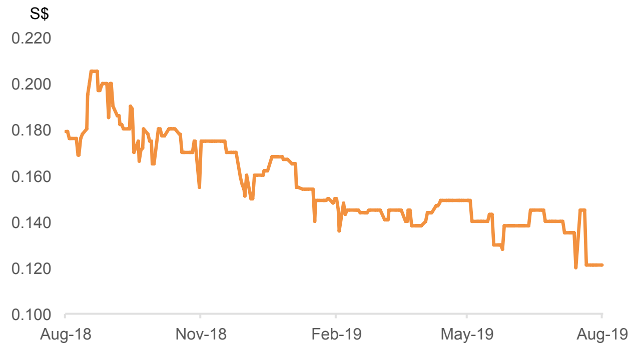
SLB Development

Date: 14 August 2019

BUY
(Maintained)

Target Price: S$0.28 (+131.4%)

SLB SP
Price: S$0.121 (as at 13 August 2019)



Share price	1M	3M	6M	1Y
SLB Development	-13.6%	-12.3%	-26.7%	-35.3%
Catalist Index	-3.6%	-8.3%	-12.8%	-30.6%

Market capitalisation	S$110.5million	
Current Price	S$0.121	
Shares outstanding	913 million	
Free Float	16.8%	
Major shareholder	Lian Beng Group Ltd	74.1%
Recommendation of other brokers	N/A	

Source: Company data, SGX StockFacts, SAC Advisors

The numbers for FY17 and FY18 have been adjusted to reflect the Company's adoption of the new Singapore Financial Reporting Standards International on 1 June 2018 and may not be comparable with the previous periods.

Analyst
Lam Wang Kwan, +65 6232 3237
lamwk@saccapital.com.sg

Terence Chua, +65 6232 3236
tchua@saccapital.com.sg

SLB FY2019 results update

SLB Development ("**SLB or the "Company**", and together with its subsidiaries, the "**Group**") **reported S$47.6 million revenue for FY2019,** a 69.2% or S$106.8 million decrease as compared to the restated FY2018 revenue of S$154.4 million. The decrease in revenue was mainly due to lower revenue contribution from the Group's industrial property development project, T-Space @ Tampines in FY2019 as the project was completed in June 2018 (1Q2019). T-Space @ Tampines and Mactaggart Foodlink remained as the two development projects which contributed to the revenue in FY2019. Overall, SLB registered a net loss attributable to owners of the Company of S$5.0 million in FY2019.

SLB working towards building a balanced and diversified portfolio. While we acknowledge that the recent cooling measures announced by the government may dampen investment sentiment towards property stocks such as SLB which is heavily focused on residential projects in Singapore, but SLB also has exposure to local industrial and retail developments and the China market. SLB's projects are mostly developed with partners to manage investment risk.

More growth from China and undeveloped landbank. SLB has an effective equity interest of not more than 10% in the Sino-Singapore Health City project in Gaobeidian, Hebei, China. In the shorter term, the Group has large undeveloped landbank in Singapore to support the Company's earnings for the next 2-3 years.

We keep our value of SLB unchanged at S$0.28 per share as we await meeting with the management over clarification of the effect of the new accounting standard and updates on the sales and development figures. At the moment, we continue to think that SLB deserves a premium to the sector average valuation given its large landbank, first mover advantage from acquiring assets early as well as its exposure to China. For FY2019, the Group's balance sheet remains healthy with cash and cash equivalents at S$36.3 million, with a gearing of 0.59x, while their latest reported net asset value is S$0.1629.

Key risk: Overhang from cooling measures.

Key Historical Financials

Financial Year ended 31 May (S$m)	2015A	2016A	2017A	2018A (Restated)	2019A	2020F
Revenue	-	-	87.6	154.4	47.6	-
% Growth	-	-	-	-	-	-
Gross Profit	-	-	14.9	30.4	13.2	-
Gross Profit margin (%)	-	-	17.0%	19.7%	27.7%	-
Profit before tax	29.3	68.9	19.6	28.2	(2.2)	-
Profit after tax	29.9	69.4	15.8	15.6	(5.0)	-
% Growth	-					-
Profit after tax margin (%)	-	-	18.1%	10.1%	N.A.	-
Basic EPS (S$ cents)	3.27	7.60	2.35	2.23	(0.55)	-
Diluted EPS (S$ cents)	3.27	7.60	2.35	2.23	(0.55)	-
P/E (x)	2.7	1.2	5.1	5.4	N.A.	-
Net Debt/Equity (%)	154.7%	57.0%	121.8%	40.1%	32.6%	-

Source: Company data, Bloomberg, SAC Advisors

SLB to achieve a balanced and diversified portfolio

SLB reported S$47.6 million revenue for FY2019, a 69.2% or S$106.8 million decreased as compared to the restated FY2018 revenue of S $154.4 million. The decrease in revenue was mainly due to lower revenue contribution from the Group's industrial property development project, T-Space @ Tampines in FY2019 as the project was completed in June 2018 (1Q2019). T-Space @ Tampines and Mactaggart Foodlink remained as the two development projects which contributed to the revenue in FY2019. As a result of the lower revenue recognised in FY2019, SLB's gross profits decreased by 56.6% to S$13.2 million in FY2019. However, gross profit margin saw an increase from 19.7% in FY2018 to 27.7% in FY2019 due to higher average selling price achieved in FY2019.

For FY2019, share of results of joint ventures and associates decreased from share of profits of S$2.5 million in FY2018 to share of losses of S $7.3 million in FY2019. This was mainly due to increase in share of losses from associates by S$6.4 million attributed to the share of interest incurred and expensed off for the development property projects by the associates, which include Affinity @ Serangoon and Riverfront Residence and decrease in share of profits from joint ventures by S$3.4 million attributed to the completion of a residential development project, Spottiswoode Suites in June 2017, which was fully sold in FY2018.

Overall, SLB registered a net loss attributable to owners of the Company of S$5.0 million in FY2019 as compared to the net profit of S$156 million in the restated FY2018.

Following the adoption of the new Singapore Financial Reporting Standards International **("SFRS(I)")** on 1 June 2018, the Group has restated some of its comparative financial figures, in particular the SFRS(I) 15, which deals with the timing of revenue recognition. Prior to 1 June 2018, the Group recognises revenue from industrial development properties based on the Completion of Contracts method upon the transfer of significant risk and rewards of ownership of the goods to the customer i.e. upon TOP and handing over the property units to the purchasers. With the adoption of SFRS(I) 15, revenue and cost of units sold is now recognised over time using the percentage of completed method. Under the SFRS(1) 15, the performance obligation for the sale of industrial development properties are satisfied over time as the Group is restricted contractually from directing the property for another use as they are being developed and has an enforceable right to payment for performance completed to date.

Other changes include i) sales commissions to property agents on the sale of development properties are now capitalised as incremental costs to obtain a contract with a customer and are amortised to profit or loss in accordance with the percentage of completion instead of being recognised as an expense when incurred, and ii) borrowing costs relating to development properties that are ready for its intended sale (i.e. ready for launch) are now expensed when incurred as opposed to accounting under capitalisation.

SLB to achieve a balanced and diversified portfolio

SLB working towards building a balanced and diversified portfolio. While we acknowledge that the recent cooling measures announced by the government may dampen investment sentiment towards property stocks such as SLB which is heavily focused on residential projects in Singapore, but SLB also has exposure to local industrial and retail developments as well as the China market via its Gaobeidian mixed-use development project.

According to management, their industrial projects have resonated well with the market. In Singapore, their 51%-owned T-Space @ Tampines achieved TOP in June 2018 and has sold 93.6% as at June 30, 2018. Going forward, while they focus on execution of their pipeline development projects and pushing the sales of their ongoing projects, SLB will explore suitable opportunities into hospitality developments too.

SLB's projects are mostly developed with partners to manage investment risk. Apart from risk management, this business model also allows SLB and its partners to tap on each other's expertise in order to develop better projects. Together with their partners, SLB had in June and July of 2018 launched the first phase of Affinity @ Serangoon (formerly known as Serangoon Ville) and Riverfront Residences (formerly known as Rio Casa) for sale, respectively. Going forward, the Company plans to expand its presence to more countries to achieve a balanced and diversified portfolio for sustainable long-term growth.

More growth from China and undeveloped landbank. SLB has an effective equity interest of not more than 10% in the Sino-Singapore Health City project in Gaobeidian, Hebei, China. Due to Gaobeidian's proximity to Beijing, other main cities and the newly proposed special economic zone, Xiong'an New Area, we see strong demand for the properties in Gaobeidian. In the shorter term, the Group has large undeveloped landbank in Singapore to support the Company's earnings for the next 2-3 years.

Valuation. We keep our value of SLB unchanged at S$0.28 per share as we await meeting with the management over clarification of the effect of the new accounting standard and updates on the sales and development figures. At the moment, we continue to think that SLB deserves a premium to the sector average valuation given its large landbank, first mover advantage from acquiring assets early as well as its exposure to China. In fact, its local partners are mostly trading at a premium to the sector average. For FY2019, the Group's balance sheet remains healthy with cash and cash equivalents at S$36.3 million, with a gearing of 0.59x, while their latest reported net asset value is S$0.1629.

Company Background

The history of SLB can be traced back to Lian Beng Group ("**LBG**"), the controlling shareholder of SLB which was established in Singapore in 1973 as a sub-contractor for small scale civil engineering and building projects. LBG has now grown into one of Singapore's major home-grown main contractors with integrated civil engineering and construction support service capabilities and was listed on the Main Board of SGX-ST on 15 April 1999. Over the years, LBG has established a strong track record in large scale building construction and civil engineering projects in the public and private sector, and diversified into property development, investment holding and dormitory businesses.

Leveraging on its construction business, LBG diversified into property development in Singapore in 2000 through the acquisition of 3 properties located at Derbyshire Road, Kew Drive and Balestier Road respectively. Since then, LBG has completed approximately 17 property development projects in Singapore which include residential, mixed-use, industrial and commercial projects in Singapore.

After LBG's restructuring, the property development business of LBG is now parked under SLB where the Company will continue to develop and sell residential, mixed-use, industrial and commercial development properties mainly in Singapore. SLB is one of the property developers in Singapore with experience in different types of development property projects such as small to large scale residential developments, mixed-use developments, industrial and commercial developments. Apart from Singapore, SLB has also expanded its business to China in 2014 through a joint-venture to invest in Gaobeidian project.

Residential development – LBG (including the Group before restructuring) had undertaken condominium developments ranging from small to large scale developments.

Mixed-use development – The Group's mixed-used property development projects tend to range between mid to high rise and mostly consist of retail and residential units. The Midtown & Midtown Residences is one of the projects developed by the Group and is a 12-storey mixed-use development comprising 107 commercial units and 160 residential units. Another property development project, KAP & KAP Residences is a 7-storey mixed-use development comprising 107 commercial units and 142 residential units.

Industrial development – The Group's industrial projects tend to range from small to large scale projects which exceed 700,000 square feet of gross floor area. One on-going industrial project is T-Space @ Tampines which is a 9-storey strata industrial development.

Commercial development – As for commercial projects, they are mostly a mix of retail and office units. The Group's Hexacube commercial development project is a 5-storey development with retail and office units.

Land sites and buildings are usually acquired through tenders and private treaties (including by way of en-bloc) via joint ventures ("**JVs**").

Key Investment merits

Established track record. Having been in the industry for 17 years, SLB has a strong track record in selling their properties. As shown in the table below, the properties were typically almost fully sold before the projects were completed. To date, LBG has successfully completed approximately 17 property development projects, of which 8 were undertaken by the Group. SLB has won awards for Spottiswoode Suites (The Best Luxury Condo Architectural Design) and T-Space @ Tampines (The Best Industrial Development) in the PropertyGuru Asia Property Awards Singapore 2017. These are testaments to its strong deliverables. Since the recently spun-off SLB's management will remain intact, we believe its success story will be replicated by the new listed entity. This will also be supported by the likely recovery in the property market where demand and prices are expected to be robust given the low inventory levels and strong pent-up demand.

Past projects

Projects	Type of Development	Equity Stake	Date of completion	% Sold (as at 31 May 2018)
Eco-Tech @ Sunview	Commercial with retail and office units	19%	Oct-2015	100.0%
The Midtown & Midtown Residences	Mixed-Use (Residential and Commercial)	50%	Mar-2017	99.6%
KAP & KAP Residences	Mixed-Use (Residential and Commercial)	15%	May-2017	98.4%
Hexacube	Retail and Office	40%	Aug-2017	68.5%
Floravista, Floraview and Floraville	Mixed-Use (Residential and Commercial)	10%	Aug-2017	84.5%
Spottiswoode Suites	Residential	50%	Sep-2017	100.0%
NEWest	Mixed-Use (Residential and Commercial)	10%	Oct-2017	100.0%
Mandai Foodlink	Industrial	65%	Nov-2017	100.0%
T-Space@Tampines	Industrial	51%	Jun-2018	93.6%

Source: SLB's annual reports, SAC Advisors

Experienced and dedicated management team. SLB is led by Matthew Ong, Executive Director and CEO, who has more than 10 years of experience in the property and construction industry. He is supported by a team of executive officers, each whom possesses several years of experience in their respective fields. SLB's management team is small, consisting of only 6 members. This facilitates efficient and quick communication and reduces the time required to make decisions. This also allows SLB to act before its competitors, giving the Company first-mover advantage, which is crucial when attempting to secure land sites or buildings. SLB has in fact managed to acquire most of its land earlier than its competitors, resulting in lower land cost which should translate into higher margins.

Joint-venture business model lowers investment risk. SLB's projects are undertaken mostly via joint-ventures ("**JVs**") with other developers. This helps to reduce investment risk and enables both parties to leverage on each other's expertise in order to develop better projects. Partnerships will also help to (i) enhance SLB's access to industry information on development sites which are available for sale, private tenders or auction, thereby allowing the Company to capitalize on suitable market opportunities faster than its competitors if possible and (ii) increase the success rate of land sites bidding. We believe SLB's partnership business model is a win-win strategy for all parties to ensure that projects achieve high quality standards, which will in turn help to attract demand while spreading risk across the various partners. We believe that going forward, SLB may continue to engage in strategic partnerships and JVs and remain open to undertaking more wholly-owned projects where suitable.

Diversified into different asset classes and geographies. While the bulk of SLB's portfolio is in residential developments, it also has exposure to local industrial and retail developments as well as the property market in China through the Sino-Singapore Health City project in Gaobeidian. Having exposure in different asset classes and countries also help to manage SLB's exposure to the fluctuations in demand and/or changes in regulations for each type of development. Although retail and industrial properties in Singapore are facing pressure from an oversupply, we believe the residential segment which SLB has the biggest exposure to is bottoming out. Hence, net impact to the Company should be positive. We also believe that SLB has assessed the risk and reward before entering into industrial and commercial projects.

Strong support and expertise from controlling shareholder, LBG. As part of LBG whose principal activities include construction, SLB's key management team is familiar with construction costs and processes of property development projects. Hence, it is able to better manage and control the construction costs of property development projects and leverage on the existing features of the land site or building in redevelopment, thereby adding value. For instance, its Hexacube project was developed through partial demolition of the original building on the land site by retaining the basement and first floors. The Company also undertook retro-fitting works and created a new façade to refresh the exterior of the development project. This helped SLB to save time and cost resulting in efficiency.

Ventured into China through Gaobeidian project. SLB, together with its Singaporean partners, invested in the Gaobeidian Project to develop a mixed-use property development project in Gaobeidian, Hebei Province which comprises residential developments, commercial spaces, a China Mountain Climbing Training Centre & Outdoor Sports Center Township and a Green Health Food Safety Testing Centre Township. Gaobeidian is strategically located along the Jinggang'ao Expressway which connects Gaobeidian to Beijing and other main cities in China.

Ample landbank to last the Company for the next 3 years. The bulk of SLB's projects are still at the planning stage. As construction of a property takes 2-3 years, SLB should see earnings flowing in gradually in the next 2-3 years. We understand that the margins of these projects are decent given the low land and building acquisition cost. Additionally, there is potential to increase GDV as property prices have slowly increased.

Sale of launched projects progressing well. In the near term, the Company's launched projects such as Hexacube, Floravista, Floraview & Floraville, Affinity@Serangoon, Riverfront Residences and T-Space @ Tampines industrial project should continue to support earnings. On the other hand, Mactaggart Foodlink and several other projects in the planning stage could contribute as well.

Future plans

Acquire new development sites. While its current landbank could last the Company until 2021, it is essential to replenish land banks with suitable land parcels for future developments to ensure continuous inflow of earnings. SLB's plan is to continue sourcing for development sites that are located at vibrant and accessible areas with suitable amenities.

Launch and commence construction of ongoing projects. SLB aims to get approvals for these projects as soon as possible so that it can launch the projects and commence construction.

Venture beyond Singapore and China. Leveraging on its past experience and expertise in property development in Singapore, China and exploration into UK, Australia and Vietnam's markets through its controlling shareholder - LBG, SLB intends to expand further into overseas markets including the Asia-Pacific region, Western Europe and North America. Diversification into overseas markets will help to grow earnings and reduce dependency risk on Singapore's property market. To reduce investment risk, the Company intends to tap on its existing relationships with its JV partners and networks in these regions to expand its presence in the overseas markets.

Projects under the Group

Completed projects

Projects	Location	Type of Development	Equity Stake	Approximate land area (sq m)
Eco-Tech @ Sunview	1 Sunview Road	Commercial with retail and office units	19%	28,173
The Midtown & Midtown Residences	1187 and 1189 Upper Serangoon Road	Mixed-Use (Residential and Commercial)	50%	5,300
KAP & KAP Residences	9 and 11 King Albert Park	Mixed-Use (Residential and Commercial)	15%	5,535
Hexacube	160 Changi Road	Retail and Office	40%	1,594
Floravista, Floraview and Floraville	1,3,5,7 Ang Mo Kio Street 66 and 2 Cactus Road	Mixed-Use (Residential and Commercial)	10%	8,241
Spottiswoode Suites	16 Spottiswoode Park Road	Residential	50%	3,615
NEWest	1 and 3 West Coast Drive	Mixed-Use (Residential and Commercial)	10%	15,292
Mandai Foodlink	5 Mandai Link	Industrial	65%	6,891
T-Space@Tampines	1 Tampines North Drive 1	Industrial	51%	27,395

Source: Company data, SAC Advisors

Ongoing projects

Projects	Location	Type of Development	Equity Stake	Approximate land area (sq m)	Proposed/ Expected GFA (sq m)
Mactaggart Foodlink	20 Mactaggart Road	Industrial	100%	1,962	5,279
Affinity@Serangoon	128-134 Serangoon North Avenue 1	Residential	20%	27,584	84,958
Riverfront Residences	344-350 Hougang Avenue 7	Residential	20%	36,811	113,378
-	31A to 39A (Odd Nos.) and 41 to 51 (Odd Nos.) Lorong 24 Geylang	Residential	42%	2,433	7,493
-	50 Lorong 21 Geylang	Industrial	100%	837	2,093
Gaobedian Project	Gaobeidian, Hebei, PRC	Mixed-Use (Residential and Commercial)	9% to 10%	216,092	N.A.
-	24 New Industrial Road	Industrial	51%	5,792	14,480

Source: Company data, SAC Advisors

Investment risk

SLB is affected by the performance of property industry in the countries in which SLB carries out its property development business. The demand for SLB's projects in the countries affects the overall performance of the Company. The demand for properties in these countries typically follows a cyclical pattern and is generally affected by local and global economic conditions, local market sentiment and expectations, government regulations, competition from other property developers, and the extent of supply of properties for sale and availability of financing. So far, signs are generally pointing to improvement in the Singapore property sector. As for China, demand for properties have been resilient.

Exposed to foreign currency risks. Due to SLB's exposure to China, the Company is exposed to the fluctuation and/or control policies of RMB and as well as other currencies should the Company ventures into other countries. The fluctuations of RMB against S$ may affect the performance of the Company negatively. To lessen the risk of currency fluctuations, the Company employs forward contracts if the need arises. Having said that, it does not have a formal policy for hedging against foreign exchange exposure for now.

SLB may not be able to obtain all necessary licenses for development projects. Although SLB has been able to obtain the necessary approvals for the completed projects, there is no guaranty that the Company will be able to obtain licenses for its ongoing projects for which applications are currently under review.

The Company may not be able to source for new sites or complete a project. Although the Company's current landbank is sufficient to last the company until 2021, SLB is required to continue to source for new landbanks or development sites for future profit, failing of which will affect the Company's performance severely.

SLB is subject to risks associated with debt financing. Property development is a capital-intensive business and SLB finances a substantial portion of its property development projects through bank loans and credit facilities. SLB recognizes this risk and hence has been partnering with other property developers in developing projects.

Risks associated with joint ventures. While the formation of JVs with third parties would help to reduce risk, it also poses business risk such as the inability of JV partners to fulfill the obligations under the JV agreements and exposure to unknown liabilities incurred by the JV partners. Any disagreement and/or disputes with the JV partners may also cause a delay in the progress of the property development projects.

Valuation

We valued SLB at S$0.28 per share. We believe SLB deserves a premium versus sector average of 0.69x P/BV given its large landbank and potentially stronger margin as the Company started purchasing landbank earlier than its peers which lowers their land acquisition cost. This indicates that the Company should garner higher margin as compared to its peers, especially when property prices are improving. In fact, SLB's business partners, namely Oxley Holdings Limited and Tee International Limited are trading at a premium to the sector which we believe is due to their large landbank, first mover advantage from acquiring assets early as well as their exposure to Gaobeidian, China.

RNAV breakdown	
Property development surplus (S$ m)	133.0
Forecasted NAV - as at end-FY18 (S$ m)	132.0
RNAV (S$ m)	265.0
Shares outstanding (m)	913.0
RNAV per share (S$)	**0.29**
RNAV discount (%)	5%
Discounted RNAV per share (S$)	**0.28**

Source: SAC Advisors

DISCLAIMERS AND DISCLOSURES

This report has been prepared and distributed by SAC Advisors Private Limited ("**SAC Advisors**") which is a holder of a capital markets services licence and an exempt financial adviser in Singapore. SAC Advisors is a wholly-owned subsidiary of SAC Capital Private Limited ("**SAC Capital**") which is also a capital markets services licensee.

SAC Advisors has prepared this report for the purpose of general circulation. We have not had regard to the specific investment objectives, financial situation, tax position or unique needs and constraints of any individual person or any specific group of persons and does not purport to be comprehensive or contain all necessary information which a prospective investor may require in arriving at an investment decision. Any prospective purchaser should make his own investigation of the securities and all information provided. Advice should be sought from a financial adviser regarding suitability, taking into account the specific investment objectives, financial situation or particular needs of the person in receipt of the recommendation, before a commitment to purchase is entered into.

This report does not constitute or form part of any offer or solicitation of any offer to buy or sell any securities.

This report is confidential and the information in this report shall not be copied or reproduced in part or in whole, and save for the recipient of this report, shall not be disclosed to any other person without the prior written consent of SAC Advisors. The distribution of this report outside the jurisdiction of Singapore is also strictly prohibited.

Whereas SAC Advisors has not independently verified all the information set out in this report, all reasonable care and effort has been taken to ensure that the facts stated herein are accurate, this report contains certain forward looking statements and forward looking financial information which are based on certain assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of the subject company to be materially different from those expressed herein. Predictions, projections or forecasts of the economy or market trends are not indicative of the future performance of the subject company. The inclusion of such statements and information should not be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions of the subject company or that the forecast results will or are likely to be achieved.

Our opinion and facts set out in this report are based on the market, economic, industry and other applicable conditions prevailing as at the date of the preparation of this report. Such conditions may change significantly over a relatively short period of time and we assume no responsibility to update, revise or reaffirm our opinion in light of any development subsequent to the publication of this report, that may or may not have affected our opinion contained herein.

This report contains forward-looking statement which are based on assumptions or forecasts and are subject to uncertainties which may result in the actual result or performance to be materially different from the opinion or facts set out herein. Caution should be exercised in placing undue reliance on such statements. such assumptions or forecasts may change over a relatively short period of time and we assume no responsibility to update, revise or reaffirm our opinion in light of any development subsequent to the publication of this report.

No representation or warranty, expressed or implied, is made and no responsibility is accepted by the Company, SAC Capital, SAC Advisors or any of their affiliates, advisers or representatives as to the fairness, accuracy, completeness or adequacy of such information or facts, in this report or any other written or oral information made available to any interested party or its advisers and any liability therefore is hereby expressly disclaimed.

SAC Advisors, SAC Capital and their associates, directors, and/or employees may have positions in the securities covered in the report and may also perform or seek to perform other corporate finance related services for the company whose securities are covered in the report. SAC Advisors and its related companies may from time to time perform advisory services, or solicit such advisory services from the entity mentioned in this report ("**Other Services**"). This report is therefore classified as a non-independent report. However, the research professionals involved in the preparation of this report have not and will not participate in the solicitation of such business.

As at the date of this report, SAC Advisors and its associates, including SAC Capital, do not have proprietary positions in the subject company, except for:

Party	Quantum of position
Nil	Nil

As at the date of this report, SAC Advisors and its associates, including SAC Capital, has/have had business relations with the subject company within the past 12 months, as disclosed hereunder:

Company	Nature of business relation	Date of business relation
SLB Development Ltd	Continuing Sponsor	Ongoing relations

As at the date of this report, none of the analysts who covered the securities in this report have any proprietary position or material interest in the subject companies covered here in, except for:

Analyst name	Quantum of position
Nil	Nil

ANALYST CERTIFICATION/REGULATION AC

As noted above, research analyst(s) of SAC Advisors who produced this report hereby certify that

(i) The views expressed in this report accurately reflect his/her personal views about the subject corporation(s);

(ii) The report was produced independently by him/her;

(iii) He/she does not on behalf of SAC Advisors or SAC Capital or any other person carry out Other Services involving any of the subject corporation(s) or securities referred to in this report; and

(iv) He/she has not received and will not receive any compensation directly or indirectly related to the recommendations or views expressed in this report or to any sales, trading, dealing or corporate finance advisory services or transaction in respect of the securities in this report. He/she has not and will not receive any compensation directly or indirectly linked to the performance of the securities of the subject corporation(s) from the time of the publication of this report either.