

Osstem Implant (048260 KS)

Earnings to remain solid in 2Q

BUY (Maintain)

CP (Jun. 13) KRW73,900
TP (6 months) KRW87,000
Upside 17.7%

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KOSPI	2,103.15p
KOSDAQ	726.68p
Market cap	KRW1,055.7bn/USD926.1mn
Par value	KRW500
Outstanding shares	14.3mn
Free float	10.8mn (75.9%)
52-week high/low	KRW75,600/KRW41,700
60-day avg. trading volume	75,087shrs
60-day avg. turnover	KRW4,876mn
Foreign ownership	53.21%
Major shareholders	
Gyu-Ok Choi and 5 others	20.76%
The Capital Group Companies and 2 others	10.85%
Absolute performance	3M 33.6%
	6M 34.9%
	12M 41.3%
Relative performance	3M 38.8%
to KOSDAQ	6M 26.5%
	12M 70.1%

- ◆ 2Q19 operating profit to be better than expected at KRW12.8bn (+76.6% YoY)
- ◆ 2H19 operating profit to climb 28.8% YoY to KRW21.7bn
- ◆ Retain BUY and raise target price by 16% to KRW87,000

2Q19 operating profit to be better than expected at KRW12.8bn (+76.6% YoY)

Osstem Implant's earnings are expected to remain solid in 2Q. Sales should come in at KRW131.4bn (+16.6% YoY) in line with the market consensus (KRW130.5bn). Domestic sales of dental implants will likely increase 7.4% YoY to KRW31bn. Overseas subsidiaries should turn in sales of KRW75.1bn (+18.3% YoY). Exports of dental implants are projected to grow 18.4% YoY to KRW34.6bn, helped by solid growth in China (+13.6% YoY) and the US (+23.2% YoY). Exports of medical equipment and dental chairs should reach KRW3.6bn (+21.2% YoY) and KRW3.2bn (+24.1% YoY), respectively.

We forecast operating profit KRW12.8bn (+76.6% YoY), exceeding the consensus (KRW11bn), on favorable USD/KRW rate (+4.8% QoQ) and effective cost control. Operating profit margin should rise 3.3%p YoY to 9.7% with the COGS ratio down 1.8%p YoY to 41.5% on sales growth and the SG&A ratio down 1.4%p YoY to 48.8%.

2H19 operating profit to climb 28.8% YoY to KRW21.7bn

We expect moderate profit growth in 2H, albeit at a slower pace than in 1H. Key overseas subsidiaries continue to see margin gains (China operating profit margin -23.1% in 2017 → -5.1% in 2018 → 10.9% in 1Q19). For 2H, we forecast sales of KRW270bn (+13.0% YoY), operating profit of KRW21.7bn (+28.8% YoY), and operating profit margin of 8% (+1.0%p YoY).

Retain BUY and raise target price by 16% to KRW87,000

Our target price for Osstem Implant is raised by 16% to KRW87,000 based on our earnings forecast upgrade (2019F net profit +10.5%). We keep our BUY rating on expectations for: 1) 2Q operating profit growth (+76.6% YoY) and positive 2H outlook; 2) removal of valuation discount with margin gains at the Chinese subsidiary; and 3) share upside potential given earnings improvement in 2H, even after the 1H rally. We believe it is yet early to take profit.

Year to December	Sales (bn KRW)	OP (bn KRW)	Pre-tax (bn KRW)	NP (bn KRW)	EPS (KRW)	Growth (%)	BPS (KRW)	PER (x)	EV/EBITDA (x)	PBR (x)	ROE (%)	Net debt ratio (%)
2017	397.8	21.7	19.4	10.1	708	(57.0)	7,909	83.5	28.5	7.5	9.3	25.0
2018	460.1	31.0	18.0	12.7	888	25.6	7,604	60.2	20.0	7.0	11.5	53.3
2019F	530.3	47.1	41.2	46.9	3,280	269.2	10,884	22.5	16.9	6.8	35.5	56.6
2020F	585.5	54.2	45.2	53.2	3,725	13.6	14,608	19.8	14.4	5.1	29.2	38.9
2021F	650.7	66.8	59.9	72.9	5,100	36.9	19,709	14.5	11.1	3.7	29.7	6.1

Source: Company data, Shinhan Investment Corp. / Note: TB = turn black, TR = turn red, RR = remain red

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2Q19 forecast

(bn KRW, %)	2Q19F	1Q19	QoQ	2Q18	YoY	SHIC	Consensus
Sales	131.4	129.0	1.9	112.7	16.6	129.3	130.5
OP	12.8	12.7	1.2	7.2	76.6	11.7	11.0
Pre-tax profit	12.4	13.4	(6.9)	7.3	70.1	9.8	10.9
NP	6.9	9.2	(24.7)	3.0	131.7	5.8	7.4
OPM	9.7	9.8	(0.1)p	6.4	3.3p	9.0	8.4
Pre-tax margin	9.5	10.4	(0.9)p	6.5	3.0p	7.6	8.4
NPM	5.3	7.2	(1.9)p	2.7	2.6p	4.5	5.7

Source: FnGuide, Shinhan Investment Corp.

Earnings forecast revision

(bn KRW, KRW, %)	Previous		Revised		Change	
	2019F	2020F	2019F	2020F	2019F	2020F
Sales	522.8	581.4	530.3	585.5	1.4	0.7
OP	44.6	52.9	47.1	54.2	5.6	2.3
Pre-tax profit	38.0	44.1	41.2	45.2	8.5	2.5
NP	20.9	24.2	23.1	26.2	10.5	8.1
BPS	10,574	14,013	10,884	14,608	2.9	4.2
OPM	8.5	9.1	8.9	9.3		
Pre-tax margin	7.3	7.6	7.8	7.7		
NPM	4.0	4.2	4.4	4.5		

Source: Shinhan Investment Corp.

Target price calculation

(KRW, x)	2019F	Remarks
BPS	10,884	
Target PBR	8.0	Past 3-year average
Calculated price	86,591	
Target price	87,000	

Source: Shinhan Investment Corp.

Note: 1) PBR applied due to high net profit volatility

2) Past 3-year average PBR applied on a conservative stance although 2019F OPM (8.9%) is higher than past 3-year average (7.4%)

PBR, operating profit margin and ROE

(x, %)	2014	2015	2016	2017	2018	2019F
PBR (term-end)	5.7	10.6	8.3	7.5	7.0	6.8
PBR (high)	7.4	10.8	11.9	9.5	8.3	
PBR (low)	3.3	4.6	7.1	6.3	5.4	
PBR (average)	5.0	7.6	9.5	7.6	6.8	
OPM	12.1	12.0	9.9	5.5	6.7	8.9
ROE	18.4	18.1	22.1	9.3	11.5	35.5

Source: QuantilWise, Shinhan Investment Corp.

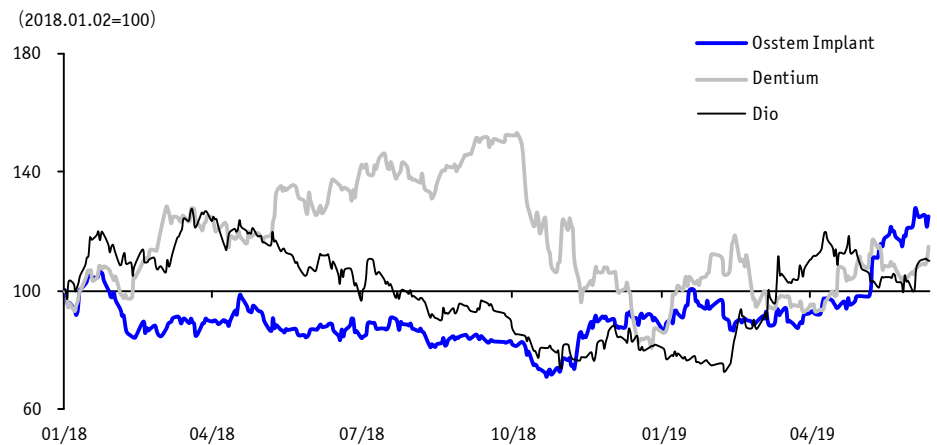
Earnings trend and outlook															
(bn KRW, %)	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19F	3Q19F	4Q19F	1Q20F	2Q20F	3Q20F	4Q20F	2018	2019F	2020F
Sales	108.5	112.7	114.0	125.0	129.0	131.4	129.8	140.2	143.6	144.5	142.7	154.6	460.1	530.3	585.5
OP	6.9	7.2	12.2	4.7	12.7	12.8	14.0	7.7	14.5	14.5	15.8	9.3	31.0	47.1	54.2
Pre-tax profit	6.3	7.3	0.6	3.8	13.4	12.4	10.8	4.6	12.8	12.7	13.3	6.4	18.0	41.2	45.2
NP	4.0	3.0	(2.2)	1.5	9.2	6.9	5.3	1.6	8.8	7.7	7.3	2.5	6.3	23.1	26.2
Growth (YoY)															
Sales	16.0	11.6	14.5	20.5	18.9	16.6	13.8	12.2	11.4	10.0	9.9	10.3	15.7	15.2	10.4
OP	(12.6)	(24.8)	173.8	TB	83.7	76.6	15.3	64.2	14.9	13.6	12.7	21.3	42.7	52.2	15.0
Pre-tax profit	TB	(41.7)	(84.9)	14.0	113.0	70.1	1,572.8	22.4	(4.6)	1.7	23.3	38.9	(7.2)	129.0	9.5
NP	TB	(61.9)	TR	TB	129.7	131.7	TB	10.0	(5.1)	10.2	38.0	52.2	10.5	269.2	13.6
Margin															
OPM	6.4	6.4	10.7	3.7	9.8	9.7	10.8	5.5	10.1	10.1	11.1	6.0	6.7	8.9	9.3
Pre-tax margin	5.8	6.5	0.6	3.0	10.4	9.5	8.3	3.3	8.9	8.8	9.3	4.2	3.9	7.8	7.7
NPM	3.7	2.7	(2.0)	1.2	7.2	5.3	4.1	1.2	6.1	5.3	5.1	1.6	1.4	4.4	4.5

Source: Company data, Shinhan Investment Corp.

Sales by division															
(bn KRW, %)	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19F	3Q19F	4Q19F	1Q20F	2Q20F	3Q20F	4Q20F	2018	2019F	2020F
Sales	108.5	112.7	114.0	125.0	129.0	131.4	129.8	140.2	143.6	144.5	142.7	154.6	460.1	530.3	585.5
Dental implants (domestic)	33.4	28.9	27.9	32.8	29.6	31.0	29.8	35.0	32.0	33.3	32.0	37.7	123.0	125.4	135.0
Dental implants (exports)	22.0	29.3	20.6	16.6	22.9	34.6	23.6	21.2	26.8	38.3	26.4	23.5	88.4	102.3	115.0
Dental equipment (domestic)	14.8	15.1	15.0	18.0	17.0	17.3	17.2	19.5	18.8	19.0	18.9	21.5	62.8	71.0	78.2
Dental equipment (exports)	2.0	3.0	3.0	3.9	2.8	3.6	3.5	4.1	3.1	3.8	3.7	4.4	11.9	14.0	15.1
Dental chairs (domestic)	5.3	4.4	4.2	4.8	4.8	4.6	4.4	5.0	5.0	4.7	4.5	5.1	18.7	18.8	19.3
Dental chairs (exports)	1.9	2.6	2.9	3.7	3.2	3.2	3.3	4.0	3.5	3.4	3.5	4.3	11.1	13.7	14.7
Overseas subsidiaries	53.6	63.4	63.1	70.8	78.6	75.1	73.5	81.4	87.5	84.4	82.1	92.1	250.9	308.6	346.0
China	13.9	21.4	21.2	27.5	25.4	24.3	24.8	32.1	29.0	27.0	27.7	37.5	84.0	106.6	121.2
US	13.5	16.3	16.3	17.4	20.3	20.1	19.1	20.0	21.7	22.7	21.4	22.4	63.5	79.5	88.1
Other adjustment	(24.4)	(33.9)	(22.7)	(25.5)	(29.9)	(38.0)	(25.5)	(30.0)	(33.0)	(42.5)	(28.4)	(34.0)	(106.6)	(123.4)	(137.9)
Growth (YoY)															
Sales	16.0	11.6	14.5	20.5	18.9	16.6	13.8	12.2	11.4	10.0	9.9	10.3	15.7	15.3	10.4
Dental implants (domestic)	30.7	10.5	11.1	27.4	(11.6)	7.4	6.7	6.8	8.3	7.4	7.4	7.7	19.9	1.9	7.7
Dental implants (exports)	36.4	24.9	(4.6)	(12.6)	4.1	18.4	14.6	27.8	16.9	10.7	11.8	11.2	10.4	15.7	12.5
Dental equipment (domestic)	7.1	9.0	12.5	18.0	15.5	14.7	14.5	8.6	10.4	9.8	9.9	10.3	11.8	13.1	10.1
Dental equipment (exports)	(21.9)	57.1	35.5	73.8	40.7	21.2	15.2	5.6	12.3	6.5	6.9	7.1	33.6	17.8	7.9
Dental chairs (domestic)	27.3	(9.8)	(1.6)	0.5	(8.8)	4.1	4.2	4.0	4.3	2.2	2.3	2.0	3.3	0.5	2.7
Dental chairs (exports)	(15.8)	43.9	47.9	122.0	68.2	24.1	14.1	7.9	11.0	8.4	6.2	6.1	44.5	23.6	7.8
Overseas subsidiaries	11.5	19.0	16.2	27.3	46.6	18.3	16.5	15.0	11.2	12.4	11.7	13.2	18.7	23.0	12.1
China	3.0	24.6	11.4	41.8	81.9	13.6	17.2	16.7	14.2	11.0	11.8	16.7	21.6	26.9	13.7
US	7.2	23.6	19.1	30.5	50.8	23.2	17.3	14.6	6.5	13.2	11.7	12.3	20.3	25.2	10.9

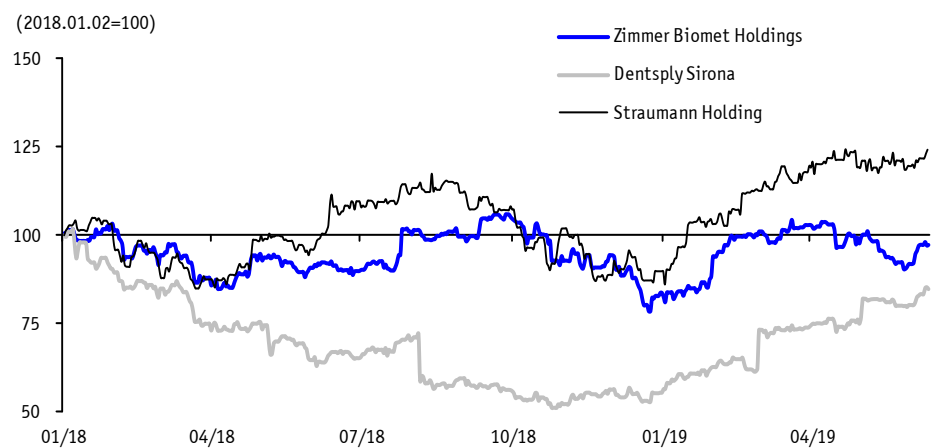
Source: Company data, Shinhan Investment Corp.

Relative share performance of domestic peers



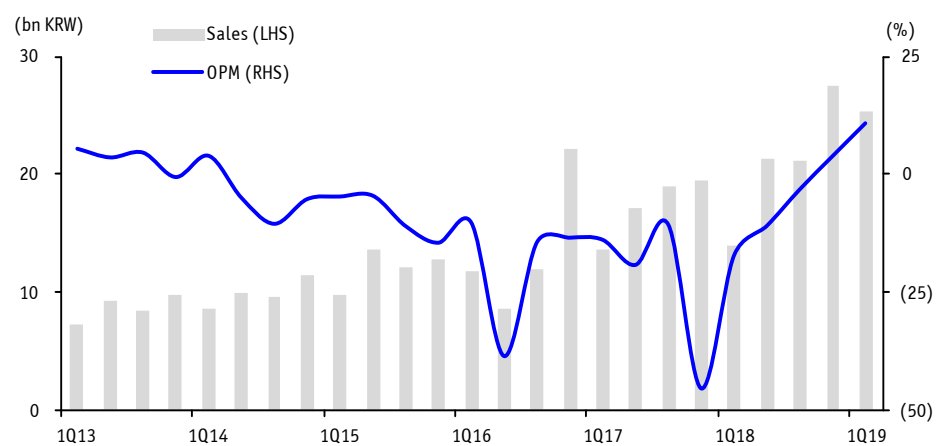
Source: QuantiWise, Shinhan Investment Corp.

Relative share performance of global peers



Source: Bloomberg, Shinhan Investment Corp.

Sales and operating profit margin of Chinese subsidiary

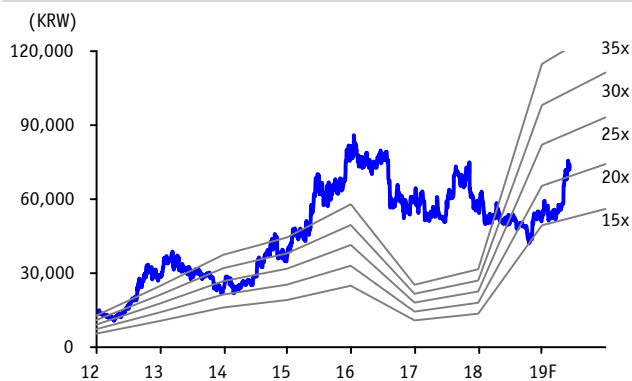


Source: Company data, Shinhan Investment Corp.

Peer group valuation							
		Osstem Implant	Dentium	Dio	Zimmer Biomet Holdings	Dentsply Sirona	Straumann Holding
		048260 KQ	145720 KS	039840 KQ	ZBH US	XRAY US	STMN SW
Market cap	(bn KRW)	1055.7	837.9	601.5	29240.3	15749.7	16176.8
Sales	2018	460.1	186.3	91.0	8730.5	4387.1	1533.8
(bn KRW)	2019F	530.3	232.1	115.4	9405.8	4755.3	1900.2
	2020F	585.5	281.3	140.0	9634.9	4904.1	2178.5
OP	2018	31.0	42.0	8.1	37.2	(1054.4)	385.4
(bn KRW)	2019F	47.1	50.0	31.1	2586.2	847.8	492.5
	2020F	54.2	61.7	41.4	2712.5	950.5	574.4
NP	2018	6.3	34.3	5.5	(417.3)	(1112.7)	306.8
(bn KRW)	2019F	23.1	40.6	22.2	1904.5	583.7	410.8
	2020F	26.2	49.9	28.8	2027.6	665.4	486.1
OPM	2018	6.7	22.5	8.9	0.4	(24.0)	25.1
(%)	2019F	8.9	21.5	27.0	27.5	17.8	25.9
	2020F	9.3	21.9	29.6	28.2	19.4	26.4
NPM	2018	1.4	18.4	6.0	(4.8)	(25.4)	20.0
(%)	2019F	4.4	17.5	19.2	20.2	12.3	21.6
	2020F	5.5	17.8	20.6	21.0	13.6	22.3
EPS growth	2018	25.4	7.8	(45.4)	-	33.3	(4.4)
(%)	2019F	269.3	21.8	-	9.8	25.8	35.2
	2020F	13.5	22.7	29.6	6.3	13.0	18.5
PER	2018	60.2	19.3	109.6	23.1	41.9	49.7
(X)	2019F	22.5	19.8	26.3	15.5	24.2	38.8
	2020F	19.8	16.1	20.3	14.6	21.4	32.7
PBR	2018	7.0	3.2	4.8	2.1	2.5	11.3
(X)	2019F	6.8	3.2	4.1	1.8	2.2	9.5
	2020F	5.1	2.7	3.4	1.7	2.2	7.8
EV/EBITDA	2018	20.0	15.5	37.9	30.9	-	24.6
(X)	2019F	16.9	18.8	16.9	12.4	16.9	27.9
	2020F	14.4	15.0	13.2	11.6	15.3	23.9
ROE	2018	11.5	18.2	4.2	(2.6)	(17.8)	23.9
(%)	2019F	35.5	19.2	18.3	14.2	9.0	26.0
	2020F	29.2	19.6	19.7	13.5	9.8	26.1

Source: QuantiWise, Bloomberg, Shinhan Investment Corp.

PER band



Source: QuantiWise, Shinhan Investment Corp.

PBR band



Source: QuantiWise, Shinhan Investment Corp.

Statement of financial position

Year to December (bn KRW)	2017	2018	2019F	2020F	2021F
Total assets	555.7	637.9	713.1	780.3	864.6
Current assets	318.3	362.7	363.5	397.7	470.5
Cash and equivalents	111.0	111.5	93.1	105.9	155.7
Accounts receivable	81.8	89.7	96.4	104.6	114.2
Inventories	89.8	95.5	102.0	110.5	118.3
Non-current assets	237.4	275.2	349.6	382.6	394.1
Tangible assets	189.9	222.6	296.6	329.6	341.1
Intangible assets	13.8	11.7	11.5	11.1	10.7
Investment assets	3.9	3.8	4.3	4.7	5.2
Other financial assets	0.0	0.0	0.0	0.0	0.0
Total liabilities	435.3	523.9	576.0	617.0	665.3
Current liabilities	352.3	479.6	530.3	570.2	617.3
Short-term borrowings	81.9	87.2	87.2	87.2	87.2
Accounts payable	11.1	13.9	16.0	17.7	19.6
Current portion of long-term debt	8.4	60.1	60.1	60.1	60.1
Non-current liabilities	83.0	44.3	45.7	46.8	48.1
Bonds	15.9	0.0	0.0	0.0	0.0
Long-term borrowings	62.2	35.1	35.1	35.1	35.1
Other financial liabilities	0.0	0.0	0.0	0.0	0.0
Total shareholders' equity	120.4	114.0	137.1	163.3	199.2
Capital stock	7.1	7.1	7.1	7.1	7.1
Capital surplus	56.2	56.2	56.2	56.2	56.2
Other capital	(37.8)	(42.3)	(42.3)	(42.3)	(42.3)
Accumulated other comprehensive income	2.6	3.4	3.4	3.4	3.4
Retained earnings	84.9	84.2	131.0	184.2	257.1
Controlling interest equity	113.0	108.6	155.5	208.7	281.5
Non-controlling interest equity	7.4	5.4	(18.4)	(45.4)	(82.3)
*Total debt	168.9	183.5	183.7	183.8	184.0
*Net debt (cash)	30.1	60.7	77.5	63.5	12.2

Statement of cash flow

Year to December (bn KRW)	2017	2018	2019F	2020F	2021F
Cash flow from operations	46.8	41.2	77.8	70.6	86.7
Net profit	5.7	6.3	23.1	26.2	35.9
Depreciation expense	7.4	8.6	16.0	17.0	18.5
Amortization expense	1.8	1.9	2.7	3.1	3.6
FX translation loss (gain)	4.0	4.6	(1.4)	0.3	(1.4)
Asset disposal loss (gain)	(13.0)	(0.2)	0.0	0.0	0.0
Equity method loss (gain)	0.2	(0.0)	1.0	1.0	1.2
Change in working capital	14.5	0.0	36.4	22.9	28.9
(Payment of income tax)	(5.0)	(14.4)	(18.1)	(19.0)	(23.9)
Others	31.2	34.4	18.1	19.1	23.9
Cash flow from investments	(46.6)	(57.3)	(94.3)	(55.9)	(35.1)
Increase in tangible assets	(86.8)	(33.1)	(90.0)	(50.0)	(30.0)
Decrease in tangible assets	11.6	0.4	0.0	0.0	0.0
Change in intangible assets	(3.2)	(2.4)	(2.5)	(2.8)	(3.2)
Change in investment assets	(1.4)	0.0	(1.5)	(1.4)	(1.7)
Others	33.2	(22.2)	(0.3)	(1.7)	(0.2)
Free cash flow	(36.1)	5.5	(17.2)	17.2	52.9
Cash flow from financing	36.1	16.7	0.2	0.1	0.2
Change in borrowings	36.2	12.8	0.2	0.1	0.2
Change in treasury stock	0.0	4.9	0.0	0.0	0.0
Dividends	0.0	0.0	0.0	0.0	0.0
Others	(0.1)	(1.0)	0.0	0.0	0.0
Other cash flow	0.0	0.0	(2.0)	(2.0)	(2.0)
Change in consolidated scope	0.0	0.0	0.0	0.0	0.0
Change in FX rates	(0.9)	(0.2)	0.0	0.0	0.0
Change in total cash	35.5	0.4	(18.4)	12.8	49.8
Beginning cash	75.6	111.0	111.5	93.1	105.9
Ending cash	111.0	111.5	93.1	105.9	155.7

Source: Company data, Shinhan Investment Corp.

Statement of comprehensive income

Year to December (bn KRW)	2017	2018	2019F	2020F	2021F
Sales	397.8	460.1	530.3	585.5	650.7
Growth (%)	15.4	15.7	15.2	10.4	11.1
COGS	165.7	201.6	225.7	251.3	278.9
Gross profit	232.1	258.5	304.6	334.2	371.8
GPM (%)	58.3	56.2	57.4	57.1	57.1
SG&A	210.4	227.6	257.5	280.0	305.0
Operating profit	21.7	31.0	47.1	54.2	66.8
Growth (%)	(36.6)	42.7	52.2	15.0	23.2
OPM (%)	5.5	6.7	8.9	9.3	10.3
Non-operating profit	(2.3)	(13.0)	(5.9)	(9.0)	(7.0)
Financial profit	(11.5)	(11.0)	(2.6)	(4.9)	(2.7)
Other non-operating profit	9.4	(2.0)	(2.4)	(3.1)	(3.0)
Equity method gain (loss)	(0.2)	0.0	(1.0)	(1.0)	(1.2)
Pre-tax profit	19.4	18.0	41.2	45.2	59.9
Income tax	13.8	11.8	18.1	19.0	23.9
Continuing operations	5.7	6.3	23.1	26.2	35.9
Discontinued operations	0.0	0.0	0.0	0.0	0.0
Net profit	5.7	6.3	23.1	26.2	35.9
Growth (%)	(72.2)	10.5	269.2	13.6	36.9
NPM (%)	1.4	1.4	4.4	4.5	5.5
Controlling interest	10.1	12.7	46.9	53.2	72.9
Non-controlling interest	(4.4)	(6.4)	(23.8)	(27.0)	(36.9)
Comprehensive income	5.9	4.4	23.1	26.2	35.9
Controlling interest	10.2	10.9	57.4	65.2	89.3
Non-controlling interest	(4.3)	(6.5)	(34.3)	(39.0)	(53.4)
EBITDA	30.9	41.5	65.8	74.4	89.0
Growth (%)	(24.8)	34.3	58.7	13.0	19.6
EBITDA margin (%)	7.8	9.0	12.4	12.7	13.7

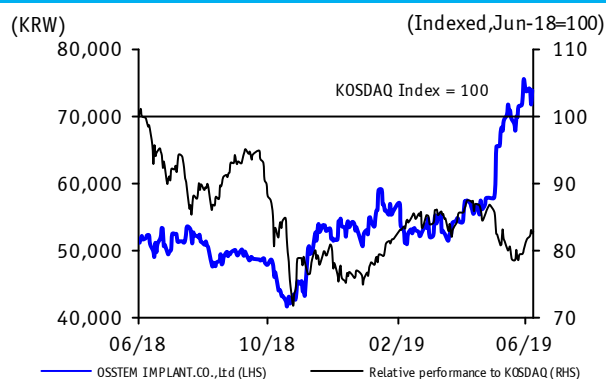
Key ratios

Year to December	2017	2018	2019F	2020F	2021F
EPS (KRW)	396	438	1,617	1,836	2,514
EPS of controlling interest (KRW)	708	888	3,280	3,725	5,100
BPS (KRW)	8,428	7,980	9,597	11,433	13,947
BPS of controlling interest (KRW)	7,909	7,604	10,884	14,608	19,709
DPS (KRW)	0	0	0	0	0
PER (x)	149.2	122.2	45.7	40.2	29.4
PER of controlling interest (x)	83.5	60.2	22.5	19.8	14.5
PBR (x)	7.0	6.7	7.7	6.5	5.3
PBR of controlling interest (x)	7.5	7.0	6.8	5.1	3.7
EV/EBITDA (x)	28.5	20.0	16.9	14.4	11.1
Dividend payout ratio (%)	0.0	0.0	0.0	0.0	0.0
Dividend yield (%)	0.0	0.0	0.0	0.0	0.0
Profitability					
EBITDA margin (%)	7.8	9.0	12.4	12.7	13.7
OPM (%)	5.5	6.7	8.9	9.3	10.3
NPM (%)	1.4	1.4	4.4	4.5	5.5
ROA (%)	1.1	1.0	3.4	3.5	4.4
ROE (%)	9.3	11.5	35.5	29.2	29.7
ROIC (%)	10.8	3.9	15.2	15.3	19.2
Stability					
Debt to equity ratio (%)	361.6	459.6	420.1	377.8	333.9
Net debt ratio (%)	25.0	53.3	56.6	38.9	6.1
Cash ratio (%)	31.5	23.2	17.6	18.6	25.2
Interest coverage ratio (x)	4.4	6.2	8.6	9.8	12.1
Activity (%)					
Working capital turnover (times)	(8.1)	(6.1)	(5.4)	(4.9)	(4.7)
Inventory turnover (days)	77.7	73.5	68.0	66.2	64.2
Receivable turnover (days)	77.8	68.0	64.0	62.6	61.3

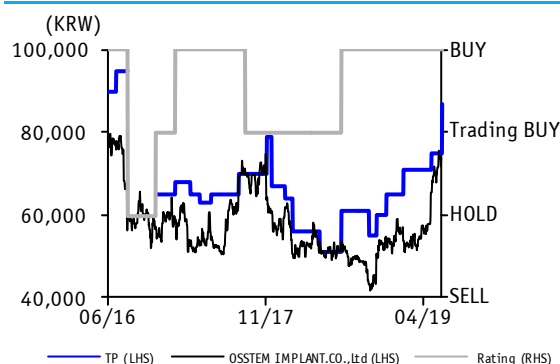
Source: Company data, Shinhan Investment Corp.

Osstem Implant (048260 KS)

Share performance



Target price



Date	Rating	Target price (KRW)	Target price gap (%)	
			Average	Max/Min
2017.05.16	BUY	65,000	(13.4)	(2.0)
2017.08.15	BUY	70,000	0.2	4.6
2017.09.05	Trading BUY	70,000	(0.9)	7.0
2017.11.15	Trading BUY	79,000	(21.6)	(18.6)
2017.12.01	Trading BUY	67,000	(14.4)	(9.0)
2018.01.14	Trading BUY	64,000	(7.0)	(1.7)
2018.02.08	Trading BUY	56,000	(5.6)	3.9
2018.05.08	Trading BUY	51,000	0.3	4.9
2018.07.18	BUY	61,000	(18.8)	(12.1)
2018.10.17	BUY	55,000	(20.9)	(17.4)
2018.11.11	BUY	60,000	(12.9)	(9.3)
2018.12.13	BUY	65,000	(15.9)	(9.1)
2019.02.07	BUY	71,000	(23.2)	(15.6)
2019.05.10	BUY	75,000	-	-

Note: Calculation of target price gap based on past 6 months

Rating Distribution - SHIC Universe (as of 12 June 2019)

BUY (BUY)	96.70%	Trading BUY (HOLD)	0.94%	HOLD (HOLD)	2.36%	SELL (SELL)	0%
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Rating Distribution - SHIC Investment Banking Clients (as of 12 June 2019)

BUY (BUY)	91.30%	Trading BUY (HOLD)	4.35%	HOLD (HOLD)	4.35%	SELL (SELL)	0%
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SHIC Ratings (as of 1 April 2017)

Stock	Sector
<ul style="list-style-type: none"> ◆ BUY: Expected 6-month gain of 10% or more ◆ Trading BUY: Expected 6-month gain of 10% to loss of 10% ◆ HOLD: Expected 6-month loss of 10% to 20% ◆ SELL: Expected 6-month loss of 20% or more 	<ul style="list-style-type: none"> ◆ OVERWEIGHT: Based on market cap, largest share of sector stocks under coverage is rated BUY ◆ NEUTRAL: Based on market cap, largest share of sector stocks under coverage is rated Trading BUY or HOLD ◆ UNDERWEIGHT: Based on market cap, largest share of sector stocks under coverage is rated SELL

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