Private Limited (“KESI”) is a participant of the National Stock Exchange of India Limited (Reg No: INF/INB 231452435) and the Bombay Stock Exchange (Reg. No. INF/INB 011452431) and is regulated by Securities and Exchange Board of India. KESI is also registered with SEBI as Category 1 Merchant Banker (Reg. No. INM 000011708) **US:** Maybank KESUSA is a member of/ and is authorized and regulated by the FINRA - Broker ID 27861. **UK:** Maybank KESL (Reg No 2377538) is authorized and regulated by the Financial Services Authority.

Disclosure of Interest

Malaysia: MKE and its Representatives may from time to time have positions or be materially interested in the securities referred to herein and may further act as market maker or may have assumed an underwriting commitment or deal with such securities and may also perform or seek to perform investment banking services, advisory and other services for or relating to those companies.

Singapore: As of 3 February 2015, Maybank KERPL does not have any interest in any companies recommended in this research report. The covering analyst does have a position in Cosco Corp.

Thailand: MBKET may have a business relationship with or may possibly be an issuer of derivative warrants on the securities /companies mentioned in the research report. Therefore, Investors should exercise their own judgment before making any investment decisions. MBKET, its associates, directors, connected parties and/or employees may from time to time have interests and/or underwriting commitments in the securities mentioned in this report.

Hong Kong: KESHK may have financial interests in relation to an issuer or a new listing applicant referred to as defined by the requirements under Paragraph 16.5(a) of the Hong Kong Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission.

As of 3 February 2015, KESHK and the authoring analyst do not have any interest in any companies recommended in this research report.

MKE may have, within the last three years, served as manager or co-manager of a public offering of securities for, or currently may make a primary market in issues of, any or all of the entities mentioned in this report or may be providing, or have provided within the previous 12 months, significant advice or investment services in relation to the investment concerned or a related investment and may receive compensation for the services provided from the companies covered in this report.

OTHERS

Analyst Certification of Independence

The views expressed in this research report accurately reflect the analyst’s personal views about any and all of the subject securities or issuers; and no part of the research analyst’s compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

Reminder

Structured securities are complex instruments, typically involve a high degree of risk and are intended for sale only to sophisticated investors who are capable of understanding and assuming the risks involved. The market value of any structured security may be affected by changes in economic, financial and political factors (including, but not limited to, spot and forward interest and exchange rates), time to maturity, market conditions and volatility and the credit quality of any issuer or reference issuer. Any investor interested in purchasing a structured product should conduct its own analysis of the product and consult with its own professional advisers as to the risks involved in making such a purchase.

No part of this material may be copied, photocopied or duplicated in any form by any means or redistributed without the prior consent of MKE.



Ong Seng Yeow | Executive Director, Maybank Kim Eng Research

Definition of Ratings

Maybank Kim Eng Research uses the following rating system

BUY	Return is expected to be above 10% in the next 12 months (excluding dividends)
HOLD	Return is expected to be between - 10% to +10% in the next 12 months (excluding dividends)
SELL	Return is expected to be below -10% in the next 12 months (excluding dividends)

Applicability of Ratings

The respective analyst maintains a coverage universe of stocks, the list of which may be adjusted according to needs. Investment ratings are only applicable to the stocks which form part of the coverage universe. Reports on companies which are not part of the coverage do not carry investment ratings as we do not actively follow developments in these companies.

Malaysia

Maybank Investment Bank Berhad
(A Participating Organisation of
Bursa Malaysia Securities Berhad)
33rd Floor, Menara Maybank,
100 Jalan Tun Perak,
50050 Kuala Lumpur
Tel: (603) 2059 1888;
Fax: (603) 2078 4194

Stockbroking Business:
Level 8, Tower C, Dataran Maybank,
No.1, Jalan Maarof
59000 Kuala Lumpur
Tel: (603) 2297 8888
Fax: (603) 2282 5136

Philippines

Maybank ATR Kim Eng Securities Inc.
17/F, Tower One & Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines 1200

Tel: (63) 2 849 8888
Fax: (63) 2 848 5738

South Asia Sales Trading

Kevin Foy
Regional Head Sales Trading
kevinfoy@maybank-ke.com.sg
Tel: (65) 6336-5157
US Toll Free: 1-866-406-7447

Malaysia

Rommel Jacob
rommeljacob@maybank-ib.com
Tel: (603) 2717 5152

Indonesia

Hariantio Liong
hariantio.liong@maybank-ke.co.id
Tel: (62) 21 2557 1177

New York

Andrew Dacey
adacey@maybank-keusa.com
Tel: (212) 688 2956

Vietnam

Tien Nguyen
thuytien.nguyen@maybank-kimeng.com.vn
Tel: (84) 44 555 888 x8079

Singapore

Maybank Kim Eng Securities Pte Ltd
Maybank Kim Eng Research Pte Ltd
50 North Canal Road
Singapore 059304

Tel: (65) 6336 9090

Hong Kong

Kim Eng Securities (HK) Ltd
Level 30,
Three Pacific Place,
1 Queen's Road East,
Hong Kong

Tel: (852) 2268 0800
Fax: (852) 2877 0104

Thailand

Maybank Kim Eng Securities
(Thailand) Public Company Limited
999/9 The Offices at Central World,
20th - 21st Floor,
Rama 1 Road Pathumwan,
Bangkok 10330, Thailand

Tel: (66) 2 658 6817 (sales)
Tel: (66) 2 658 6801 (research)

North Asia Sales Trading

Alex Tsun
alextsun@kimeng.com.hk
Tel: (852) 2268 0228
US Toll Free: 1 877 837 7635

Thailand

Tanasak Krishnasreni
Tanasak.K@maybank-ke.co.th
Tel: (66)2 658 6820

London

Simon Lovekin
simonl@maybank-ke.co.uk
Tel: (44)-207-626-2828

India

Manish Modi
manish@maybank-ke.co.in
Tel: (91)-22-6623-2601

Philippines

Keith Roy
keith_roy@maybank-atrke.com
Tel: (63) 2 848-5288

London

Maybank Kim Eng Securities
(London) Ltd
5th Floor, Aldermay House
10-15 Queen Street
London EC4N 1TX, UK

Tel: (44) 20 7332 0221
Fax: (44) 20 7332 0302

Indonesia

PT Maybank Kim Eng Securities
Plaza Bapindo
Citibank Tower 17th Floor
Jl Jend. Sudirman Kav. 54-55
Jakarta 12190, Indonesia

Tel: (62) 21 2557 1188
Fax: (62) 21 2557 1189

Vietnam

Maybank Kim Eng Securities Limited
4A-15+16 Floor Vincom Center Dong
Khoi, 72 Le Thanh Ton St. District 1
Ho Chi Minh City, Vietnam

Tel : (84) 844 555 888
Fax : (84) 8 38 271 030

New York

Maybank Kim Eng Securities USA
Inc
777 Third Avenue, 21st Floor
New York, NY 10017, U.S.A.

Tel: (212) 688 8886
Fax: (212) 688 3500

India

Kim Eng Securities India Pvt Ltd
2nd Floor, The International 16,
Maharishi Karve Road,
Churchgate Station,
Mumbai City - 400 020, India

Tel: (91) 22 6623 2600
Fax: (91) 22 6623 2604

Saudi Arabia

In association with
Anfaal Capital
Villa 47, Tujjar Jeddah
Prince Mohammed bin Abdulaziz
Street P.O. Box 126575
Jeddah 21352

Tel: (966) 2 6068686
Fax: (966) 26068787