

Medium term concerns restrict further upside Sharp move post 2QFY12 drives rating downgrade

November 4, 2011

Rating Down from Buy	Neutral
Target price Remains	INR 500
Closing price November 3, 2011	INR 494
Potential upside	+1.2%

Action: Medium-term concerns remain; stock rise drives downgrade

Thermax has gained ~18% since its 2QFY12 results, which we think were only slightly ahead of consensus estimates. While we highlighted TMX as one of our top picks in the sector ('Assessing earnings risk', dated 12 Oct, 2011) on attractive valuations, we now believe this story has played out. While we remain positive on TMX's long-term fundamentals, we highlight some medium-term concerns that could limit further upside:

- The Projects business faces medium-term concerns due to industrial slowdown and increasing competition even as demand is slowing down.
- FY11 margins yet to recover from the previous cycle's low levels, while worst-case risk from current levels could be ~200 bps, in our view.
- Slower order inflow and rising competition in the utility space are likely to lead to slower sales growth over FY12-13F, though longer-term order flow should be driven by continued demand from process industries.

Catalysts: Macro factors to drive stock performance

Policy reforms, industrial capex and commodity prices are key catalysts.

Valuation: Trading at ~15.1x FY13F EPS; downgrade to NEUTRAL

Post the recent stock rally, TMX offers just 1% upside on our TP and is now trading at 15.1x FY13F EPS – the higher end of peer group valuation. Thus, we downgrade the stock to Neutral while maintaining our earnings estimates and TP. We now prefer L&T (LT IN, BUY, TP: INR1691) and Voltas (VOLT IN, BUY, TP: INR150) on valuations.

Anchor themes

We believe India's industrial sector offers significant opportunity over the coming years. We see potential opportunities in niche segments.

Nomura vs consensus

We are more cautious than consensus on near-term earnings strength (FY13F EPS 12% below consensus) given our expectation of an industrial slowdown.

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31 Mar	FY11	FY12F		FY13F		FY14F	
Currency (INR)	Actual	Old	New	Old	New	Old	New
Revenue (mn)	53,371	59,818	59,818	59,246	59,246	70,019	70,019
Reported net profit (mn)	3,817	4,127	4,127	3,912	3,912	4,671	4,671
Normalised net profit (mn)	3,817	4,127	4,127	3,912	3,912	4,671	4,671
Normalised EPS	32.03	34.64	34.64	32.83	32.83	39.20	39.20
Norm. EPS growth (%)	47.3	8.1	8.1	-5.2	-5.2	19.4	19.4
Norm. P/E (x)	15.4	N/A	14.3	N/A	15.1	N/A	12.6
EV/EBITDA (x)	9.2	6.6	8.0	6.7	8.2	5.4	6.6
Price/book (x)	4.5	N/A	3.7	N/A	3.1	N/A	2.7
Dividend yield (%)	2.1	N/A	2.0	N/A	1.9	N/A	2.3
ROE (%)	31.9	28.2	28.2	22.4	22.4	22.8	22.8
Net debt/equity (%)	net cash	net cash	net cash	net cash	net cash	net cash	net cash

Source: Nomura estimates

Key company data: See page 2 for company data and detailed price/index chart.

See Appendix A-1 for analyst certification, important disclosures and the status of non-US analysts.

Key data on Thermax

Income statement (INRMn)

Year-end 31 Mar	FY10	FY11	FY12F	FY13F	FY14F
Revenue	33,703	53,371	59,818	59,246	70,019
Cost of goods sold	-20,713	-36,787	-40,487	-39,281	-47,139
Gross profit	12,990	16,584	19,331	19,965	22,880
SG&A	-6,186	-6,788	-8,146	-8,553	-9,409
Employee share expense	-3,300	-4,597	-5,517	-6,068	-6,979
Operating profit	3,505	5,199	5,669	5,343	6,493
EBITDA	3,947	5,740	6,352	6,116	7,355
Depreciation	-442	-541	-683	-773	-863
Amortisation					
EBIT	3,505	5,199	5,669	5,343	6,493
Net interest expense	-20	-41	-50	-50	-50
Associates & JCEs					
Other income	519	579	635	635	635
Earnings before tax	4,004	5,737	6,253	5,928	7,078
Income tax	-1,416	-1,967	-2,126	-2,015	-2,406
Net profit after tax	2,588	3,770	4,127	3,912	4,671
Minority interests	4	47	0	0	0
Other items					
Preferred dividends					
Normalised NPAT	2,592	3,817	4,127	3,912	4,671
Extraordinary items	-1,149	0	0	0	0
Reported NPAT	1,443	3,817	4,127	3,912	4,671
Dividends	-695	-1,246	-1,203	-1,141	-1,362
Transfer to reserves	748	2,570	2,924	2,772	3,310

Valuation and ratio analysis

FD normalised P/E (x)	22.7	15.4	14.3	15.1	12.6
FD normalised P/E at price target (x)	23.0	15.6	14.4	15.2	12.8
Reported P/E (x)	40.8	15.4	14.3	15.1	12.6
Dividend yield (%)	1.2	2.1	2.0	1.9	2.3
Price/cashflow (x)	8.9	25.7	10.3	18.9	16.2
Price/book (x)	5.5	4.5	3.7	3.1	2.7
EV/EBITDA (x)	13.2	9.2	8.0	8.2	6.6
EV/EBIT (x)	14.9	10.2	9.0	9.4	7.5
Gross margin (%)	38.5	31.1	32.3	33.7	32.7
EBITDA margin (%)	11.7	10.8	10.6	10.3	10.5
EBIT margin (%)	10.4	9.7	9.5	9.0	9.3
Net margin (%)	4.3	7.2	6.9	6.6	6.7
Effective tax rate (%)	35.4	34.3	34.0	34.0	34.0
Dividend payout (%)	48.1	32.7	29.2	29.2	29.2
Capex to sales (%)	2.5	6.1	2.5	2.5	2.1
Capex to depreciation (x)	1.9	6.0	2.2	1.9	1.7
ROE (%)	13.9	31.9	28.2	22.4	22.8
ROA (pretax %)	14.8	17.2	16.2	14.9	17.4

Growth (%)

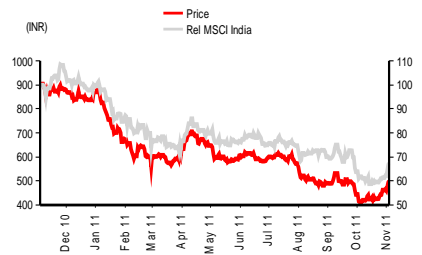
Revenue	-2.6	58.4	12.1	-1.0	18.2
EBITDA	-6.4	45.4	10.7	-3.7	20.3
EBIT	-9.4	48.3	9.0	-5.7	21.5
Normalised EPS	-9.9	47.3	8.1	-5.2	19.4
Normalised FDEPS	-9.9	47.3	8.1	-5.2	19.4

Per share

Reported EPS (INR)	12.11	32.03	34.64	32.83	39.20
Norm EPS (INR)	21.75	32.03	34.64	32.83	39.20
Fully diluted norm EPS (INR)	21.75	32.03	34.64	32.83	39.20
Book value per share (INR)	90.48	110.35	134.89	158.15	185.93
DPS (INR)	5.83	10.46	10.10	9.57	11.43

Source: Nomura estimates

Relative performance chart (one year)



Source: ThomsonReuters, Nomura research

(%)	1M	3M	12M
Absolute (INR)	19.3	-4.1	-44.3
Absolute (USD)	19.2	-13.6	-49.7
Relative to index	10.5	-2.0	-27.9
Market cap (USDmn)	1,197.6		
Estimated free float (%)	33.9		
52-week range (INR)	930/406		
3-mth avg daily turnover (USDmn)	1.56		
Major shareholders (%)			
RDA Holding & Trading	54.0		
Aga Arnawaz Rohitz	8.2		

Source: Thomson Reuters, Nomura research

Notes

Revenue growth rate has already slowed to sub 18% from high twenties on execution delays and as base effect catches up.

Cashflow (INRmn)

Year-end 31 Mar	FY10	FY11	FY12F	FY13F	FY14F
EBITDA	3,947	5,740	6,352	6,116	7,355
Change in working capital	4,687	-2,118	888	-1,562	-1,266
Other operating cashflow	-2,002	-1,326	-1,541	-1,430	-2,456
Cashflow from operations	6,632	2,295	5,698	3,124	3,632
Capital expenditure	-838	-3,265	-1,500	-1,500	-1,500
Free cashflow	5,794	-970	4,198	1,624	2,132
Reduction in investments	-2,260	1,289	-875	0	0
Net acquisitions					
Reduction in other LT assets	-90	7	0	0	0
Addition in other LT liabilities	74	147	0	0	0
Adjustments	46	-305	0	0	
Cashflow after investing acts	3,564	168	3,323	1,624	2,132
Cash dividends	-695	-1,246	-1,203	-1,141	-1,362
Equity issue	0	0	0	0	0
Debt issue	39	1,400	-1,399	0	0
Convertible debt issue					
Others	98	473	0	0	635
Cashflow from financial acts	-558	626	-2,603	-1,141	-727
Net cashflow	3,006	794	720	483	1,406
Beginning cash	3,696	6,702	7,496	8,217	8,699
Ending cash	6,702	7,496	8,217	8,700	10,105
Ending net debt	-6,623	-6,017	-8,137	-8,619	-10,025

Source: Nomura estimates

Notes

Net addition to cash is under pressure as rising working capital is straining operating cash flow.

Balance sheet (INRmn)

As at 31 Mar	FY10	FY11	FY12F	FY13F	FY14F
Cash & equivalents	6,702	7,496	8,217	8,699	10,105
Marketable securities	0	0	0	0	0
Accounts receivable	7,984	10,672	11,309	9,591	11,354
Inventories	2,563	3,657	4,016	3,885	4,669
Other current assets	7,057	8,143	8,586	8,543	9,278
Total current assets	24,306	29,968	32,127	30,718	35,405
LT investments	3,703	2,415	3,290	3,290	3,290
Fixed assets	5,484	8,208	9,025	9,752	10,389
Goodwill					
Other intangible assets					
Other LT assets	297	289	289	289	289
Total assets	33,790	40,880	44,730	44,049	49,373
Short-term debt	80	1,479	80	80	80
Accounts payable	20,581	22,193	24,536	21,100	22,821
Other current liabilities	1,813	2,951	2,934	2,917	3,210
Total current liabilities	22,474	26,623	27,550	24,097	26,111
Long-term debt					
Convertible debt					
Other LT liabilities	441	588	588	588	588
Total liabilities	22,914	27,211	28,138	24,685	26,699
Minority interest	94	520	520	520	520
Preferred stock	0	0	0	0	0
Common stock	238	238	238	238	238
Retained earnings	10,543	12,911	15,835	18,606	21,916
Proposed dividends					
Other equity and reserves					
Total shareholders' equity	10,782	13,149	16,073	18,845	22,154
Total equity & liabilities	33,790	40,880	44,730	44,049	49,373

Notes

Rising working capital pressure to hurt return ratios as cash cycle elongates.

Liquidity (x)

Current ratio	1.08	1.13	1.17	1.27	1.36
Interest cover	172.7	126.8	113.4	106.9	129.9

Leverage

Net debt/EBITDA (x)	net cash	net cash	net cash	net cash	net cash
Net debt/equity (%)	net cash	net cash	net cash	net cash	net cash

Activity (days)

Days receivable	74.2	63.8	67.2	64.4	54.6
Days inventory	47.3	30.9	34.7	36.7	33.1
Days payable	287.7	212.2	211.2	212.0	170.0
Cash cycle	-166.2	-117.5	-109.3	-110.9	-82.3

Source: Nomura estimates

Stock at fair valuation

We had highlighted Thermax as one of our three top picks in the capital goods sector in our anchor report "Assessing earnings risk – Looking beyond the clouds: Assessing the sector amid global/domestic uncertainty" published on 12 October, 2011 with ~20% potential upside. However, the stock has already risen ~18% post its 2QFY12 results and is now trading close to our fair value range. This is despite broadly in-line 2QFY12 results for the company. Accordingly, we are keeping our earnings estimates unchanged while downgrading the stock to Neutral from Buy.

Medium-term concerns restrict further upside

While Thermax's short-cycle products business is likely to continue in the near term, we believe there are risks to its projects business, especially in the power sector. There has been no improvement in the order inflow and we expect revenue in H2FY12 to be derived from current order book only, raising doubts on medium-term revenue visibility. Furthermore, increasing share of EPC revenue will put pressure on margins. Policy logjams impacting decision-making on large industrial and power capex are only likely to worsen the scenario, in our view.

Q2FY12 result review

TMX Q2FY12 results came below our estimates but exceeded consensus estimates by 6%.

Key highlights of the result and conference call:

- Net sales came in at INR13bn vs our estimates of INR13.3bn, consensus estimates of INR12.3 bn. Revenue from energy and environment segments went up by 16.1% and 19.6% respectively.
- EBITDA margins were down by 100bps to 10.8%, mainly on account of increased raw material costs and other expenditure. We had expected raw material costs to come down on account of declining metal prices which has not happened in the quarter.
- Tax rate was up to 35% from 31.6% in Q2FY11.
- TMX witnessed standalone order inflow of INR11.9bn with energy segment contributing INR8.4bn and environment INR3.5bn. Order inflow slowed on a y-y basis on account of lack of substantial EPC orders received in the quarter. Order inflow excluding EPC has shown growth in all the segments. 80-85% of the orders are for fresh capacity while only 7-8% are replacement orders.
- TMX is still getting price premium in smaller orders with value less than INR 250-300mn. However pricing pressure is substantial in orders above INR1bn.
- As per the management, TMX has not witnessed any substantial execution delays but does face difficulty in the collection of revenues. Advances from new orders have also gone down, putting pressure on the working capital cycle.
- Margins are down mainly because of increased share of EPC revenue and pure steel projects. Domestic steel prices have gone up due to mining issues. Steel generally accounts for 80-85% of the raw material cost for the company. TMX maintains guidance of double-digit margins going forward.
- New factory for the Babcock JV is expected to be operational by Sep 2013. Management concurs with our view (refer our note titled "Now BGR emerges as lowest bidder for NTPC bulk 9X800MW turbine tender" published on 15 Sep, 2011) that the recent bids for the NTPC bulk tender are not remunerative for both boiler and turbines.
- Management guides that oil and gas along with food processing will be the segments contributing to growth going forward. Management expects cement sector to improve in the next 2-3 quarters. The ferrous metals segment however is likely to disappoint in the near future as per management.

2QFY12 result snapshot

Fig. 1: Standalone Result

In INR Mn

	Sep-11	Sep-10	Jun-11
Net Sales / Interest Earned / Operating Income	12,867	10,478	10,329
Other operating income	168	438	115
Expenditure	(11,630)	(9,630)	(9,307)
Operating Profit	1,405	1,286	1,137
Depreciation	(117)	(105)	(111)
Other Income	208	133	147
Profit Before Interest and Tax	1,496	1,314	1,173
Interest	(11)	(5)	(4)
Profit before Tax	1,485	1,309	1,170
Tax	(468)	(414)	(371)
Profit after Tax	1,017	895	799
Extraordinary Items			
Net Profit	1,017	895	799
EPS	8.53	7.51	6.70
EBITDA Margin	10.8%	11.8%	10.9%
Tax rate	35.0%	31.6%	31.7%
Revenue growth y-y	19.4%	60.4%	32.2%
EBITDA growth y-y	9.3%	62.3%	18.5%
Adj. PAT growth y-y	13.6%	65.4%	20.7%
RM cost as % of revenues	70.0%	68.1%	69.7%
Employee cost as % of revenues	7.6%	9.1%	8.7%
Other Exp as % of revenues	11.6%	11.1%	10.7%
Total exp as % of revenues	89.2%	88.2%	89.1%

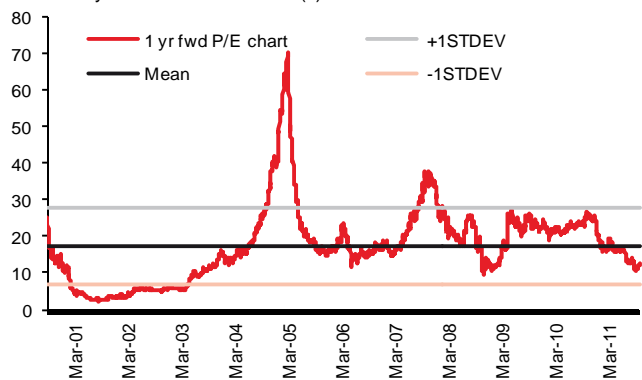
Source: Company Data

Valuation Methodology

Our TP of INR500 is based on 14x Sep-13F EPS of INR36, which is slightly lower than its mid-cycle range. We think this multiple is justified, as the company is entering a slower growth phase in the near term. We keep our target price and earnings estimates unchanged.

Fig. 2: Stock trading below 12-yr mean on P/E...

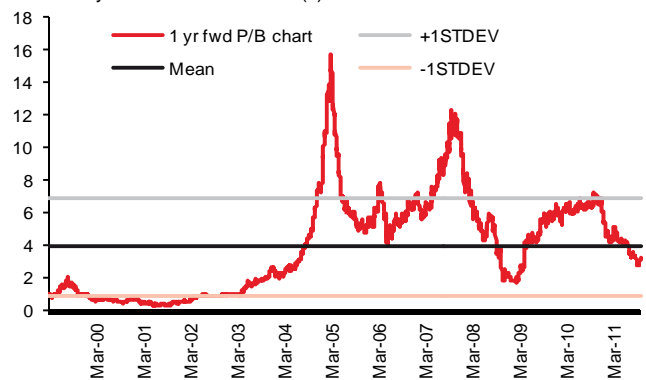
Thermax 1-year forward P/E chart (x)



Source: Company, Bloomberg, Nomura estimates

Fig. 3: ...and on P/B as well

Thermax 1-year forward P/B chart (x)



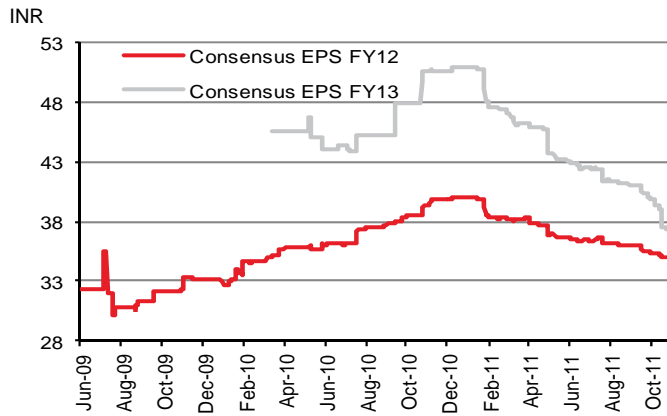
Source: Company, Bloomberg, Nomura estimates

What is consensus estimates building in?

Even as we highlight the risk of a slowdown in sales growth and about a 200 bp risk to margins, we believe consensus estimates have yet to factor these in. So far we have seen 15-20% correction in consensus EPS estimates since peak levels for both FY12

and FY13, but factoring in the above, we see 5-10% further downside in consensus estimates.

Fig. 4: FY12/13F est. down just 15-20% from peak so far



Source: Bloomberg

Sector valuation summary

Fig. 5: India Capital Goods sector valuation comps

	Nomura Rating	Price	P/E (x)			P/BV (x)			EPS CAGR		ROE (%)		
			FY11	FY12F	FY13F	FY11	FY12F	FY13F	FY09-11	FY11-13F	FY11	FY12F	FY13F
BHEL	NEUTRAL	329	15.0	12.4	11.4	4.0	3.3	2.7	12%	15%	33.3	29.1	26.1
ABB India	REDUCE	673	99.7	44.9	30.3	5.8	5.2	4.6	-49%	81%	2.6	12.1	15.9
Cummins India	NEUTRAL	375	17.9	16.0	14.6	5.8	5.0	4.3	18%	11%	35.1	35.5	31.7
Crompton Greaves	BUY	142	9.3	11.0	8.3	2.6	2.3	1.8	29%	5%	32.1	21.8	23.9
Thermax	NEUTRAL	494	15.4	14.3	15.1	4.5	3.7	3.1	15%	1%	31.9	28.2	22.4
Larsen & Toubro@	BUY	1,380	15.7	13.0	10.9	2.4	2.1	1.8	15%	20%	19.7	19.6	19.8
Voltas	BUY	100	10.5	12.3	10.3	2.4	2.0	1.7	12%	1%	29.2	21.7	18.4
Covered companies' average			14.0	13.2	11.8	3.6	3.1	2.6	17%	9%	30.2	26.0	23.7
Siemens India*	Not Rated	856	33.9	29.3	24.9	7.9	6.6	5.4	14%	17%	25.6	25.3	24.4
Areva T&D India*	Not Rated	210	29.0	23.5	18.0	5.0	4.4	3.4	-12%	27%	18.0	19.2	20.8
AIA Engineering*	Not Rated	306	15.9	14.6	12.4	2.7	2.4	2.0	2%	13%	18.6	17.5	17.7
BEML Ltd*	Not Rated	532	9.9	10.3	7.8	1.0	1.0	0.9	-9%	13%	11.8	9.7	12.4
Bharat Electronics*	Not Rated	1,551	15.5	13.2	11.7	2.5	2.1	1.9	3%	15%	16.8	17.1	16.9
Carborundum Universal*	Not Rated	155	8.5	8.0	6.7	1.9	1.6	1.3	28%	12%	22.4	21.2	21.4
Blue Star*	Not Rated	203	11.4	11.5	9.0	3.6	3.1	2.6	-5%	13%	27.0	25.0	29.1
Sector Average			16.0	14.6	12.4	3.6	3.0	2.5	9%	13%	24.7	22.4	21.9
SENSEX									17%	13%			

Pricing as of November 3, 2011

* Bloomberg consensus estimates for non rated companies.

ABB India and Areva T&D India FY11/12/13 correspond with CY10/11/12 estimates, while Siemens India FY11/12/13 is average of Sep-10/11/12/13 and Sep-11/12/13/14 estimates respectively.

Averages for P/E, EPS CAGR and ROE do not include ABB India given highly volatile trend.

@ L&T P/E, ROE and EPS adjusted for subsidiary valuation and earnings

Source: Bloomberg, Nomura estimates

Risks to our call

- Continued fuel shortage could stall demand for power projects.
- Thermax's shift towards the utility boiler business could hit profitability substantially given high competition in that segment.
- Firming coal prices would reduce demand for captive power plants.
- A severe global and domestic slowdown could lead to industrial capex deferral and that would be negative for Thermax.

Appendix A-1

Analyst Certification

We, Amar Kedia and Indrajit Yadav, hereby certify (1) that the views expressed in this Research report accurately reflect our personal views about any or all of the subject securities or issuers referred to in this Research report, (2) no part of our compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this Research report and (3) no part of our compensation is tied to any specific investment banking transactions performed by Nomura Securities International, Inc., Nomura International plc or any other Nomura Group company.

Issuer Specific Regulatory Disclosures

Mentioned companies

Issuer name	Ticker	Price	Price date	Stock rating	Sector rating	Disclosures
Larsen & Toubro	LT IN	INR 1380	03-Nov-2011	Buy	Not rated	8,48
Thermax	TMX IN	INR 494	03-Nov-2011	Neutral	Not rated	
Voltas	VOLT IN	INR 100	03-Nov-2011	Buy	Not rated	

Disclosures required in the U.S.

48 IB related compensation in the past 12 months

Nomura Securities International, Inc and/or its affiliates has received compensation for investment banking services from the company in the past 12 months.

Disclosures required in the European Union

8 Investment banking services

Nomura International plc or an affiliate in the global Nomura group is party to an agreement with the issuer relating to the provision of investment banking services which has been in effect over the past 12 months or has given rise during the same period to a payment or to the promise of payment.

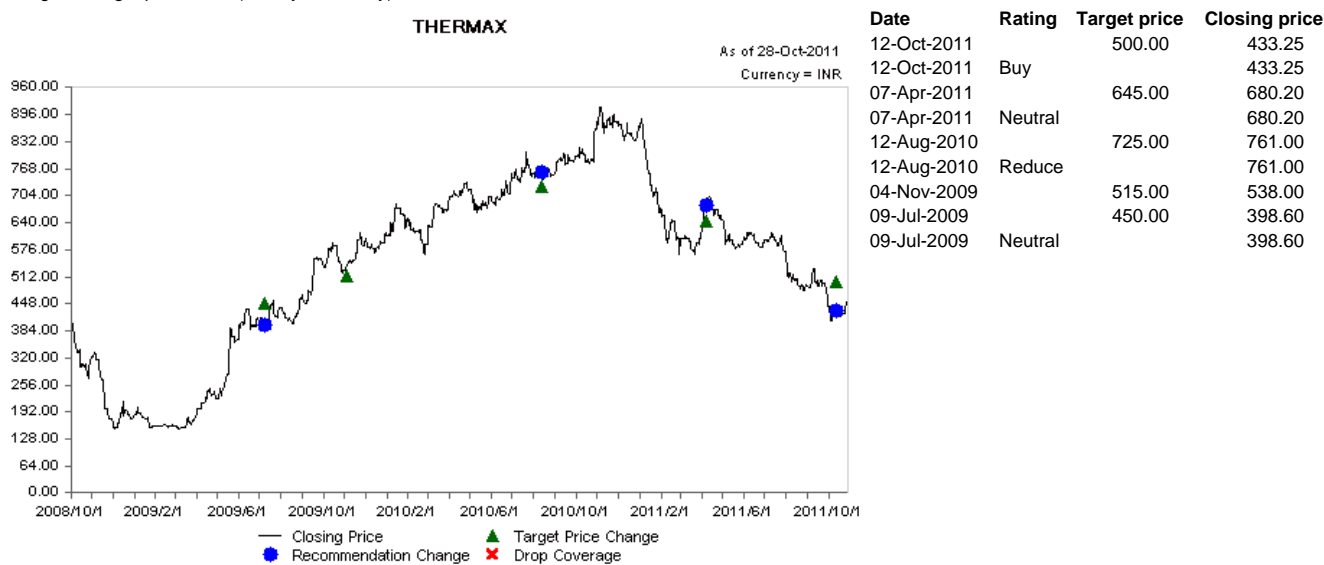
Previous Rating

Issuer name	Previous Rating	Date of change
Larsen & Toubro	Reduce	07-Sep-2009
Thermax	Buy	03-Nov-2011
Voltas	Not Rated	20-Sep-2010

Thermax (TMX IN)

INR 494 (03-Nov-2011) Neutral (Sector rating: Not rated)

Rating and target price chart (three year history)



For explanation of ratings refer to the stock rating keys located after chart(s)

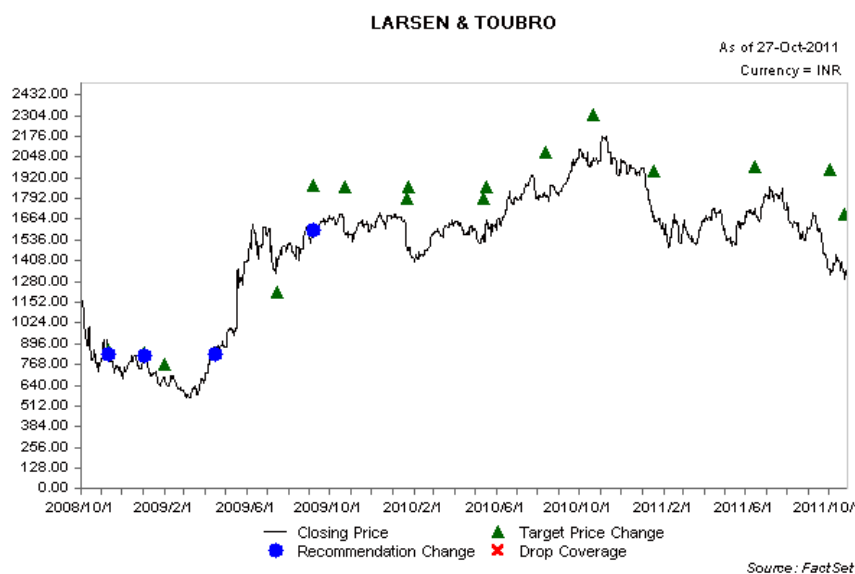
Valuation Methodology Our TP of INR500 is based on 14x Sep-13F EPS of INR36, which is slightly lower than its mid-cycle range. We justify this multiple as the company enters a slower growth phase in the near term.

Risks that may impede the achievement of the target price A continuation of fuel shortages could stall demand for power projects; Thermax's move towards the utility boiler business could hit profitability substantially given high competition in that segment; firming coal prices would reduce demand for captive power plants; a severe global and domestic slowdown could lead to industrial capex deferral and that would be a negative for Thermax, in our view.

Larsen & Toubro (LT IN)

INR 1380 (03-Nov-2011) Buy (Sector rating: Not rated)

Rating and target price chart (three year history)



Date	Rating	Target price	Closing price
24-Oct-2011		1691.00	1294.40
03-Oct-2011		1975.00	1318.25
14-Jun-2011		1989.00	1730.15
18-Jan-2011		1966.00	1683.45
21-Oct-2010		2310.00	2038.85
12-Aug-2010		2080.00	1804.80
18-May-2010		1860.00	1657.95
14-May-2010		1797.00	1529.60
25-Jan-2010		1867.00	1490.65
22-Jan-2010		1797.00	1472.35
23-Oct-2009		1867.00	1571.35
07-Sep-2009		1877.00	1597.20
07-Sep-2009	Buy		1597.20
17-Jul-2009		1213.00	1419.80
16-Apr-2009	Reduce		831.50
02-Feb-2009		772.00	661.95
02-Jan-2009		837.00	822.60
02-Jan-2009	Neutral		822.60
12-Nov-2008		861.00	827.60
12-Nov-2008	Reduce		827.60

For explanation of ratings refer to the stock rating keys located after chart(s)

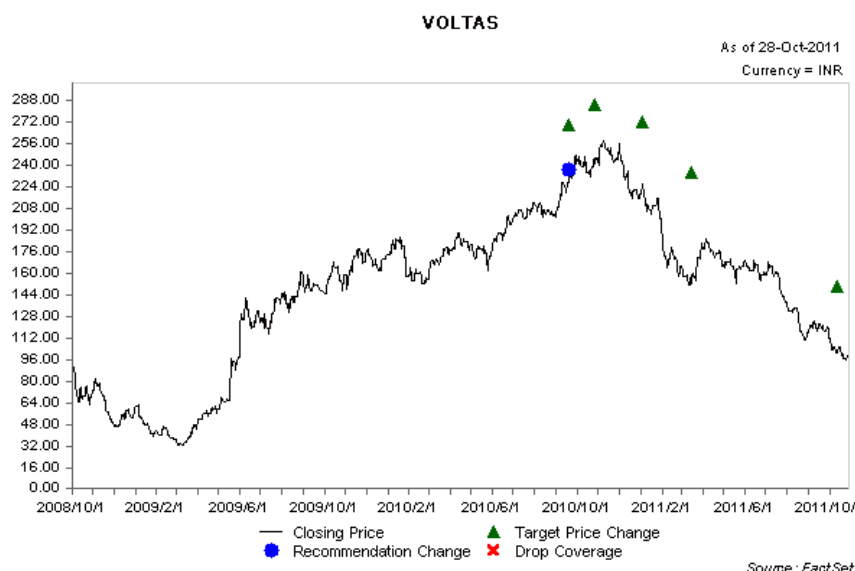
Valuation Methodology We value the stand-alone business at 15x one-year forward earnings, at the lower end of what we believe is the trading range of 15-20x under current macroeconomic conditions. Our one-year forward value is INR1,297/share. The subsidiaries are valued at INR394/share resulting in our target price of INR1,691/share.

Risks that may impede the achievement of the target price Lower-than-expected order inflows, rising interest rates, lower-than-expected execution, a substantial increase in raw material prices and a higher risk premium.

Voltas (VOLT IN)

INR 100 (03-Nov-2011) Buy (Sector rating: Not rated)

Rating and target price chart (three year history)



Date	Rating	Target price	Closing price
12-Oct-2011		150.00	100.65
15-Mar-2011		234.00	151.75
04-Jan-2011		271.90	223.15
28-Oct-2010		285.00	242.25
20-Sep-2010		270.00	236.35
20-Sep-2010	Buy		236.35

For explanation of ratings refer to the stock rating keys located after chart(s)

Valuation Methodology Our TP of INR150 is based on a one-year forward P/E multiple of 14x Sep 13F EPS of INR 10.85, which is in-line with the average one-year forward P/E multiple for the past eight years.

Risks that may impede the achievement of the target price A delay in the pick-up in the domestic capex cycle would pose a key risk to our numbers and rating. Both domestic EMP (31% of revenue) and EPS (9% of revenue) businesses are dependent on domestic capex spending and would likely be affected by any delay in capex.

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STOCKS

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SECTORS

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Explanation of Nomura's equity research rating system for Asian companies under coverage ex Japan published from 30 October 2008 and in Japan from 6 January 2009

STOCKS

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Explanation of Nomura's equity research rating system in Japan published prior to 6 January 2009

STOCKS

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