

EARNINGS REVIEW

Housing Development & Infrastructure

Buy

In line with expectations; TDR pricing robust

What surprised us

HDIL reported in-line 2QFY11 PAT of Rs2.1 bn and sales of Rs3.7 bn. EBITDA margin of 64%, increased by 436 bp qoq on account of better TDR pricing and reduced contribution from lower-margin land development in the Vasai-Virar region. HDIL also reported a land sale of Rs6.5 bn in October 2010 in Goregaon with a likely PAT margin of 60%, which we now incorporate into our FY11E PAT. **Highlights of results and conf call:** 1) Mgmt guided for TDR pricing to stabilize at Rs3,200/sq. ft. We now assume Rs3,000/sq. ft for FY11E-12E vs. Rs2,700 for FY11E and Rs2,835 for FY12E earlier. 2) Good response to recently launched projects in Mumbai. 3) Investments of Rs2 bn into land. 4) Increase in customer advances by Rs2.2 bn to Rs9.8 bn at end-2QFY11.

What to do with the stock

We incorporate higher prices into our estimates, while lowering our TDR volume estimates to 5 mn sq. ft from 6 mn sq. ft. in FY11E and FY12E. Our FY11E EPS estimates are revised by 38% to Rs29.96 (after incorporating the land sale mentioned above), while FY12E/FY13E EPS estimates are revised by -1%. Ongoing/Forthcoming residential projects indicate a cumulative sales value of Rs150 bn and cash flow potential of Rs102 bn against present EV of Rs115 bn. We retain HDIL on the Conviction Buy List with a 12-month target price of Rs371. Our TP which is set at a 25% discount to our FY2012E NAV of Rs494 is unchanged, as we had already included the land parcel sold in our NAV. The stock looks attractively valued trading at FY2012E P/B of 1.0X vs. sector avg. of 1.6X. Key risks include execution delays inherent in slum rehabilitation projects, sharp correction in prices and fall in Mumbai residential property demand.

HDIL 2QFY11 – Net income up 44% yoy on high margin land sale (Rs mn)

	2QFY11	2QFY10	y-o-y	1QFY11	q-o-q
Net Sales	3,726.5	3,537.0	5%	4,509.2	-17%
EBITDA	2,372.2	1,797.0	32%	2,673.8	-11%
Net income	2,137.8	1,485.9	44%	2,343.3	-9%

Source: Company data, Goldman Sachs Research.

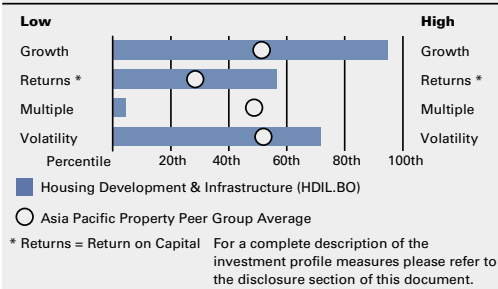
INVESTMENT LIST MEMBERSHIP

Asia Pacific Buy List
Asia Pacific Conviction Buy List
Coverage View: Attractive

India
Real Estate

Puneet Jain
+91(22)6616-9046 puneet.jain@gs.com Goldman Sachs India SPL
Aditya Soman
+91(22)6616-9345 aditya.soman@gs.com Goldman Sachs India SPL

Investment Profile



Key data	Current
Price (Rs)	254.30
12 month price target (Rs)	371.00
Market cap (Rs mn / US\$ mn)	103,904.4 / 2,345.2
Foreign ownership (%)	--

	3/10	3/11E	3/12E	3/13E
EPS (Rs) New	17.68	29.96	30.66	38.07
EPS revision (%)	0.0	37.9	(1.3)	(0.5)
EPS growth (%)	(37.6)	69.4	2.3	24.2
EPS (dil) (Rs) New	17.28	29.96	30.66	38.07
P/E (X)	14.4	8.5	8.3	6.7
P/B (X)	1.3	1.1	1.0	0.9
EV/EBITDA (X)	16.3	7.5	6.8	4.5
Dividend yield (%)	0.0	0.8	3.9	5.9
ROE (%)	10.1	14.2	12.7	14.5

Price performance chart



Share price performance (%)	3 month	6 month	12 month
Absolute	(7.2)	3.0	(32.1)
Rel. to India BSE30 Sensex	(18.6)	(14.2)	(44.5)

Source: Company data, Goldman Sachs Research estimates, FactSet. Price as of 11/11/2010 close.

The Goldman Sachs Group, Inc. does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision. For Reg AC certification, see the end of the text. Other important disclosures follow the Reg AC certification, or go to www.gs.com/research/hedge.html. Analysts employed by non-US affiliates are not registered/qualified as research analysts with FINRA in the U.S.

Housing Development & Infrastructure: Summary Financials

Profit model (Rs mn)	3/10	3/11E	3/12E	3/13E	Balance sheet (Rs mn)	3/10	3/11E	3/12E	3/13E
Total revenue	15,021.2	25,825.2	34,944.0	50,694.6	Cash & equivalents	7,853.8	28,791.0	23,099.4	34,752.0
Cost of goods sold	(6,908.9)	(9,347.2)	(15,702.5)	(24,936.9)	Accounts receivable	2,029.9	3,489.9	4,722.1	6,850.6
SG&A	(943.7)	(1,196.7)	(1,979.6)	(2,346.2)	Inventory	87,566.5	108,806.3	128,234.6	136,109.2
R&D	--	--	--	--	Other current assets	15,677.2	15,677.2	15,677.2	15,677.2
Other operating profit/(expense)	0.0	0.0	0.0	0.0	Total current assets	113,127.4	156,764.4	171,733.3	193,389.1
EBITDA	7,891.8	15,423.0	17,439.5	23,824.3	Net PP&E	2,033.4	7,965.5	11,619.6	16,088.9
Depreciation & amortization	(723.1)	(141.7)	(177.6)	(412.8)	Net intangibles	2,604.1	2,604.1	2,604.1	2,604.1
EBIT	7,168.7	15,281.3	17,261.9	23,411.5	Total investments	2,504.9	2,504.9	2,504.9	2,504.9
Interest income	59.6	89.5	107.4	128.8	Other long-term assets	0.0	0.0	0.0	0.0
Interest expense	(461.8)	(600.0)	(600.0)	(600.0)	Total assets	120,269.8	169,838.9	188,462.0	214,587.0
Income/(loss) from uncons. subs.	0.0	0.0	0.0	0.0	Accounts payable	3,081.0	5,297.0	4,786.8	6,250.0
Others	285.5	314.0	345.4	379.9	Short-term loans	0.0	0.0	0.0	0.0
Pretax profits	7,051.9	15,084.8	17,114.7	23,320.3	Other current liabilities	5,679.8	22,796.8	42,330.7	57,167.3
Income tax	(1,329.7)	(2,844.3)	(3,594.1)	(6,529.7)	Total current liabilities	8,760.8	28,093.8	47,117.6	63,417.4
Minorities	56.3	(0.1)	(0.1)	(0.1)	Long-term debt	41,017.2	40,000.0	30,000.0	30,000.0
Net income pre-preferred dividends	5,778.5	12,240.4	13,520.5	16,790.5	Other long-term liabilities	63.1	63.1	63.1	63.1
Preferred dividends	0.0	0.0	0.0	0.0	Total long-term liabilities	41,080.3	40,063.1	30,063.1	30,063.1
Net income (pre-exceptionals)	5,778.5	12,240.4	13,520.5	16,790.5	Total liabilities	49,841.1	68,156.9	77,180.7	93,480.5
Post-tax exceptionals	10.4	0.0	0.0	0.0	Preferred shares	0.0	0.0	0.0	0.0
Net income	5,788.9	12,240.4	13,520.5	16,790.5	Total common equity	70,428.7	101,681.7	111,281.0	121,106.1
EPS (basic, pre-exception) (Rs)	17.65	29.96	30.66	38.07	Minority interest	0.0	0.2	0.3	0.4
EPS (basic, post-exception) (Rs)	17.68	29.96	30.66	38.07	Total liabilities & equity	120,269.8	169,838.9	188,462.0	214,587.0
EPS (diluted, post-exception) (Rs)	17.28	29.96	30.66	38.07	BVPS (Rs)	196.27	230.57	252.34	274.61
DPS (Rs)	0.00	2.16	10.00	15.00	RNAV (Rs mn)	--	--	217,945.9	--
Dividend payout ratio (%)	0.0	7.2	32.6	39.4	RNAVPS (Rs)	--	--	494.20	--
Free cash flow yield (%)	(13.6)	2.4	7.0	16.3					
Growth & margins (%)	3/10	3/11E	3/12E	3/13E	Ratios	3/10	3/11E	3/12E	3/13E
Sales growth	(13.1)	71.9	35.3	45.1	ROE (%)	10.1	14.2	12.7	14.5
EBITDA growth	(3.5)	95.4	13.1	36.6	ROA (%)	5.4	8.4	7.5	8.3
EBIT growth	(12.0)	113.2	13.0	35.6	ROACE (%)	6.4	11.7	12.0	14.6
Net income growth	(25.9)	111.4	10.5	24.2	Inventory days	4,139.1	3,834.1	2,755.0	1,934.6
EPS growth	(37.6)	69.4	2.3	24.2	Receivables days	44.9	39.0	42.9	41.7
Gross margin	54.0	63.8	55.1	50.8	Payable days	168.4	163.6	117.2	80.8
EBITDA margin	52.5	59.7	49.9	47.0	Net debt/equity (%)	47.1	11.0	6.2	(3.9)
EBIT margin	47.7	59.2	49.4	46.2	Interest cover - EBIT (X)	17.8	29.9	35.0	49.7
Cash flow statement (Rs mn)	3/10	3/11E	3/12E	3/13E	Valuation	3/10	3/11E	3/12E	3/13E
Net income pre-preferred dividends	5,778.5	12,240.4	13,520.5	16,790.5	P/E basic (X)	14.4	8.5	8.3	6.7
D&A add-back	723.1	141.7	177.6	412.8	P/B (X)	1.3	1.1	1.0	0.9
Minorities interests add-back	(56.3)	0.1	0.1	0.1	EV/EBITDA (X)	16.3	7.5	6.8	4.5
Net (inc)/dec working capital	(16,152.3)	(20,483.7)	(21,170.8)	(8,539.9)	Dividend yield (%)	0.0	0.8	3.9	5.9
Other operating cash flow	519.4	17,117.0	19,533.9	14,836.6					
Cash flow from operations	(9,177.1)	9,015.5	12,061.4	23,500.2	Underlying valuation	3/10	3/11E	3/12E	3/13E
Capital expenditures	(3,424.2)	(6,073.8)	(3,831.8)	(4,882.1)	Underlying profit (Rs mn)	--	--	--	--
Acquisitions	0.0	0.0	0.0	0.0	Underlying EPS (Rs)	--	--	--	--
Divestitures	6.1	0.0	0.0	0.0	Underlying ROE (%)	NM	NM	NM	NM
Others	73.1	0.0	0.0	0.0	Underlying ROA (%)	NM	NM	NM	NM
Cash flow from investments	(3,345.0)	(6,073.8)	(3,831.8)	(4,882.1)	Underlying ROACE (%)	NM	NM	NM	NM
Dividends paid (common & pref)	0.0	(722.3)	(3,921.2)	(6,965.4)	Underlying P/E (X)	--	--	--	--
Inc/(dec) in debt	3,484.0	(1,017.2)	(10,000.0)	0.0	Underlying dividend payout (%)	NM	NM	NM	NM
Common stock issuance (repurchase)	16,884.0	19,735.0	0.0	0.0	Underlying EPS growth (%)	--	--	--	--
Other financing cash flows	(710.3)	0.0	0.0	0.0					
Cash flow from financing	19,657.7	17,995.5	(13,921.2)	(6,965.4)					
Total cash flow	7,135.5	20,937.2	(5,691.6)	11,652.7					
					Note: Last actual year may include reported and estimated data.				
					Source: Company data, Goldman Sachs Research estimates.				

Analyst Contributors

Puneet Jain

puneet.jain@gs.com

Aditya Soman

aditya.soman@gs.com

Exhibit 1: HDIL 2QFY11 results summary

Stand-alone financials (Rs mn)

	2QFY11	2QFY10	y-o-y	1QFY11	q-o-q	FY2010
Net Sales	3,726.5	3,537.0	5%	4,509.2	-17%	14,919.9
(Increase)/decrease in inventory	5,058.5	3,742.8	35%	6,974.2	-27%	15,919.7
Construction cost	(4,893.2)	(4,330.9)	13%	(7,473.8)	-35%	(19,147.7)
Transfer to Investment/Fixed Assets	31.1	-		99.8	-69%	690.7
Project interest	(1,298.9)	(927.3)	40%	(1,188.5)	9%	(4,366.5)
Employee cost	(98.2)	(56.0)	75%	(103.6)	-5%	(260.3)
Other expenditure	(153.6)	(168.6)	-9%	(143.5)	7%	(638.9)
EBITDA	2,372.2	1,797.0	32%	2,673.8	-11%	7,116.9
Other income	338.8	273.5	24%	342.2	-1%	1,075.9
Depreciation / Amortisation	(16.0)	(9.4)	70%	(19.2)	-17%	(51.0)
Interest expense	(211.9)	(185.0)	15%	(214.5)	-1%	(789.0)
Pre-tax Profit	2,483.1	1,876.1	32%	2,782.3	-11%	7,352.8
Tax expense	(345.3)	(390.2)	-12%	(439.0)	-21%	(1,386.3)
Net income	2,137.8	1,485.9	44%	2,343.3	-9%	5,966.5
Key ratios			bps		bps	
EBITDA Margin	64%	51%	1,285	59%	436	48%
Net Margin	57%	42%	1,536	52%	540	40%
Effective Tax rate	14%	21%	(689)	16%	(187)	19%

Source: Company data, Goldman Sachs Research.

Exhibit 2: HDIL has high revenue visibility accruing from residential projects

Details of ongoing/forthcoming projects

Residential Launches								
Project	Location	Sale price (Rs/sq. ft)	Volumes (mn sq. ft)	Sold (%)	Sold (mn sq. ft)	Sales value (Rs mn)	Cash flow (Rs mn)	Total Sales Value (Rs mn)
Launched								
Premier	Kurla (W)	6,000	1.00	98%	0.98	5,880	4,116	6,000
Metropolis	Andheri (W)	8,500	0.65	95%	0.62	5,249	3,674	5,525
Galaxy	Kurla (E)	5,000	0.48	90%	0.43	2,138	1,496	2,375
Majestic	Bhandup	6,250	1.30	40%	0.52	3,250	2,275	8,125
Residency Park	Virar	2,500	1.25	75%	0.94	2,344	1,641	3,125
Harmony	Goregaon (W)	8,500	0.04	95%	0.04	354	248	373
Whispering towers	Mulund	7,200	1.60	20%	0.32	2,304	1,613	11,520
Premier 2	Kurla (W)	6,000	0.80	30%	0.24	1,440	1,008	4,800
Meadows	Goregaon (W)	8,500	1.00	75%	0.75	6,375	4,463	8,500
			8.12		4.83	29,333	20,533	50,343
Fortcoming								
Pant Nagar	Ghatkopar	8,000	0.50	-	-	-	-	4,000
Popular Car bazaar	Andheri (E)	11,500	0.80	-	-	-	-	9,200
Meadows 2	Goregaon (W)	8,500	3.60	-	-	-	-	30,600
Ekta Nagar	Kandivali	7,000	1.50	-	-	-	-	10,500
Palghar Township	Palghar	1,600	11.80	-	-	-	-	18,875
Kochi	Kochi	2,500	6.30	-	-	-	-	15,749
Santa Cruz	Santa Cruz (W)	14,000	0.80	-	-	-	-	11,200
			25.30		-	-	-	100,124
Total projects			33.42		-	29,333	20,533	150,467
Commercial Launches								
Project	Location	Sale price (Rs/sq. ft)	Volumes (mn sq. ft)	Sold (%)	Sold (mn sq. ft)	Sale value (Rs mn)	Cash flow (Rs mn)	Total Sales Value (Rs mn)
For Sale								
Industrial Park	Virar	2,000	1.50	95%	1.43	2,850	1,995	3,000
Harmony	Goregaon (W)	8,500	0.07	75%	0.05	420	294	560
			1.57		1.47	3,270	2,289	3,560
For lease								
Premier	Kurla		2.00	0%	-	-	-	-
Metropolis	Andheri (W)		1.02	20%	0.20	-	-	-
			1.02		-	-	-	-
Total projects			2.59		-	3,270	2,289	3,560

Note: For forthcoming projects, prices assumed are about 10% below current market prices.

Source: Company data, Goldman Sachs Research estimates.

Reg AC

I, Puneet Jain, hereby certify that all of the views expressed in this report accurately reflect my personal views about the subject company or companies and its or their securities. I also certify that no part of my compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in this report.

Investment Profile

The Goldman Sachs Investment Profile provides investment context for a security by comparing key attributes of that security to its peer group and market. The four key attributes depicted are: growth, returns, multiple and volatility. Growth, returns and multiple are indexed based on composites of several methodologies to determine the stocks percentile ranking within the region's coverage universe.

The precise calculation of each metric may vary depending on the fiscal year, industry and region but the standard approach is as follows:

Growth is a composite of next year's estimate over current year's estimate, e.g. EPS, EBITDA, Revenue. **Return** is a year one prospective aggregate of various return on capital measures, e.g. CROCI, ROACE, and ROE. **Multiple** is a composite of one-year forward valuation ratios, e.g. P/E, dividend yield, EV/FCF, EV/EBITDA, EV/DACF, Price/Book. **Volatility** is measured as trailing twelve-month volatility adjusted for dividends.

Quantum

Quantum is Goldman Sachs' proprietary database providing access to detailed financial statement histories, forecasts and ratios. It can be used for in-depth analysis of a single company, or to make comparisons between companies in different sectors and markets.

Disclosures

Coverage group(s) of stocks by primary analyst(s)

Puneet Jain: India Property.

India Property: DLF, Housing Development & Infrastructure, Indiabulls Real Estate Limited, Sobha Developers, Unitech.

Company-specific regulatory disclosures

The following disclosures relate to relationships between The Goldman Sachs Group, Inc. (with its affiliates, "Goldman Sachs") and companies covered by the Global Investment Research Division of Goldman Sachs and referred to in this research.

Goldman Sachs expects to receive or intends to seek compensation for investment banking services in the next 3 months: Housing Development & Infrastructure (Rs254.30)

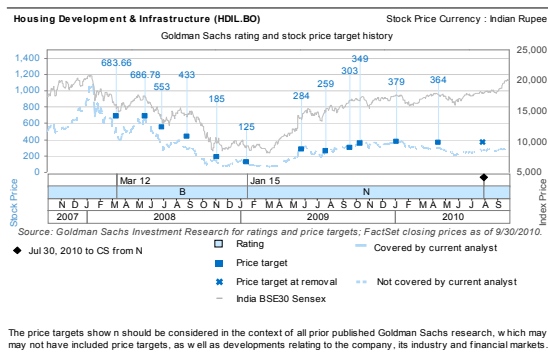
Distribution of ratings/investment banking relationships

Goldman Sachs Investment Research global coverage universe

	Rating Distribution			Investment Banking Relationships		
	Buy	Hold	Sell	Buy	Hold	Sell
Global	30%	54%	16%	50%	43%	37%

As of October 1, 2010, Goldman Sachs Global Investment Research had investment ratings on 2,845 equity securities. Goldman Sachs assigns stocks as Buys and Sells on various regional Investment Lists; stocks not so assigned are deemed Neutral. Such assignments equate to Buy, Hold and Sell for the purposes of the above disclosure required by NASD/NYSE rules. See 'Ratings, Coverage groups and views and related definitions' below.

Price target and rating history chart(s)



Regulatory disclosures

Disclosures required by United States laws and regulations

See company-specific regulatory disclosures above for any of the following disclosures required as to companies referred to in this report: manager or co-manager in a pending transaction; 1% or other ownership; compensation for certain services; types of client relationships; managed/co-managed public offerings in prior periods; directorships; for equity securities, market making and/or specialist role. Goldman Sachs usually makes a market in fixed income securities of issuers discussed in this report and usually deals as a principal in these securities.

The following are additional required disclosures: **Ownership and material conflicts of interest:** Goldman Sachs policy prohibits its analysts, professionals reporting to analysts and members of their households from owning securities of any company in the analyst's area of coverage.

Analyst compensation: Analysts are paid in part based on the profitability of Goldman Sachs, which includes investment banking revenues.

Analyst as officer or director: Goldman Sachs policy prohibits its analysts, persons reporting to analysts or members of their households from serving as an officer, director, advisory board member or employee of any company in the analyst's area of coverage. **Non-U.S. Analysts:** Non-U.S. analysts may not be associated persons of Goldman Sachs & Co. and therefore may not be subject to NASD Rule 2711/NYSE Rules 472 restrictions on communications with subject company, public appearances and trading securities held by the analysts.

Distribution of ratings: See the distribution of ratings disclosure above. **Price chart:** See the price chart, with changes of ratings and price targets in prior periods, above, or, if electronic format or if with respect to multiple companies which are the subject of this report, on the Goldman Sachs website at <http://www.gs.com/research/hedge.html>.

Additional disclosures required under the laws and regulations of jurisdictions other than the United States

The following disclosures are those required by the jurisdiction indicated, except to the extent already made above pursuant to United States laws and regulations. **Australia:** This research, and any access to it, is intended only for "wholesale clients" within the meaning of the Australian Corporations Act. **Canada:** Goldman Sachs & Co. has approved of, and agreed to take responsibility for, this research in Canada if and to the extent it relates to equity securities of Canadian issuers. Analysts may conduct site visits but are prohibited from accepting payment or reimbursement by the company of travel expenses for such visits. **Hong Kong:** Further information on the securities of covered companies referred to in this research may be obtained on request from Goldman Sachs (Asia) L.L.C. **India:** Further information on the subject company or companies referred to in this research may be obtained from Goldman Sachs (India) Securities Private Limited; **Japan:** See below. **Korea:** Further information on the subject company or companies referred to in this research may be obtained from Goldman Sachs (Asia) L.L.C., Seoul Branch. **Russia:** Research reports distributed in the Russian Federation are not advertising as defined in the Russian legislation, but are information and analysis not having product promotion as their main purpose and do not provide appraisal within the meaning of the Russian legislation on appraisal activity. **Singapore:** Further information on the covered companies referred to in this research may be obtained from Goldman Sachs (Singapore) Pte. (Company Number: 198602165W). **Taiwan:** This material is for reference only and must not be reprinted without permission. Investors should carefully consider their own investment risk. Investment results are the responsibility of the individual investor. **United Kingdom:** Persons who would be categorized as retail clients in the United Kingdom, as such term is defined in the rules of the Financial Services Authority, should read this research in conjunction with prior Goldman Sachs research on the covered companies referred to herein and should refer to the risk warnings that have been sent to them by Goldman Sachs International. A copy of these risks warnings, and a glossary of certain financial terms used in this report, are available from Goldman Sachs International on request.

European Union: Disclosure information in relation to Article 4 (1) (d) and Article 6 (2) of the European Commission Directive 2003/126/EC is available at http://www.gs.com/client_services/global_investment_research/europeanpolicy.html which states the European Policy for Managing Conflicts of Interest in Connection with Investment Research.

Japan: Goldman Sachs Japan Co., Ltd. is a Financial Instrument Dealer under the Financial Instrument and Exchange Law, registered with the Kanto Financial Bureau (Registration No. 69), and is a member of Japan Securities Dealers Association (JSDA) and Financial Futures Association of Japan (FFAJ). Sales and purchase of equities are subject to commission pre-determined with clients plus consumption tax. See company-specific disclosures as to any applicable disclosures required by Japanese stock exchanges, the Japanese Securities Dealers Association or the Japanese Securities Finance Company.

Ratings, coverage groups and views and related definitions

Buy (B), Neutral (N), Sell (S) -Analysts recommend stocks as Buys or Sells for inclusion on various regional Investment Lists. Being assigned a Buy or Sell on an Investment List is determined by a stock's return potential relative to its coverage group as described below. Any stock not assigned as a Buy or a Sell on an Investment List is deemed Neutral. Each regional Investment Review Committee manages various regional Investment Lists to a global guideline of 25%-35% of stocks as Buy and 10%-15% of stocks as Sell; however, the distribution of Buys and Sells in any particular coverage group may vary as determined by the regional Investment Review Committee. Regional Conviction Buy and Sell lists represent investment recommendations focused on either the size of the potential return or the likelihood of the realization of the return.

Return potential represents the price differential between the current share price and the price target expected during the time horizon associated with the price target. Price targets are required for all covered stocks. The return potential, price target and associated time horizon are stated in each report adding or reiterating an Investment List membership.

Coverage groups and views: A list of all stocks in each coverage group is available by primary analyst, stock and coverage group at <http://www.gs.com/research/hedge.html>. The analyst assigns one of the following coverage views which represents the analyst's investment outlook on the coverage group relative to the group's historical fundamentals and/or valuation. **Attractive (A).** The investment outlook over the following 12 months is favorable relative to the coverage group's historical fundamentals and/or valuation. **Neutral (N).** The investment outlook over the following 12 months is neutral relative to the coverage group's historical fundamentals and/or valuation. **Cautious (C).** The investment outlook over the following 12 months is unfavorable relative to the coverage group's historical fundamentals and/or valuation.

Not Rated (NR). The investment rating and target price have been removed pursuant to Goldman Sachs policy when Goldman Sachs is acting in an advisory capacity in a merger or strategic transaction involving this company and in certain other circumstances. **Rating Suspended (RS).** Goldman Sachs Research has suspended the investment rating and price target for this stock, because there is not a sufficient fundamental basis for determining, or there are legal, regulatory or policy constraints around publishing, an investment rating or target. The previous investment rating and price target, if any, are no longer in effect for this stock and should not be relied upon. **Coverage Suspended (CS).** Goldman Sachs has suspended coverage of this company. **Not Covered (NC).** Goldman Sachs does not cover this company. **Not Available or Not Applicable (NA).** The information is not available for display or is not applicable. **Not Meaningful (NM).** The information is not meaningful and is therefore excluded.

Global product; distributing entities

The Global Investment Research Division of Goldman Sachs produces and distributes research products for clients of Goldman Sachs, and pursuant to certain contractual arrangements, on a global basis. Analysts based in Goldman Sachs offices around the world produce equity research on industries and companies, and research on macroeconomics, currencies, commodities and portfolio strategy. This research is disseminated in Australia by Goldman Sachs & Partners Australia Pty Ltd (ABN 21 006 797 897) on behalf of Goldman Sachs; in Canada by Goldman Sachs & Co. regarding Canadian equities and by Goldman Sachs & Co. (all other research); in Hong Kong by Goldman Sachs (Asia) L.L.C.; in India by Goldman Sachs (India) Securities Private Ltd.; in Japan by Goldman Sachs Japan Co., Ltd.; in the Republic of Korea by Goldman Sachs (Asia) L.L.C., Seoul Branch; in New Zealand by Goldman Sachs & Partners New Zealand Limited on behalf of Goldman Sachs; in Russia by OOO Goldman Sachs; in Singapore by Goldman Sachs (Singapore) Pte. (Company Number: 198602165W); and in the United States of America by Goldman Sachs & Co. Goldman Sachs International has approved this research in connection with its distribution in the United Kingdom and European Union.

European Union: Goldman Sachs International, authorized and regulated by the Financial Services Authority, has approved this research in connection with its distribution in the European Union and United Kingdom; Goldman Sachs & Co. oHG, regulated by the Bundesanstalt für Finanzdienstleistungsaufsicht, may also distribute research in Germany.

General disclosures

This research is for our clients only. Other than disclosures relating to Goldman Sachs, this research is based on current public information that we consider reliable, but we do not represent it is accurate or complete, and it should not be relied on as such. We seek to update our research as appropriate, but various regulations may prevent us from doing so. Other than certain industry reports published on a periodic basis, the large majority of reports are published at irregular intervals as appropriate in the analyst's judgment.

Goldman Sachs conducts a global full-service, integrated investment banking, investment management, and brokerage business. We have investment banking and other business relationships with a substantial percentage of the companies covered by our Global Investment Research Division. Goldman Sachs & Co., the United States broker dealer, is a member of SIPC (<http://www.sipc.org>).

Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients and our proprietary trading desks that reflect opinions that are contrary to the opinions expressed in this research. Our asset management area, our proprietary trading desks and investing businesses may make investment decisions that are inconsistent with the recommendations or views expressed in this research.

We and our affiliates, officers, directors, and employees, excluding equity and credit analysts, will from time to time have long or short positions in, act as principal in, and buy or sell, the securities or derivatives, if any, referred to in this research.

This research is not an offer to sell or the solicitation of an offer to buy any security in any jurisdiction where such an offer or solicitation would be illegal. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients. Clients should consider whether any advice or recommendation in this research is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice. The price and value of investments referred to in this research and the income from them may fluctuate. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. Fluctuations in exchange rates could have adverse effects on the value or price of, or income derived from, certain investments.

Certain transactions, including those involving futures, options, and other derivatives, give rise to substantial risk and are not suitable for all investors. Investors should review current options disclosure documents which are available from Goldman Sachs sales representatives or at <http://www.theocc.com/publications/risks/riskchap1.jsp>. Transactions cost may be significant in option strategies calling for multiple purchase and sales of options such as spreads. Supporting documentation will be supplied upon request.

All research reports are disseminated and available to all clients simultaneously through electronic publication to our internal client websites. Not all research content is redistributed to our clients or available to third-party aggregators, nor is Goldman Sachs responsible for the redistribution of our research by third party aggregators. For all research available on a particular stock, please contact your sales representative or go to <http://360.gs.com>.

Disclosure information is also available at <http://www.gs.com/research/hedge.html> or from Research Compliance, 200 West Street, New York, NY 10282.

Copyright 2010 The Goldman Sachs Group, Inc.

No part of this material may be (i) copied, photocopied or duplicated in any form by any means or (ii) redistributed without the prior written consent of The Goldman Sachs Group, Inc.