



INDIA

LANCI IN Outperform
Price 8 Sep 10 Rs68.85

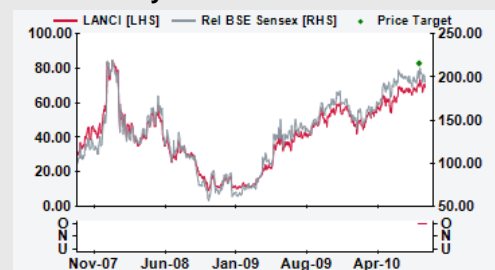
12-month target Rs 83.00
Upside/Downside % 20.6
Valuation Rs 71.18
- DCF (WACC 13.5%, beta 1.2, ERP 5.0%, RFR 7.8%)

GICS sector Capital Goods
Market cap Rsm 165,777
30-day avg turnover US\$m 0.9
Market cap US\$m 3,540
Number shares on issue m 2,408

Investment fundamentals

| Year end 31 Mar | | 2010A | 2011E | 2012E | 2013E |
|------------------|----|-------|---------|-------|-------|
| Total revenue | bn | 80.7 | 100.3 | 140.7 | 165.7 |
| EBIT | bn | 11.4 | 21.8 | 30.1 | 33.4 |
| EBIT growth | % | 60.2 | 91.3 | 38.2 | 10.9 |
| Recurring profit | bn | 9.3 | 12.1 | 14.3 | 16.6 |
| Reported profit | bn | 4.6 | 7.3 | 8.0 | 10.1 |
| Adjusted profit | bn | 4.8 | 7.3 | 8.0 | 10.1 |
| EPS rep | Rs | 0.25 | 3.02 | 3.34 | 4.21 |
| EPS rep growth | % | -80.7 | 1,128.4 | 10.7 | 25.9 |
| EPS adj | Rs | 0.69 | 3.02 | 3.34 | 4.21 |
| EPS adj growth | % | -47.3 | 337.7 | 10.7 | 25.9 |
| PER rep | x | 280.2 | 22.8 | 20.6 | 16.4 |
| PER adj | x | 99.9 | 22.8 | 20.6 | 16.4 |
| Total DPS | Rs | 0.01 | 0.03 | 0.00 | 0.00 |
| Total div yield | % | 0.0 | 0.0 | 0.0 | 0.0 |
| ROA | % | 8.3 | 11.9 | 13.0 | 11.6 |
| ROE | % | 17.5 | 19.6 | 18.0 | 18.8 |
| EV/EBITDA | x | 18.3 | 8.9 | 5.6 | 5.3 |
| Net debt/equity | % | 162.7 | 221.7 | 268.0 | 288.0 |
| P/BV | x | 5.0 | 4.1 | 3.4 | 2.8 |

LANCI IN rel BSE Sensex performance, & rec history



Note: Recommendation timeline - if not a continuous line, then there was no Macquarie coverage at the time or there was an embargo period.

Source: FactSet, Macquarie Research, September 2010
(all figures in INR unless noted)

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9 September 2010

Lanco Infratech

Good news stock

Event

- Lanco announced financial closure of its 1,320MW Babandh project, giving the market greater confidence on the execution of its 'projects under development'. We expect further good news to act as a catalyst for the stock in the next 12 months, including the financial closure of other growth projects such as Vidarbha (1,320MW), announcement of new growth projects to take forecast capacity to 15,000MW in FY15 (most likely brownfield expansions), and the execution of Udupi (1,200MW) and Anpara C (1,200MW).

Impact

- **1,320MW Babandh project financially closed:** With the company estimating capex for the project at Rs6,930 crore (Cr = 10m), 80% debt financed, in line with expectations. We have only factored in 50% of the Babandh project into our price target and will wait until we see more work on the ground before fully factoring it in.
- **Gives confidence to EPC earnings forecasts:** With 90% of the company's EPC order book based around its own power projects, the financial closure of Babandh should see disbursements occurring in the next 12 months and EPC activities begin at site, supporting our FY12-13 EPC earnings forecasts.
- **What's next?** We expect further good news to act as a catalyst for this stock over the next 12 months including the financial closure of other growth projects such as Vidarbha (1,320MW), the announcement of new growth projects to take forecast capacity to 15,000MW in FY15 (most likely brownfield expansions), and the execution of Udupi (1,200MW) and Anpara C (1,200MW).
- **Internal EPC could help win more projects:** The acts as a competitive advantage in two ways. First, it prevents margin leakage; and second, it reduces the effective equity required to fund a project. This gives Lanco a competitive advantage in winning regulated/contracted power projects due to the group's ability to achieve lower capex than its peers. This leads to ongoing volume and thus revenue growth for projects with ROEs of 15-20%.

Earnings and target price revision

- No impact.

Price catalyst

- 12-month price target: Rs83.00 based on a Sum of Parts methodology.
- Catalyst: The financial closure of growth projects such as Vidarbha (1320MW) and the execution at Udupi over the next quarter.

Action and recommendation

- Maintain Outperform. Lanco is trading at a 20% discount to our Rs83/sh blended price target (SOTP and PER). The stock is trading at 10.5x FY12E NPAT vs. its peers at 11.6x FY12E NPAT, and at 7.6x FY12E cash earnings, valuations don't appear to be stretched.

Lanco Infratech Ltd. (LANCI IN, Outperform, Target Price: Rs83.00)

| Quarterly Results | | | | | Profit & Loss | | | | | | |
|-------------------------------|----|--------------|--------------|--------------|---------------|-----------------------------------|-------|--------------|--------------|--------------|--------------|
| | | 1Q/11A | 2Q/11E | 3Q/11E | 4Q/11E | | 2010A | 2011E | 2012E | 2013E | |
| Revenue | bn | 21 | 22 | 27 | 30 | Revenue | bn | 81 | 100 | 141 | 166 |
| Gross Profit | bn | 6 | 7 | 8 | 10 | Gross Profit | bn | 19 | 30 | 49 | 52 |
| Cost of Goods Sold | bn | 15 | 16 | 18 | 21 | Cost of Goods Sold | bn | 61 | 70 | 92 | 114 |
| EBITDA | bn | 6 | 7 | 8 | 10 | EBITDA | bn | 15 | 30 | 49 | 52 |
| Depreciation | bn | 2 | 1 | 2 | 3 | Depreciation | bn | 3 | 9 | 18 | 18 |
| Amortisation of Goodwill | bn | 0 | 0 | 0 | 0 | Amortisation of Goodwill | bn | 0 | 0 | 0 | 0 |
| Other Amortisation | bn | 0 | 0 | 0 | 0 | Other Amortisation | bn | 0 | 0 | 0 | 0 |
| EBIT | bn | 4 | 5 | 6 | 6 | EBIT | bn | 11 | 22 | 30 | 33 |
| Net Interest Income | bn | -2 | -2 | -3 | -3 | Net Interest Income | bn | -4 | -9 | -16 | -17 |
| Associates | bn | 0 | 0 | 0 | 0 | Associates | bn | 0 | 0 | 0 | 0 |
| Exceptionals | bn | 0 | 0 | 0 | 0 | Exceptionals | bn | -0 | 0 | 0 | 0 |
| Forex Gains / Losses | bn | -0 | 0 | 0 | 0 | Forex Gains / Losses | bn | 0 | -0 | 0 | 0 |
| Other Pre-Tax Income | bn | 0 | -0 | -0 | -0 | Other Pre-Tax Income | bn | 1 | -0 | 0 | 1 |
| Pre-Tax Profit | bn | 3 | 3 | 3 | 3 | Pre-Tax Profit | bn | 9 | 12 | 14 | 17 |
| Tax Expense | bn | -0 | -1 | -1 | -1 | Tax Expense | bn | -4 | -3 | -4 | -5 |
| Net Profit | bn | 2 | 2 | 2 | 2 | Net Profit | bn | 6 | 9 | 10 | 12 |
| Minority Interests | bn | -0 | -0 | -0 | -0 | Minority Interests | bn | -1 | -2 | -2 | -2 |
| Reported Earnings | bn | 2 | 2 | 2 | 2 | Reported Earnings | bn | 5 | 7 | 8 | 10 |
| Adjusted Earnings | bn | 2 | 2 | 2 | 2 | Adjusted Earnings | bn | 5 | 7 | 8 | 10 |
| EPS (rep) | | 0.81 | 0.83 | 0.75 | 0.63 | EPS (rep) | | 0.25 | 3.02 | 3.34 | 4.21 |
| EPS (adj) | | 0.81 | 0.83 | 0.75 | 0.63 | EPS (adj) | | 0.69 | 3.02 | 3.34 | 4.21 |
| EPS Growth yoy (adj) | % | 1,579.0 | 1,529.8 | 1,589.4 | 16.1 | EPS Growth (adj) | % | -47.3 | 337.7 | 10.7 | 25.9 |
| | | | | | | PE (rep) | x | 280.2 | 22.8 | 20.6 | 16.4 |
| | | | | | | PE (adj) | x | 99.9 | 22.8 | 20.6 | 16.4 |
| EBITDA Margin | % | 28.0 | 30.0 | 31.0 | 31.7 | Total DPS | | 0.01 | 0.03 | 0.00 | 0.00 |
| EBIT Margin | % | 20.7 | 23.7 | 22.2 | 20.6 | Total Div Yield | % | 0.0 | 0.0 | 0.0 | 0.0 |
| Earnings Split | % | 26.7 | 27.5 | 24.8 | 21.0 | Weighted Average Shares | m | 18,660 | 2,408 | 2,408 | 2,408 |
| Revenue Growth | % | -2.2 | 17.5 | 67.1 | 25.2 | Period End Shares | m | 2,408 | 2,408 | 2,408 | 2,408 |
| EBIT Growth | % | 98.2 | 103.9 | 145.9 | 48.4 | | | | | | |
| Profit and Loss Ratios | | 2010A | 2011E | 2012E | 2013E | Cashflow Analysis | | 2010A | 2011E | 2012E | 2013E |
| Revenue Growth | % | 34.0 | 24.2 | 40.2 | 17.8 | EBITDA | bn | 15 | 30 | 49 | 52 |
| EBITDA Growth | % | 81.7 | 104.8 | 59.7 | 6.4 | Tax Paid | bn | -3 | -3 | -4 | -5 |
| EBIT Growth | % | 60.2 | 91.3 | 38.2 | 10.9 | Chgs in Working Cap | bn | -13 | 3 | -6 | -3 |
| Gross Profit Margin | % | 23.9 | 30.3 | 34.6 | 31.2 | Net Interest Paid | bn | -8 | -9 | -16 | -17 |
| EBITDA Margin | % | 18.4 | 30.3 | 34.6 | 31.2 | Other | bn | 2 | -0 | 0 | 1 |
| EBIT Margin | % | 14.1 | 21.7 | 21.4 | 20.1 | Operating Cashflow | bn | -7 | 21 | 23 | 27 |
| Net Profit Margin | % | 6.8 | 8.9 | 7.2 | 7.1 | Acquisitions | bn | 0 | 0 | 0 | 0 |
| Payout Ratio | % | 0.8 | 1.1 | 0.0 | 0.0 | Capex | bn | -28 | -59 | -64 | -66 |
| EV/EBITDA | x | 18.3 | 8.9 | 5.6 | 5.3 | Asset Sales | bn | 0 | 0 | 0 | 0 |
| EV/EBIT | x | 23.9 | 12.5 | 9.0 | 8.1 | Other | bn | -1 | 0 | 0 | 0 |
| Balance Sheet Ratios | | | | | | Investing Cashflow | bn | -28 | -59 | -64 | -66 |
| ROE | % | 17.5 | 19.6 | 18.0 | 18.8 | Dividend (Ordinary) | bn | 0 | 0 | 0 | 0 |
| ROA | % | 8.3 | 11.9 | 13.0 | 11.6 | Equity Raised | bn | 8 | 0 | 0 | 0 |
| ROIC | % | 9.7 | 15.0 | 13.8 | 11.4 | Debt Movements | bn | 28 | 41 | 39 | 40 |
| Net Debt/Equity | % | 162.7 | 221.7 | 268.0 | 288.0 | Other | bn | 0 | -2 | -2 | -2 |
| Interest Cover | x | 3.2 | 2.4 | 1.9 | 1.9 | Financing Cashflow | bn | 35 | 40 | 37 | 39 |
| Price/Book | x | 5.0 | 4.1 | 3.4 | 2.8 | Net Chg in Cash/Debt | bn | 0 | 1 | -4 | -0 |
| Book Value per Share | | 13.9 | 16.9 | 20.3 | 24.5 | Free Cashflow | bn | -35 | -38 | -42 | -39 |
| | | | | | | Balance Sheet | | 2010A | 2011E | 2012E | 2013E |
| | | | | | | Cash | bn | 10 | 11 | 7 | 7 |
| | | | | | | Receivables | bn | 22 | 17 | 25 | 29 |
| | | | | | | Inventories | bn | 16 | 14 | 19 | 24 |
| | | | | | | Investments | bn | 42 | 42 | 42 | 42 |
| | | | | | | Fixed Assets | bn | 70 | 121 | 167 | 214 |
| | | | | | | Intangibles | bn | 0 | 0 | 0 | 0 |
| | | | | | | Other Assets | bn | 0 | 0 | 0 | 0 |
| | | | | | | Total Assets | bn | 160 | 205 | 260 | 316 |
| | | | | | | Payables | bn | 22 | 19 | 26 | 32 |
| | | | | | | Short Term Debt | bn | 0 | 0 | 0 | 0 |
| | | | | | | Long Term Debt | bn | 76 | 117 | 156 | 197 |
| | | | | | | Provisions | bn | 1 | 1 | 1 | 1 |
| | | | | | | Other Liabilities | bn | 21 | 21 | 21 | 21 |
| | | | | | | Total Liabilities | bn | 120 | 157 | 204 | 250 |
| | | | | | | Shareholders' Funds | bn | 33 | 41 | 49 | 59 |
| | | | | | | Minority Interests | bn | 7 | 7 | 7 | 7 |
| | | | | | | Other | bn | 0 | 0 | 0 | 0 |
| | | | | | | Total S/H Equity | bn | 41 | 48 | 56 | 66 |
| | | | | | | Total Liab & S/H Funds | bn | 160 | 205 | 260 | 316 |

All figures in INR unless noted.

Source: Company data, Macquarie Research, September 2010

Important disclosures:

Recommendation definitions

Macquarie - Australia/New Zealand

Outperform – return >3% in excess of benchmark return
 Neutral – return within 3% of benchmark return
 Underperform – return >3% below benchmark return

Benchmark return is determined by long term nominal GDP growth plus 12 month forward market dividend yield

Macquarie – Asia/Europe

Outperform – expected return >+10%
 Neutral – expected return from -10% to +10%
 Underperform – expected return <-10%

Macquarie First South - South Africa

Outperform – expected return >+10%
 Neutral – expected return from -10% to +10%
 Underperform – expected return <-10%

Macquarie - Canada

Outperform – return >5% in excess of benchmark return
 Neutral – return within 5% of benchmark return
 Underperform – return >5% below benchmark return

Macquarie - USA

Outperform (Buy) – return >5% in excess of Russell 3000 index return
 Neutral (Hold) – return within 5% of Russell 3000 index return
 Underperform (Sell) – return >5% below Russell 3000 index return

Volatility index definition*

This is calculated from the volatility of historical price movements.

Very high-highest risk – Stock should be expected to move up or down 60–100% in a year – investors should be aware this stock is highly speculative.

High – stock should be expected to move up or down at least 40–60% in a year – investors should be aware this stock could be speculative.

Medium – stock should be expected to move up or down at least 30–40% in a year.

Low-medium – stock should be expected to move up or down at least 25–30% in a year.

Low – stock should be expected to move up or down at least 15–25% in a year.

* Applicable to Australian/NZ/Canada stocks only

Recommendations – 12 months

Note: Quant recommendations may differ from Fundamental Analyst recommendations

Financial definitions

All "Adjusted" data items have had the following adjustments made:

Added back: goodwill amortisation, provision for catastrophe reserves, IFRS derivatives & hedging, IFRS impairments & IFRS interest expense
 Excluded: non recurring items, asset revals, property revals, appraisal value uplift, preference dividends & minority interests

EPS = adjusted net profit / epowa*

ROA = adjusted ebit / average total assets

ROA Banks/Insurance = adjusted net profit / average total assets

ROE = adjusted net profit / average shareholders funds

Gross cashflow = adjusted net profit + depreciation

*equivalent fully paid ordinary weighted average number of shares

All Reported numbers for Australian/NZ listed stocks are modelled under IFRS (International Financial Reporting Standards).

Recommendation proportions – For quarter ending 30 June 2010

| | AU/NZ | Asia | RSA | USA | CA | EUR | |
|--------------|--------|--------|--------|--------|--------|--------|--|
| Outperform | 50.55% | 64.29% | 54.41% | 45.63% | 65.08% | 50.26% | (for US coverage by MCUSA, 4.58% of stocks covered are investment banking clients) |
| Neutral | 35.16% | 17.15% | 38.24% | 47.91% | 30.69% | 35.16% | (for US coverage by MCUSA, 5.56% of stocks covered are investment banking clients) |
| Underperform | 14.29% | 18.56% | 7.35% | 6.46% | 4.23% | 14.58% | (for US coverage by MCUSA, 0.00% of stocks covered are investment banking clients) |

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| Leah Jiang (China) | (8621) 2412 9020 |
| Julian Bu (China, Hong Kong) | (852) 3922 3263 |
| Alex Pomento (Philippines) | (632) 857 0899 |

Consumer and Gaming

| | |
|--------------------------------|-------------------|
| Gary Ping (Asia) | (852) 3922 3557 |
| Jessie Qian (China, Hong Kong) | (852) 3922 3568 |
| Toby Williams (Japan) | (813) 3512 7392 |
| Lyall Taylor (Indonesia) | (6221) 2598 8489 |
| HongSuk Na (Korea) | (822) 3705 8678 |
| Edward Ong (Malaysia) | (603) 2059 8982 |
| Alex Pomento (Philippines) | (632) 857 0899 |
| Linda Huang (Taiwan) | (8862) 2734 7521 |
| Amit Mishra (India) | (91) 22 6653 3051 |

Emerging Leaders

| | |
|---------------------------------|------------------|
| Jake Lynch (Asia) | (8621) 2412 9007 |
| Jonathan Hsu (China, Hong Kong) | (852) 3922 4625 |
| Minoru Tayama (Japan) | (813) 3512 6058 |
| Robert Burghart (Japan) | (813) 3512 7853 |

Industrials

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| Inderjeetsingh Bhatia (India) | (9122) 6653 3166 |
| Christopher Cintavey (Japan) | (813) 3512 7432 |
| Janet Lewis (Japan) | (813) 3512 7475 |
| Chang Han Joo (Korea) | (822) 3705 8511 |
| Sunaina Dhanuka (Malaysia) | (603) 2059 8993 |
| David Gambrell (Thailand) | (662) 694 7753 |

Insurance

| | |
|------------------------|-----------------|
| Makarim Salman (Japan) | (813) 3512 7421 |
|------------------------|-----------------|

Media

| | |
|--------------------------------|-----------------|
| Jessie Qian (China, Hong Kong) | (852) 3922 3568 |
| George Hogan (Japan) | (813) 3512 7851 |
| Prem Jearajasingam (Malaysia) | (603) 2059 8989 |
| Alex Pomento (Philippines) | (632) 857 0899 |

Oil and Gas

| | |
|-----------------------------|------------------|
| Laban Yu (Asia) | (852) 3922 4691 |
| Christina Lee (Hong Kong) | (852) 3922 3571 |
| Jal Irani (India) | (9122) 6653 3040 |
| Polina Diyachkina (Japan) | (813) 3512 7886 |
| Shawn Park (Korea) | (822) 3705 8669 |
| Edward Ong (Malaysia) | (603) 2059 8982 |
| Sunaina Dhanuka (Malaysia) | (603) 2059 8993 |
| Linda Huang (Taiwan) | (8862) 2734 7521 |
| Trevor Buchinski (Thailand) | (662) 694 7829 |

Pharmaceuticals

| | |
|---------------------------|------------------|
| Christina Lee (Hong Kong) | (852) 3922 3571 |
| Abhishek Singhal (India) | (9122) 6653 3052 |
| Naomi Kumagai (Japan) | (813) 3512 7474 |

Property

| | |
|--------------------------------|------------------|
| Callum Bramah (Asia) | (852) 3922 4731 |
| Eva Lee (China, Hong Kong) | (852) 3922 3573 |
| Hiroshi Okubo (Japan) | (813) 3512 7433 |
| Chang Han Joo (Korea) | (822) 3705 8511 |
| Alex Pomento (Philippines) | (632) 857 0899 |
| Tuck Yin Soong (Singapore) | (65) 6231 2838 |
| Elaine Cheong (Singapore) | (65) 6231 2839 |
| Corinne Jian (Taiwan) | (8862) 2734 7522 |
| Patti Tomaitrichitr (Thailand) | (662) 694 7727 |

Resources / Metals and Mining

| | |
|------------------------------|------------------|
| Andrew Dale (Asia) | (852) 3922 3587 |
| Graeme Train (China) | (8621) 2412 9035 |
| Christina Lee (Hong Kong) | (852) 3922 3571 |
| Rakesh Arora (India) | (9122) 6653 3054 |
| Adam Worthington (Indonesia) | (852) 3922 4626 |
| Riaz Hyder (Indonesia) | (6221) 2598 8486 |
| Polina Diyachkina (Japan) | (813) 3512 7886 |

Technology

| | |
|-------------------------|------------------|
| Patrick Yau (Hong Kong) | (852) 3922 1264 |
| Zona Chen (Hong Kong) | (852) 3922 3578 |
| Nitin Mohta (India) | (9122) 6653 3050 |
| Damian Thong (Japan) | (813) 3512 7877 |
| David Gibson (Japan) | (813) 3512 7880 |
| George Chang (Japan) | (813) 3512 7854 |
| Michiko Kakiya (Japan) | (813) 3512 7868 |
| Yukihiro Goto (Japan) | (813) 3512 5984 |
| Daniel Kim (Korea) | (822) 3705 8641 |
| Abraham Leu (Taiwan) | (8862) 2734 7511 |
| Chia-Lin Lu (Taiwan) | (8862) 2734 7526 |
| Daniel Chang (Taiwan) | (8862) 2734 7516 |
| James Chiu (Taiwan) | (8862) 2734 7517 |
| Jeffrey Su (Taiwan) | (8862) 2734 7512 |
| Samson Yu (Taiwan) | (8862) 2734 7532 |
| Jimmy Hsu (Taiwan) | (8862) 2734 7533 |

Telecoms

| | |
|-------------------------------|------------------|
| Tim Smart (China) | (852) 3922 3565 |
| Riaz Hyder (Indonesia) | (6221) 2598 8486 |
| Nathan Ramler (Japan) | (813) 3512 7875 |
| Prem Jearajasingam (Malaysia) | (603) 2059 8989 |
| Haj Narvaez (Philippines) | (632) 857 0891 |
| Best Waiyanont (Thailand) | (662) 694 7993 |

Transport & Infrastructure

| | |
|----------------------------|-----------------|
| Anderson Chow (Asia) | (852) 3922 4773 |
| Janet Lewis (Asia, Japan) | (813) 3512 7475 |
| Wei Sim (China, Hong Kong) | (852) 3922 3598 |
| Chang Han Joo (Korea) | (822) 3705 8511 |
| Sunaina Dhanuka (Malaysia) | (603) 2059 8993 |

Utilities

| | |
|-------------------------------|------------------|
| Adam Worthington (Asia) | (852) 3922 4626 |
| Zhi Aik Yeo (Asia) | (852) 3922 1402 |
| Carol Cao (China, Hong Kong) | (852) 3922 4075 |
| Jeff Evans (India) | (9122) 3356 3053 |
| Ayako Mitsui Boston (Japan) | (813) 3512 7885 |
| Prem Jearajasingam (Malaysia) | (603) 2059 8989 |
| Alex Pomento (Philippines) | (632) 857 0899 |
| Haj Narvaez (Philippines) | (632) 857 0891 |

Commodities

| | |
|--------------|------------------|
| Jim Lennon | (4420) 3037 4271 |
| Max Layton | (4420) 3037 4273 |
| Duncan Hobbs | (4420) 3037 4497 |
| Bonnie Liu | (8621) 2412 9008 |
| Graeme Train | (8621) 2412 9035 |
| Rakesh Arora | (9122) 6653 3054 |

Data Services

| | |
|------------------------|-----------------|
| Andrea Clohessy (Asia) | (852) 3922 4076 |
| Eric Yeung | (852) 3922 4077 |

Economics

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|--------------------------------|-----------------|
| Richard Jerram (Asia) | (813) 3512 7855 |
| Philip McNicholas (ASEAN) | (65) 6231 2982 |
| Richard Gibbs (Australia) | (612) 8232 3935 |
| Paul Cavey (China) | (852) 3922 3570 |
| Renee Chen (Hong Kong, Taiwan) | (852) 3922 3597 |

Quantitative

| | |
|--------------------------|-----------------|
| Martin Emery (Asia) | (852) 3922 3582 |
| Viking Kwok (Asia) | (852) 3922 4735 |
| George Platt (Australia) | (612) 8232 6539 |
| Patrick Hansen (Japan) | (813) 3512 7876 |
| Burke Lau | (852) 3922 5494 |

Strategy/Country

| | |
|-------------------------------|------------------|
| Michael Kurtz (Asia) | (852) 3922 1403 |
| John Woods (Asia) | (852) 3922 4636 |
| Mark Matthews (Asia) | (852) 3922 3585 |
| Jiong Shao (China, Hong Kong) | (852) 3922 3566 |
| Rakesh Arora (India) | (9122) 6653 3054 |
| Ferry Wong (Indonesia) | (6221) 515 7335 |
| David Gibson (Japan) | (813) 3512 7880 |
| Peter Eadon-Clarke (Japan) | (813) 3512 7850 |
| Chan Hwang (Korea) | (822) 3705 8643 |
| Kieran Calder (Malaysia) | (603) 2059 8992 |
| Prem Jearajasingam (Malaysia) | (603) 2059 8989 |
| Edward Ong (Malaysia) | (603) 2059 8982 |
| Alex Pomento (Philippines) | (632) 857 0899 |
| Patrick Yau (Singapore) | (65) 6231 2835 |
| Daniel Chang (Taiwan) | (8862) 2734 7516 |
| David Gambrell (Thailand) | (662) 694 7753 |

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Sales

Regional Heads of Sales

| | |
|----------------------------------|------------------|
| Chris Gray (ASEAN) | (65) 6231 2888 |
| Justin Crawford (Asia) | (852) 3922 2065 |
| Peter Slater (Boston) | (1 617) 598 2502 |
| Jeffrey Shiu (China & Hong Kong) | (852) 3922 2061 |
| Thomas Renz (Geneva) | (41) 22 818 7712 |
| Andrew Mouat (India) | (9122) 6653 3200 |
| Stanley Dunda (Indonesia) | (6221) 515 1555 |
| Kenneth Yap (Indonesia) | (6221) 515 1555 |
| JJ Kim (Korea) | (822) 3705 8799 |
| Jason Lee (Malaysia) | (603) 2059 8888 |
| Gino C Rojas (Philippines) | (632) 857 0761 |
| Greg Norton-Kidd (New York) | (1 212) 231 2527 |
| Luke Sullivan (New York) | (1 212) 231 2507 |
| Scot Mackie (New York) | (1 212) 231 2848 |

Regional Heads of Sales cont'd

| | |
|----------------------------------|-------------------|
| Sheila Schroeder (San Francisco) | (1 415) 762 5001 |
| Angus Kent (Thailand) | (662) 694 7601 |
| Michael Newman (Tokyo) | (813) 3512 7920 |
| Charles Nelson (UK/Europe) | (44) 20 3037 4832 |
| Rob Fabbro (UK/Europe) | (44) 20 3037 4865 |
| Sean Alexander (Generalist) | (852) 3922 2101 |

Sales Trading

| | |
|--------------------------|-------------------|
| Adam Zaki (Asia) | (852) 3922 2002 |
| Yat Quan Tan (Hong Kong) | (852) 3922 2028 |
| Phil Sellaroli (Japan) | (813) 3512 7837 |
| Matthew Ryan (Singapore) | (65) 6231 2888 |
| Mike Keen (Europe) | (44) 20 3037 4905 |
| Chris Reale (New York) | (1 212) 231 2616 |

Sales Trading cont'd

| | |
|------------------------------|-------------------|
| Stanley Dunda (Indonesia) | (6221) 515 1555 |
| Mario Argyrides (Korea) | (822) 3705 8610 |
| Edward Robinson (London) | (44) 20 3037 4902 |
| Michael Santos (Philippines) | (632) 857 0813 |
| Isaac Huang (Taiwan) | (8862) 2734 7582 |
| Dominic Shore (Thailand) | (662) 694 7707 |

Alternative Strategies

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|--------------------------------------|-----------------|
| Convertibles - Roland Sharman | (852) 3922 2095 |
| Depository Receipts - Robert Ansell | (852) 3922 2094 |
| Derivatives - Wayne Edelist | (852) 3922 2134 |
| Futures - Tim Smith | (852) 3922 2113 |
| Structured Products - Andrew Terlich | (852) 3922 2013 |