

23 August 2011

Produced by: RBS Morgans Limited

# Cedar Woods Properties

## A well-developed track record

### Buy

**Important:** The above recommendation has been made on a 12 month view and may not suit your investment needs or timeframe. The basis it is prepared on is summarised on the last page of this report. **PLEASE CONTACT YOUR ADVISER TO DISCUSS THIS GENERAL RECOMMENDATION BEFORE ACTING ON IT.**

**CWP's record A\$28m profit, up 63%, is a standout in the sector. Despite the difficult sector macro, CWP is well placed to deliver strong earnings growth over the coming years. Trading on 6.7x FY12F PE, Buy maintained.**

### Mod-High Volatility

**Target price**  
A\$5.24 (from A\$5.43)

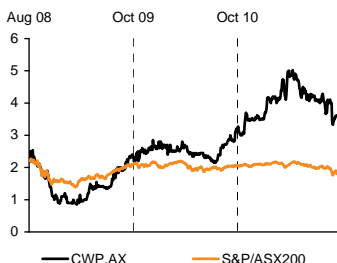
**Price**  
A\$3.68

**Short term (0-60 days)**  
n/a

CWP110823

### Price performance

	(1M)	(3M)	(12M)
Price (A\$)	3.84	4.27	2.38
Absolute (%)	-4.2	-13.8	54.6
Rel market (%)	8.1	-0.1	67.8
Rel sector (%)	10.2	-1.0	66.0



**Market capitalisation**  
A\$227.49m (US\$238.96m)

**Average (12M) daily turnover**  
A\$0.10m (US\$0.10m)

Sector: BBG AP Real Estate  
RIC: CWP.AX, CWP AU  
Priced A\$3.68 at close 23 Aug 2011.  
Source: Bloomberg

### Analysts

**Scott Murdoch**  
+61 7 3334 4516  
smurdoch@rbsmorgans.com

**Josephine Little**  
+61 7 3334 4505  
josephine.little@rbsmorgans.com

**Fiona Buchanan**  
+61 7 3334 4879  
fiona.buchanan@rbsmorgans.com

RBS Morgans Limited  
(A.B.N. 49 010 669 726) AFSL235410  
A Participant of ASX Group

[www.rbsmorgans.com](http://www.rbsmorgans.com)

### Key forecasts

	FY10A	FY11A	FY12F	FY13F	FY14F
Total property income (A\$m)	107.2	129.9	167.0	183.5 ▼	215.9
Reported net profit (A\$m)	17.20	28.10	34.60	38.40	44.30
Normalised net profit (A\$m) <sup>1</sup>	18.70	28.10	34.60	38.40	44.30
Normalised EPS (c) <sup>1</sup>	31.39	45.85	55.16	60.80	69.20
Normalised EPS growth (%)	14.10	46.10	20.30	10.20	13.80
Dividend per share (c)	13.00	23.00	28.00	30.00	35.00
Dividend yield (%)	3.53	6.25	7.61	8.15	9.51
Normalised PE (x)	11.72	8.03	6.67	6.05	5.32
Book value per share (c)	179.6	209.6	235.8	266.2	299.5
Disc/(prem) to NTA (%)	-104	-75.6	-56.1	-38.2	-22.9

Use of ▲ ▼ indicates that the line item has changed by at least 5%.

1. Pre non-recurring items and post preference dividends

Accounting standard: IFRS

Source: Company data, RBS Morgans forecasts

year to Jun, fully diluted

### FY11 result – record profit up 63%

CWP announced a record operating profit of A\$28m, up 63% on the pcp and in line with our forecast of A\$28.4m. Revenue was up 22% on the pcp to A\$132m and c3.8% above our forecast. EBIT margins lifted to 30.4% (from 25% in the pcp), with strong price growth across Melbourne projects flowing through. The balance sheet remains strong with gearing of 43% (net debt/equity) and EBIT interest cover of 9.1x. A fully franked final dividend of 12cps was declared in line with expectations (vs 8cps in the pcp). NTA increased to A\$2.10 (from A\$1.80 in the pcp), which management continues to believe is substantially understated relative to its market value (guidance of A\$6 per share).

### Outlook – strong earnings visibility going into FY12

CWP provided FY12 NPAT guidance of A\$34m (implying ~21% growth). CWP enters FY12 with A\$130m of pre-sales, representing 76% of our forecast and well above peer averages. This level of pre-sales provides strong 12-month forward earnings visibility and gives us confidence in our forecast. We also note management's proven track record of delivering on guidance. Despite evidence the Melbourne resi cycle is softening, we believe CWP is well placed in terms of project location and its forward sales timeframe (some project stages now selling for FY13 delivery) to achieve steady sales volumes. The WA market remains subdued; however, given WA's strong state economics, we believe sales volumes can start to rebound in FY13.

### Investment view – Buy maintained, delivering well above sector growth in FY12

CWP's record profit reflects the quality and positioning of its Melbourne projects, which should continue to deliver strong earnings over the next few years. We believe CWP represents a compelling investment with strong growth due to: a solid track record of returns; the right product (affordable land) in the right place (WA & VIC); and a mature development portfolio with 'embedded' profits. Our valuation and price target is A\$5.24 (from A\$5.43) based on applying a 9.5x (from 10x) multiple to FY12F EPS. Buy maintained.

## FY11 – A record result

CWP announced a record operating profit of A\$28m, up 63% on the pcp and in line with our forecast of A\$28.4m. Revenue was up 22% on the pcp to A\$132m and c3.8% above our forecast. EBIT margins lifted to 30.4% (from 25% in the pcp), with strong price growth across Melbourne projects flowing through. The balance sheet remains strong with gearing of 43% (net debt/equity) and EBIT interest cover of 9.1x. A fully franked final dividend of 12cps was declared in line with expectations (vs 8cps in the pcp).

**Table 1 : CWP FY11 result snapshot**

A\$m	FY10	FY11	Change (%)
Revenue	107.2	129.9	21%
NPAT (reported)	17.2	28.1	63%
EPS (reported)	29.0	45.8	58%
DPS (full year) (¢)	13	23	77%
NTA	1.8	2.1	17%

Source: Company data

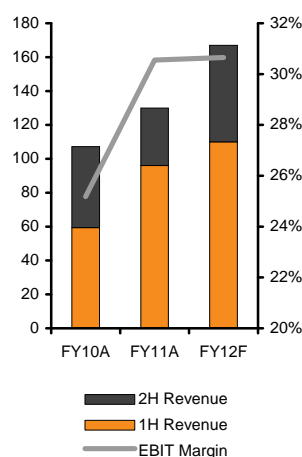
### Key takeaways

- Strong margins** – Both gross margin and EBIT margin improved, on the back of stronger Melbourne land prices now flowing through. The development gross margin of 46% was up from 45% in the pcp while EBIT margin expanded 500bp to 30.4%. We expect margins to remain steady in FY12 (30.5% EBIT margin forecast) given a similar product mix and limited price or cost escalation expected.
- A\$130m of pre-sales is 76% of our FY12 forecast** – CWP has A\$130m of pre-sales already in place for FY12, providing strong near-term earnings visibility. Management indicated that enquiries in VIC remain high with a growing number of pre-sales in place for FY13 (stages with longer settlement horizons).
- Medium-term pipeline strong** – CWP will launch 2-3 new projects in FY12 with settlements expected in FY13. The Camberwell project (high-end product) has commenced a soft launch with around 6 pre-sales contracted (of a total 78 available). Williams Landing continues to trade well and is expected to benefit further when government infrastructure (train station) is delivered in late CY12.
- Residential markets subdued** – Management stated that the short-to-medium-term outlook for the markets in which it operates is stable, with housing affordability seeing some improvement. We note any increase in interest rates may see further deterioration in consumer confidence and negatively impact the residential market (to a greater extent).
- Company guidance and outlook** – Management has guided to FY12 NPAT of A\$34m, equating to 21% profit growth. This is in line with the company's stated long-term objective to achieve 10% EPS growth pa. We sit slightly above this guidance, forecasting FY12 NPAT of A\$34.6m. We believe CWP is well placed to deliver our 20% FY12 EPS growth forecast with A\$130m of pre-sales. No further material price growth in Melbourne is expected over the next 12 months; however, sales rates are expected to remain firm through 2011/12. Demand at CWP's cornerstone development, Williams Landing, remains solid.

### Financials

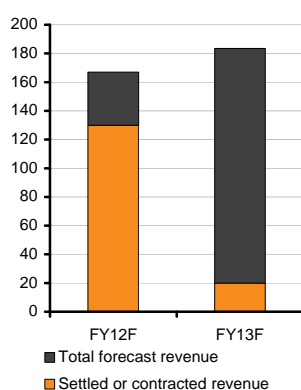
- P&L** – Revenue increased 22% on the pcp to A\$132m, beating our forecast by 3.8%. EBIT growth of 47% to A\$39.4m benefited from stronger gross and EBIT margins. The tax rate was 30% in line with the pcp.
- Balance sheet** – Net debt stands at A\$55.7m (from A\$39.7m as at 30 June 2010), equating to 43% (net debt/equity) and 23.8% (net debt/property assets). This gearing sits within the group's target range of 20-75%. Interest cover stands at a comfortable 9.1x (6.4x in the pcp). CWP added a further three projects to the pipeline in FY11 at an acquisition cost of A\$47.7m. The group has a A\$110m facility in place (A\$55m drawn) providing adequate headroom to seek acquisition opportunities over the medium term.
- NTA** – Official NTA stands at A\$2.10 (from A\$1.80 in the pcp). Management continues to highlight the Board's belief that this figure is significantly under-stated and that the market-value based NTA is well in excess of this figure (guided to A\$6ps).

**Chart 1 : Revenue/margins**



Source: Company data, RBS Morgans forecasts

**Chart 2 : Pre-sales vs forecast**



Source: RBS forecasts

- **Cash flow** – Operating cash flow of -A\$7m vs A\$17.8m in the pcp was largely due to the land acquisitions in the period (A\$47.7m vs A\$7.7m in the pcp). Adding acquisitions back, operating cash flow is solid at cA\$40m.
- **Dividend** – A final dividend of 12cps fully franked was declared, in line with our forecast and up from 8cps paid in the pcp.

### Changes to forecasts

We make minor changes to our forecasts following today's result. We have tempered our FY13 growth expectations in light of: 1) only a very subdued recovery being seen in WA residential markets, and 2) Melbourne residential volumes have declined over 2H11 (from a high base), which may put some pressure on CWP's land sale volume growth.

**Table 2 : Changes to forecasts**

	Old 2012F	New 2012F	Old 2013F	New 2013F
NPAT (A\$m)	34.2	34.6	39.3	38.4
% change		1.2%		-2.3%
EPS (¢)	54.3	55.2	60.7	60.8
% change		1.6%		0.2%
DPS (¢)	27.0	28.0	30.0	30.0
% change		3.7%		0.0%

Source: Company data, RBS Morgans forecasts

### Investment view and valuation – Buy, A\$5.24 price target

We value CWP at A\$5.24ps using a PE methodology, applying a 9.5x (from 10x) multiple to FY12F EPS. Our multiple is set in line with CWP's larger peers and at a premium to small cap peers based on CWP's superior growth outlook and earnings certainty. Our price target is set at the valuation of A\$5.24 per share (from A\$5.43).

We believe this result again highlights management's track record of under-promising and over-delivering. CWP's portfolio is delivering embedded profits from quality Melbourne projects, with further upside potential from an improving WA property market. We see strong growth continuing in FY12, driven by continued strong margins and solid sales due to the underlying demand for quality housing (particularly CWP's Melbourne projects). CWP trades on a FY12F PE multiple of 6.7x and a 7.6% yield.

### Our positive stance is predicted on:

- **Earnings visibility** – CWP has A\$130m of pre-sales in place for FY12, equivalent to the total revenue delivered in FY11. Pre-sales underpin ~76% of our FY12 revenue forecast;
- **Quality Melbourne projects** – Despite a tough residential sales outlook, we believe CWP's Melbourne projects are well positioned in terms of quality and price-point to continue to achieve consistent sales rates;
- **Strong margins to continue** – With a very similar sales pipeline in FY12, CWP is delivering embedded margins;
- **WA exposure** – CWP's landbank exposure to WA provides strong leverage to the resource economy over the medium term. Over the next two years, we forecast ~30% of sales will be derived from WA, providing upside if the market improves over this time;
- **Williams Landing Town Centre** – The WL Town centre provides potential strong contributions to earnings from FY14;
- **Balance sheet capacity** – CWP has sufficient debt headroom to acquire further development sites as opportunities arise.

**Key upside risks include:** stronger-than-expected sales and margins achieved, progress on the WL town centre.

**Key downside risks include:** a weaker sales outlook than expected, project delivery risk, timing of expected sales.

## CWP – financial summary

Year to 30 Jun (A\$m)	AIFRS 2010A	AIFRS 2011A	AIFRS 2012F	AIFRS 2013F	AIFRS 2014F	Closing price (A\$)	3.68	Price target (A\$)	5.24		
<b>Income statement</b>	<b>2010A</b>	<b>2011A</b>	<b>2012F</b>	<b>2013F</b>	<b>2014F</b>	<b>Valuation metrics</b>					
Divisional sales	107.2	129.9	167.0	183.5	215.9	Preferred methodology	PE	Val'n (A\$)	\$ 5.24		
Total revenue	107.2	129.9	167.0	183.5	215.9	<b>Multiples</b>		<b>2011A</b>	<b>2012F</b>	<b>2013F</b>	<b>2014F</b>
EBITDA	27.0	39.7	51.2	56.8	69.9	Enterprise value (A\$m)	282.6	278.4	297.8	363.4	
Associate income	0.0	0.0	0.0	0.0	0.0	EV/Sales (x)	2.2	1.7	1.6	1.7	
Depreciation	-0.2	-0.2	-0.3	-0.3	-0.3	EV/EBITDA (x)	7.1	5.4	5.2	5.2	
EBITA	26.7	39.4	50.9	56.5	69.6	EV/EBIT (x)	7.2	5.5	5.3	5.2	
Amortisation/impairment	0.0	0.0	0.0	0.0	0.0	PE (pre-goodwill) (x)	8.0	6.7	6.1	5.3	
EBIT	26.7	39.4	50.9	56.5	69.6	PEG (pre-goodwill) (x)					
EBIT(incl associate profit)	26.7	39.4	50.9	56.5	69.6	<b>At target price</b>		<b>2011A</b>	<b>2012F</b>	<b>2013F</b>	<b>2014F</b>
Net interest expense	-0.6	0.8	-1.5	-1.7	-6.3	EV/EBITDA (x)	9.5	7.3	6.9	6.6	
Pre-tax profit	26.2	40.2	49.4	54.8	63.3	PE (pre-goodwill) (x)	11.4	9.5	8.6	7.6	
Income tax expense	-7.5	-12.2	-14.8	-16.5	-19.0	<b>Comparable company data (x)</b>		<b>2012F</b>	<b>2013F</b>	<b>2014F</b>	
After-tax profit	18.7	28.1	34.6	38.4	44.3	Devine					
Minority interests						Year to 30 Jun	EV/EBITDA	5.3	4.8	4.8	
NPAT	18.7	28.1	34.6	38.4	44.3		EV/EBIT	5.3	4.8	4.9	
Significant items	-1.4	0.0	0.0	0.0	0.0		PE	6.3	5.7	5.3	
NPAT post abnormals	17.2	28.1	34.6	38.4	44.3		PEG				
							EV/EBITDA	7.3	6.8	6.5	
<b>Cash flow statement</b>	<b>2010A</b>	<b>2011A</b>	<b>2012F</b>	<b>2013F</b>	<b>2014F</b>	Year to 30 Jun	EV/EBIT	7.5	7.0	6.6	
EBITDA	27.0	39.7	51.2	56.8	69.9		PE	7.8	7.2	6.8	
Change in working capital	57.9	9.3	35.7	50.5	50.7		PEG	2.6	2.4	2.3	
Net interest (pd)/rec	-3.7	-2.7	-1.5	-1.7	-6.3	<b>Per share data</b>		<b>2011A</b>	<b>2012F</b>	<b>2013F</b>	<b>2014F</b>
Taxes paid	-7.2	-5.6	-14.8	-16.5	-19.0	No. shares	61.8	62.7	63.1	64.0	
Other oper cash items						EPS (cps)	45.8	55.2	60.8	69.2	
Cash flow from ops (1)	74.1	40.7	70.6	89.2	95.3	EPS (normalised) (c)	45.8	55.2	60.8	69.2	
Capex (2)	-0.2	-0.1	-0.2	-0.3	-0.3	Dividend per share (c)	23.0	28.0	30.0	35.0	
Disposals/(acquisitions)	-56.6	-47.7	-50.0	-50.0	-50.0	Dividend payout ratio (%)	50.2	50.8	49.3	50.6	
Other investing cash flow	-7.3	-1.6	0.0	-40.0	-90.0	Dividend yield (%)	6.3	7.6	8.2	9.5	
Cash flow from invest (3)	-64.2	-49.4	-50.2	-90.3	-140.3	Franking	100%	100%	100%	100%	
Inc/(decr) in equity	2.2	0.0	0.0	0.0	0.0	<b>Growth ratios</b>		<b>2011A</b>	<b>2012F</b>	<b>2013F</b>	<b>2014F</b>
Inc/(decr) in debt	-9.2	15.8	0.0	15.0	60.0	Sales growth	21.2%	28.5%	9.9%	17.6%	
Ordinary dividend paid	-3.9	-7.3	-16.2	-18.3	-20.7	Operating cost growth	12.5%	28.3%	9.5%	15.2%	
Preferred dividends (4)	0.0	0.0	0.0	0.0	0.0	EBITDA growth	47.1%	28.9%	11.0%	23.0%	
Other financing cash flow	-0.1	0.0	0.0	0.0	0.0	EBITA growth	47.5%	29.1%	11.1%	23.1%	
Cash flow from fin (5)	-11.0	8.5	-16.2	-3.3	39.3	<b>Divisional EBIT growth</b>					
Forex and disc ops (6)	0.0	0.0	0.0	0.0	0.0	EBIT growth	47.5%	29.1%	11.1%	23.1%	
Inc/(decr) cash (1+3+5+6)	-1.1	-0.2	4.1	-4.3	-5.7	NPAT growth	50.2%	23.3%	10.9%	15.4%	
Equity FCF (1+2+4)	73.9	40.6	70.3	88.9	95.0	Pre-goodwill NPAT growth	50.2%	23.3%	10.9%	15.4%	
						Pre-goodwill EPS growth	46.1%	20.3%	10.2%	13.8%	
						Normalised EPS growth	46.1%	20.3%	10.2%	13.8%	
<b>Balance sheet</b>	<b>2010A</b>	<b>2011A</b>	<b>2012F</b>	<b>2013F</b>	<b>2014F</b>	<b>Operating performance</b>		<b>2011A</b>	<b>2012F</b>	<b>2013F</b>	<b>2014F</b>
Cash & deposits	0.5	0.4	4.5	0.2	-5.5	Asset turnover (%)	14.8	17.7	17.9	17.0	
Trade debtors	8.1	12.9	12.6	13.9	16.3	EBITDA margin (%)	30.6	30.7	30.9	32.4	
Inventory	184.8	202.4	202.4	202.4	202.4	EBIT margin (%)	30.4	30.5	30.8	32.2	
Investments	5.9	5.4	5.4	5.4	5.4	Net profit margin (%)	21.6	20.7	20.9	20.5	
Other assets	6.4	12.6	12.5	52.5	142.5	Return on net assets (%)	30.5	34.4	33.6	36.3	
Total assets	205.7	233.6	237.5	274.4	361.2	Net debt (A\$m)	55.1	51.0	70.3	135.9	
Short-term borrowings	0.0	0.0	5.5	7.0	13.0	Net debt/equity (%)	42.5	34.4	41.8	70.9	
Trade payables	28.1	33.5	19.0	20.8	24.0	Net interest/EBIT cover (x)	7.3	9.9	12.0	11.2	
Long-term borrowings	40.2	55.5	49.9	63.4	117.4	ROIC (%)	18.2	18.3	18.9	19.6	
Provisions	3.5	10.1	10.1	10.1	10.1	<b>Internal liquidity</b>		<b>2011A</b>	<b>2012F</b>	<b>2013F</b>	<b>2014F</b>
Other liabilities	25.1	5.0	5.0	5.0	5.0	Current ratio (x)	6.0	7.9	7.0	5.4	
Total liabilities	96.9	104.0	89.5	106.3	169.5	Receivables turnover (x)	12.4	13.1	13.8	14.3	
Share capital	40.4	44.7	44.7	44.7	44.7	Payables turnover (x)	2.9	4.4	6.4	6.5	
Other reserves	0.9	0.7	0.7	0.7	0.7						
Retained earnings	67.5	84.2	102.6	122.7	146.4						
Other equity	0.0	0.0	0.0	0.0	0.0						
Total equity	108.8	129.5	148.0	168.1	191.7						
Total shareholders' equity	108.8	129.5	148.0	168.1	191.7						
Total liabilities & SE	205.7	233.6	237.5	274.4	361.2						

Source: Company data, RBS Morgans forecasts

**QUEENSLAND**

BRISBANE – HEAD OFFICE	(07) 3334 4888
BRISBANE – EDWARD STREET	(07) 3121 5677
BUNDABERG	(07) 4153 1050
BURLEIGH HEADS	(07) 5520 8788
CAIRNS	(07) 4222 0555
CALOUNDRA	(07) 5491 5422
CAPALABA	(07) 3245 5466
CHERMSIDE	(07) 3350 9000
EMERALD	(07) 4988 2777
GLADSTONE	(07) 4972 8000
GOLD COAST	(07) 5592 5777
IPSWICH	(07) 3202 3995
MACKAY	(07) 4957 3033
MILTON	(07) 3114 8600
NOOSA	(07) 5449 9511
REDCLIFFE	(07) 3897 3999
ROCKHAMPTON	(07) 4922 5855
SPRING HILL	(07) 3833 9333
SUNSHINE COAST	(07) 5479 2757
TOOWOOMBA	(07) 4639 1277
TOWNSVILLE	(07) 4725 5787
YEPPON	(07) 4939 3021

**NEW SOUTH WALES**

SYDNEY – HEAD OFFICE	(02) 8215 5000
SYDNEY – MACQUARIE STREET	(02) 9125 1788
SYDNEY – PHILLIP STREET - LEVEL 33	(02) 8215 5111
SYDNEY – REYNOLDS EQUITIES	(02) 9373 4452
ARMIDALE	(02) 6770 3300
BALLINA	(02) 6686 4144
BALMAIN	(02) 8755 3333
CHATSWOOD	(02) 8116 1700
COFFS HARBOUR	(02) 6651 5700
GOSFORD	(02) 4325 0884
HURSTVILLE	(02) 9570 5755
MERIMBULA	(02) 6495 2869
NEUTRAL BAY	(02) 8969 7500

NEWCASTLE	(02) 4926 4044
NEWPORT	(02) 9998 4200
ORANGE	(02) 6361 9166
PARRAMATTA	(02) 9615 4500
PORT MACQUARIE	(02) 6583 1735
SCONE	(02) 6544 3144
WOLLONGONG	(02) 4227 3022

**VICTORIA**

MELBOURNE – HEAD OFFICE	(03) 9947 4111
MELBOURNE – FARRER HOUSE	(03) 8644 5488
BERWICK	(03) 9796 2676
BRIGHTON	(03) 9519 3555
CAMBERWELL	(03) 9813 2945
CARLTON	(03) 9066 3200
GEELONG	(03) 5222 5128
RICHMOND	(03) 9916 4000
SOUTH YARRA	(03) 9098 8511
TRARALGON	(03) 5176 6055
WARRNAMBOOL	(03) 5559 1500

**ACT**

CANBERRA	(02) 6232 4999
----------	----------------

**SOUTH AUSTRALIA**

ADELAIDE	(08) 8464 5000
NORWOOD	(08) 8461 2800

**WESTERN AUSTRALIA**

PERTH	(08) 6462 1999
-------	----------------

**NORTHERN TERRITORY**

DARWIN	(08) 8981 9555
--------	----------------

**TASMANIA**

HOBART	(03) 6236 9000
--------	----------------

**DISCLAIMER - RBS MORGANS LIMITED**

The information contained in this report is general advice only, and is made without consideration of an individual's relevant personal circumstances. RBS Morgans Limited ABN 49 010 669 726, its related bodies corporate, directors and officers, employees, authorised representatives and agents ("RBS Morgans") do not accept any liability for the results of any actions taken or not taken on the basis of information contained in this report, or for any errors or omissions contained within. It is recommended that any persons who wish to act upon this report consult with their RBS Morgans investment adviser before doing so. Those acting upon such information without advice do so entirely at their own risk.

This report was prepared as private communication to clients and is not intended for public circulation, publication or for use by any third party. The contents of this report may not be reproduced in whole or in part without the prior written consent of RBS Morgans. While this report is based on information from sources which RBS Morgans believes are reliable, its accuracy and completeness cannot be guaranteed. Any opinions expressed reflect RBS Morgans judgement at this date and are subject to change. RBS Morgans is under no obligation to provide revised assessments in the event of changed circumstances. This report does not constitute an offer or invitation to purchase any securities and should not be relied upon in connection with any contract or commitment whatsoever.

**DISCLOSURE OF INTEREST**

RBS Morgans may from time to time hold an interest in any security referred to in this report and may, as principal or agent, sell such interests. RBS Morgans may previously have acted as manager or co-manager of a public offering of any such securities. RBS Morgans' affiliates may provide or have provided banking services or corporate finance to the companies referred to in the report. The knowledge of affiliates concerning such services may not be reflected in this report. RBS Morgans advise that it may earn brokerage, commissions, fees or other benefits and advantages, direct or indirect, in connection with the making of a recommendation or a dealing by a client in these securities. Some or all of our Authorised Representatives may be remunerated wholly or partly by way of commission.

**REGULATORY DISCLOSURES**

RBS Morgans Corporate Limited is a participating broker to the Peet Limited Public Offer and may receive fees in this regard.: PPCAX.

**RECOMMENDATION STRUCTURE**

For a full explanation of the recommendation structure, refer to our website at [https://www.rbsmorgans.com/research\\_disclaimer](https://www.rbsmorgans.com/research_disclaimer)

If you no longer wish to receive RBS Morgans' publications please advise your local RBS Morgans office or write to RBS Morgans Limited, Reply Paid 202, Brisbane QLD 4001 and include your account details.