

Xinyi Glass Holdings (868 HK)

Member of key [HTI Themes](#): Capex/New Projects, Government Policy, Productivity

Target Price HK\$9.20
Current Price HK\$7.76
% Upside 19%

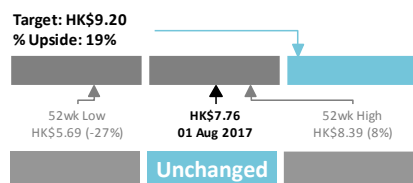
The Scoop: Strong Float-Glass Price and Cost Control Drive H1 Profit Growth

Automobiles & Components

Hong Kong

01 Aug 2017

BUY



Basic Share Information

Market cap	HK\$31.04b / US\$3.97b
Daily traded value (3mth)	US\$8.37m
Shares outstanding	3,882m
Free float	55%
Net debt-to-equity	37.1%
1 yr high	HK\$8.39
1 yr low	HK\$5.69
Major shareholding	21.3%
Last HTI contact w/ Co	31 Jul 17

Price/Volume



Source: Bloomberg

Please vote for me!
Asiamoney Brokers Poll 2017



Walden Shing

Haitong International Research Ltd
walden.wc.shing@htisec.com
Local Knowledge, Global Reach

Hong Kong Office	(852) 2899 7090
Tokyo Office	(81) 3 6402 7620
London Office	(44) 20 7397 2700
New York Office	(1) 212 867 7300
Mumbai Office	(91) 22 43156839

www.equities.htisec.com

What event has happened?

Xinyi Glass (XYG) reported its H1 FY17 results on 31 July. Revenue was up 13.5% YoY, to HK\$6,676.8mn, and net profit was up 19.5% YoY to HK\$1,636mn. The net profit result was largely in line with our expectation of HK\$1,659mn. Management also announced a medium-term plan to increase the company's float-glass production capacity by about 50% by 2020.

Why is it significant?

The interim results showed that China's float-glass industry is continuing to perform well—XYG's float-glass GPM remained at 30.1% in H1 2017. With increasingly stringent environmental controls from the government, we see limited new capacity in H2 2017 and believe float-glass pricing is likely to move up in the August–October peak season. Total floor space under construction went up by 10.6% YoY to 857mn sqm as of June 2017. For construction glass, XYG plans to focus more on higher-margin projects to enhance its performance. Autoglass revenue suffered in H1 2017 from Brazil imposing an anti-dumping duty on autoglass exports from China. To make up for this shortfall, management is aiming to win more autoglass orders from OEM manufacturers.

Implications for our earnings forecast?

We cut our FY17 EPS estimate by 1.8% and raise our FY18 EPS estimate by 1.2%. We are 3% below consensus for FY17 and similar to consensus for FY18.

How do valuations look now?

XYG is currently trading at 8.5x FY17 PER with a 5.7% dividend yield. We continue to value the stock on a 9x target PE multiple, but we roll over our EPS basis from the average of 2017 and 2018 EPS to end-2018 EPS of HK\$1.03 following the interim results announcement. This raises our target price from HK\$8.80 to HK\$9.20. Major downside risks include a slowdown in China's property market (about 70% of float-glass used in China is property-related, and float-glass accounted for 51% of XYG's FY16 revenue), or a significant jump in major raw material costs.

What is distinctive about our stock view?

We remain positive on XYG as we believe it should benefit from float-glass industry consolidation and the shutdown of obsolete capacity in China. The float-glass industry is heavily regulated in China due to its energy-intensive nature, and we believe an industry leader like XYG stands to benefit the most in such an environment.

	Dec-15A	Dec-16A	Dec-17E	Dec-18E	Dec-19E	Trend
Total turnover (HK\$m)	11,460	12,848	14,094	15,242	16,140	— — — — —
Operating profit (HK\$m)	2,113	3,338	3,675	4,112	4,313	— — — — —
Pre-tax profit (HK\$m)	2,380	3,823	4,268	4,844	5,068	— — — — —
Net income to ord equity (HK\$m)	2,113	3,213	3,625	4,136	4,154	— — — — —
Net profit growth	55.0%	52.1%	12.8%	14.1%	0.4%	■ — — — —
P/E (x)	14.40	9.37	8.47	7.54	7.51	■ — — — —
Adj EV/EBITDA (x)	9.63	6.33	6.24	5.50	5.05	■ — — — —
P/B (x)	2.39	2.29	1.94	1.73	1.54	■ — — — —
ROE	17.0%	24.8%	25.0%	24.4%	21.7%	— — — — —
Dividend yield	3.4%	5.2%	5.7%	6.4%	6.4%	— — — — —
EPS HTI old (HK\$)	0.54	0.83	0.93	1.02	0.97	— — — — —
EPS HTI New (HK\$)	0.54	0.83	0.92	1.03	1.03	— — — — —
Consensus EPS (HK\$)	0.51	0.80	0.95	1.03	1.04	— — — — —
HTI EPS vs Consensus	5.7%	3.2%	(3.1%)	(0.2%)	(0.6%)	■ — — — —

Source: Company data, Bloomberg, HTI estimates

Click [here](#) to download the working model

H1 FY17 results were largely in line with our expectations, although GPM came in lower than our estimates; XYG made up for this through controlling its SG&A and interest expenses

The average Shanghai spot price declined slightly, to Rmb1,531 per ton, compared with Rmb1,539 per ton on 13 July

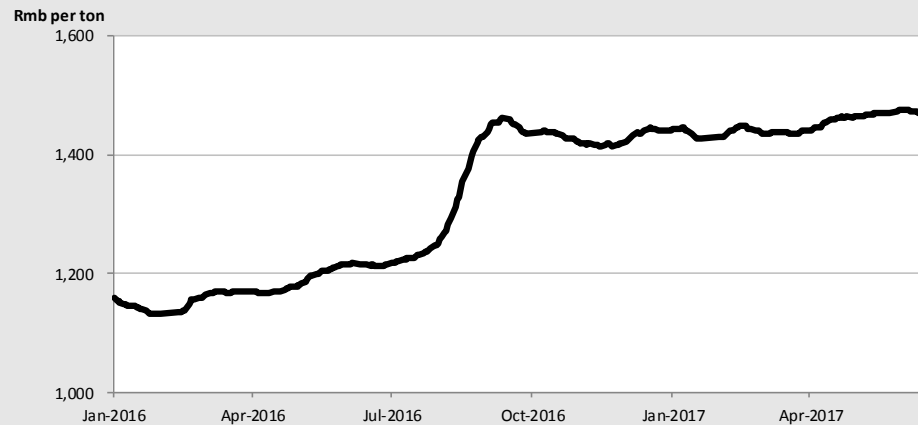
The Guangzhou price remained flat at around Rmb1,652 per ton

H1 FY17 Results Summary

(HKD million)	1H16	1H17	HTI est.	YoY	vs HTI
Revenue	5,885.0	6,676.8	6,581.4	13.5%	1.4%
Cost of sales	(3,843.7)	(4,247.6)	(4,102.5)	10.5%	3.5%
Gross Profit	2,041.4	2,429.2	2,479.0	19.0%	-2.0%
Other income	104.0	141.4	92.1	36.0%	53.5%
Other gain or loss	42.9	(45.4)	32.9	-206.0%	-238.1%
Selling and marketing	(351.3)	(333.8)	(362.0)	-5.0%	-7.8%
Administrative expense	(533.4)	(586.4)	(605.5)	9.9%	-3.2%
Operating Profit	1,303.6	1,605.0	1,636.5	23.1%	-1.9%
Finance income	16.0	23.4	34.3	46.3%	-31.7%
Finance costs	(60.3)	(73.0)	(94.5)	21.2%	-22.8%
Profit or loss of associate	312.4	368.0	342.1	17.8%	7.6%
Profit before tax	1,571.8	1,923.4	1,918.5	22.4%	0.3%
Income tax expense	(202.3)	(285.4)	(259.0)	41.1%	10.2%
Profit for the year	1,369.5	1,638.1	1,659.5	19.6%	-1.3%
Minority	(0.4)	(2.2)	(0.9)	481.9%	133.2%
Profit attributable to equity	1,369.1	1,635.9	1,658.6	19.5%	-1.4%
Weighted average no. of shares	3,875.3	3,928.3	3,956.4	1.4%	-0.7%
EPS, basic (HKD)	0.353	0.416	0.419	17.9%	-0.7%
GPM	34.7%	36.4%	37.7%	+1.7 ppt	-1.3 ppt

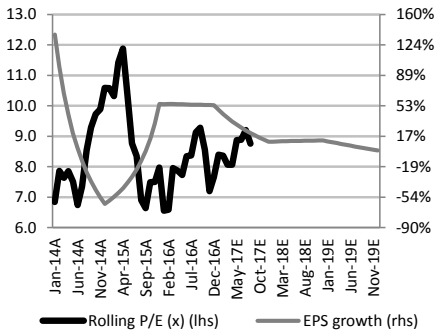
Source: Company data, HTI estimates

National Average Float-Glass Spot Price in China



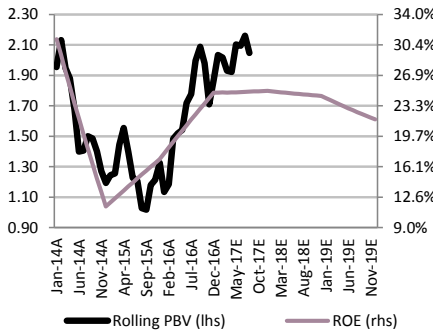
Source: Wind

P/E (x) vs EPS Growth (%)



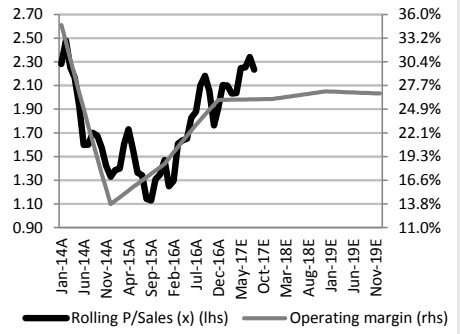
Source: Company data, Bloomberg, HTI estimates

P/B (x) vs ROE



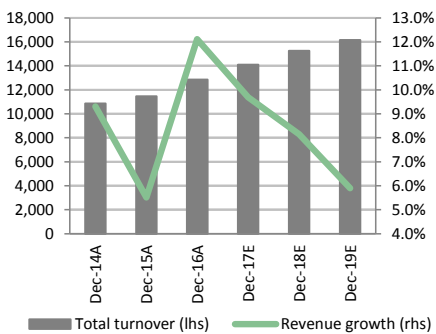
Source: Company data, Bloomberg, HTI estimates

PSR (x) vs OPM (%)



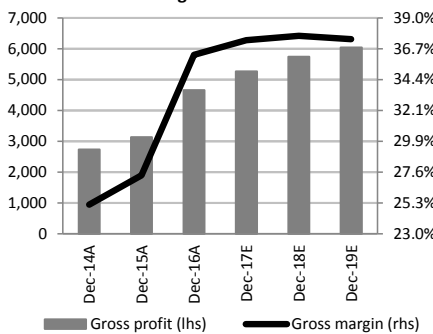
Source: Company data, Bloomberg, HTI estimates

Turnover and Growth



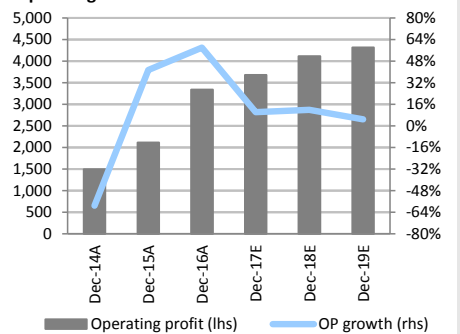
Source: Company data, Bloomberg, HTI estimates

Gross Profit and Margin



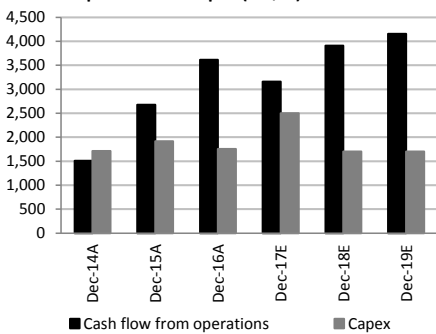
Source: Company data, Bloomberg, HTI estimates

Operating Profit and OP Growth



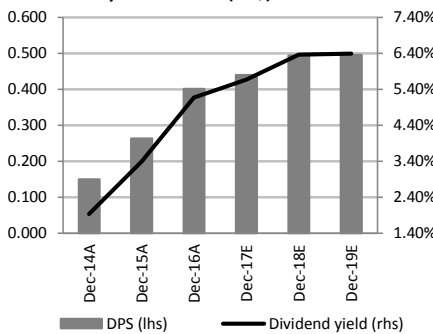
Source: Company data, Bloomberg, HTI estimates

CF from operations vs Capex (HK\$m)



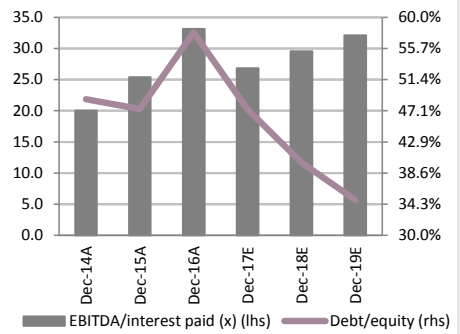
Source: Company data, Bloomberg, HTI estimates

Dividend Payout and Yield (HK\$)



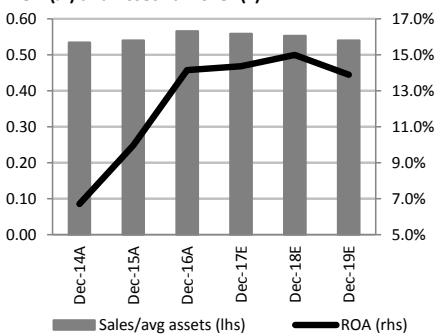
Source: Company data, Bloomberg, HTI estimates

Debt to Equity (%) and Interest Cover (x)



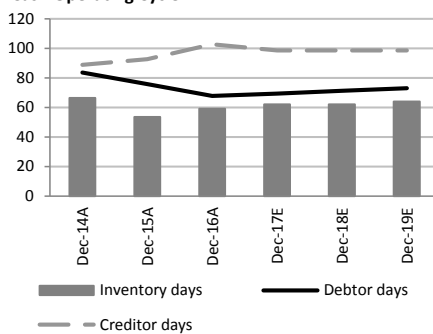
Source: Company data, Bloomberg, HTI estimates

ROA (%) and Asset Turnover (x)



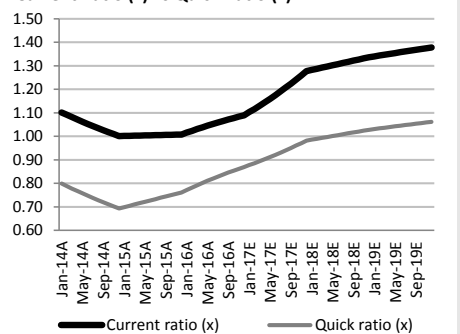
Source: Company data, Bloomberg, HTI estimates

Cash Operating Cycle



Source: Company data, Bloomberg, HTI estimates

Current Ratio (x) vs Quick Ratio (x)



Source: Company data, Bloomberg, HTI estimates

IMPORTANT DISCLOSURES

This research report is distributed by Haitong International, a global brand name for the equity research teams of Haitong International Research Limited (“HTIRL”), Haitong Securities India Private Limited (“HSIPL”), Haitong International Japaninvest KK (“HTIJKK”), Haitong International Securities Company Limited (“HTISCL”), Haitong International Investment Services Limited (“HTIIS”), and any other members within the Haitong International Securities Group of Companies (“HTISG”), each authorized to engage in securities activities in its respective jurisdiction.

Analyst Certification: I, Walden Shing, certify that (i) the views expressed in this research report accurately reflect my personal views about any or all of the subject companies or issuers referred to in this research and (ii) no part of my compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this research report; and that I (including members of my household) have no financial interest in the security or securities of the subject companies discussed.

Conflict of Interest Disclosures

If no disclosures are included, it means that at the time of publication there is no conflict of interest pursuant to applicable regulations.

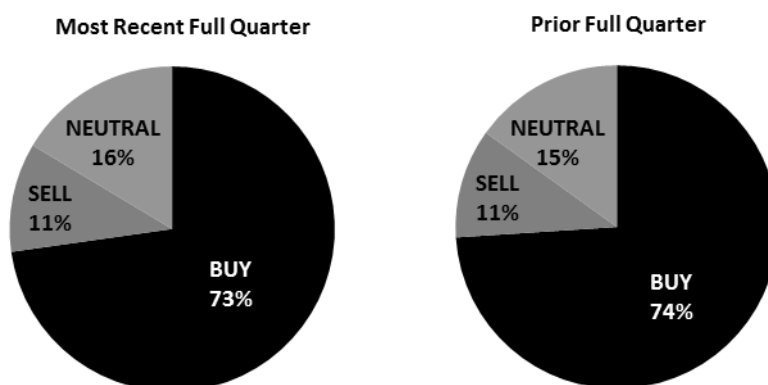
Haitong acts as a market maker or liquidity provider in the securities of the following companies: Xinyi Glass Holdings (868 HK).

Ratings Definitions: Haitong International (sometimes referred to as “HTI”) has three ratings, which are defined below. The percentage of BUY, SELL or NEUTRAL ratings out of the total number of rated notes appears in the Ratings Distribution chart. ALL rated stocks have a target price which represents the analyst’s best estimate of the fundamental value of the stock on a 12 month forward basis.

BUY ≥ 15% absolute upside performance expected within the next 12 months

SELL ≥ 15% absolute downside performance expected within the next 12 months

NEUTRAL: A stock under coverage with insufficient upside or downside to justify a BUY or SELL rating. For purposes only of FINRA/NYSE ratings distribution rules, our Neutral rating falls into a hold rating category.

Rating Distribution**Haitong International Equity Research Ratings Distribution, as of June 30, 2017**

	BUY	Neutral (hold)	SELL
HTI Equity Research Coverage	73%	16%	11%
IB clients*	3%	6%	11%

*Percentage of investment banking clients in each rating category.

For purposes only of FINRA/NYSE ratings distribution rules, our Neutral rating falls into a hold rating category. Please note that stocks with an NR designation are not included in the table above.

Haitong International Non-Rated Research: Haitong International publishes quantitative, screening or short reports which may rank stocks according to valuation and other metrics or may suggest prices based on possible valuation multiples. Such rankings or suggested prices do not purport to be stock ratings or target prices or fundamental values and are for information only.

HTI Equity-Style Portfolios: Stocks are selected for Haitong International’s equity-style portfolio products based on six different strategies: Value, Quality, Growth, Risk, Momentum and US Exposure. Each quarter, HTI’s rated coverage is screened based on the selection criterion for each strategy and using a scoring methodology, the top 20 stocks for each strategy are identified and assigned to the portfolios. Note that the quantitative screening used to rank stocks for the HTI equity-style portfolios is separate from the fundamental analysis employed by HTI sector analysts, so there may be differences in the assessments of individual stocks.

HTI Themes: The Haitong International research department periodically identifies a select number of themes that it believes have longevity and identifies stocks from among its rated coverage that are relevant for these themes. These themes and the relevant stocks are reviewed on a quarterly basis. Note that the strategic attractiveness of a general theme may be different from the fundamental assessments of individual stocks within that theme.

Related SCNet Visits: The designation of a related SCNet visit means that the specified Haitong International non-rated company visit reports may provide additional perspective with regard to HTI’s rated coverage. The research department selects these related SCNet visit reports on a quarterly basis. The process of compiling and publishing unrated SCNet notes is separate from the fundamental assessment and publication of individual rated stocks.

Haitong International Coverage of A-Shares: Haitong International may cover and rate A-Shares that are subject to the Hong Kong Stock Connect scheme with Shanghai and Shenzhen. Haitong Securities (HS; 600837 CH), the ultimate parent company of HTISG based in Shanghai, covers and publishes research on these same A-Shares for distribution in mainland China. However, the rating system employed by HS differs from that used by HTI and as a result there may be a difference in the HTI and HS ratings for the same A-share stocks.

Haitong International Quality 100 A-share (Q100) Index: HTI’s Q100 Index is a quant product that consists of 100 of the highest-quality A-shares under coverage at HS in Shanghai. These stocks are carefully selected through a quality-based screening process in combination with a review of the HS A-share team’s bottom-up research. The Q100 constituent companies are reviewed quarterly.

IMPORTANT DISCLAIMER:

For research reports on non-Indian securities: The research report is issued by Haitong International Research Limited (“HTIRL”), a wholly owned subsidiary of Haitong International Securities Group Limited (“HTISGL”) and a licensed corporation to carry on Type 4 regulated activity (advising on securities) for the purpose of the Securities and Futures Ordinance (Cap. 571) of Hong Kong, with the assistance of Haitong International Japaninvest KK (“HTIJKK”), a wholly owned subsidiary of HTISGL and which is regulated as an Investment Adviser by the Kanto Finance Bureau of Japan.

For research reports on Indian securities: The research report is issued by Haitong Securities India Private Limited (“HSIPL”), an Indian company and a Securities and Exchange Board of India (“SEBI”) registered Stock Broker, Merchant Banker and Research Analyst that, inter alia, produces and distributes research reports covering listed entities on the BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”) (collectively referred to as “Indian Exchanges”). HSIPL was acquired and became part of the Haitong International Securities Group of Companies (“HTISG”) on 22 December 2016.

All the research reports are globally branded under the name Haitong International and approved for distribution by Haitong International Securities Company Limited (“HTISCL”) and/or Haitong International Investment Services Limited (“HTIIS”), and/or any other members within HTISG in their respective jurisdictions.

The information and opinions contained in this research report have been compiled or arrived at from sources believed to be reliable and in good faith but no representation or warranty, express or implied, is made by HTIRL, HTISCL, HTIIS, HSIPL, HTIJKK or any other members within HTISG from which this research report may be received, as to their accuracy, completeness or correctness. All opinions expressed herein are as of the date of this research report and are subject to change without notice. This research report is for information purpose only. Descriptions of any companies or their securities mentioned herein are not intended to be complete and this research report is not, and should not be construed expressly or impliedly as, an offer to buy or sell securities. The securities referred to in this research report may not be eligible for purchase or sale in some jurisdictions. If an investment product is denominated in a currency other than an investor’s home currency, a change in exchange rates may adversely affect the investment. Past performance is not necessarily indicative of future results. Certain transactions, including those involving derivatives, give rise to substantial risk and are not suitable for all investors. You should also bear in mind that recommendations in this research report are not tailor-made for you. The analyst has not taken into account your unique financial circumstances, such as your financial situation and risk appetite. You must, therefore, analyze and should, where applicable, consult your own legal, tax, accounting, financial and other professional advisers to evaluate whether the recommendations suits you before investment. Neither HTISG nor any of its directors, employees or agents accepts any liability whatsoever for any direct or consequential loss arising from any use of the materials contained in this research report.

HTISG and our affiliates, officers, directors, and employees, excluding the analysts responsible for the content of this document, 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 report. Sales, traders, and other professionals of HTISG may provide oral or written market commentary or trading strategies to the relevant clients and the companies within HTISG that reflect opinions that are contrary to the opinions expressed in this research report. HTISG may make investment decisions that are inconsistent with the recommendations or views expressed in this research report. HTI is under no obligation to ensure that such other trading decisions, ideas or recommendations are brought to the attention of any recipient of this research report.

Please refer to HTI’s website www.equities.htisec.com for further information on HTI’s organisational and administrative arrangements set up for the prevention and avoidance of conflicts of interest with respect to Research.

Non U.S. Analyst Disclosure: The HTI analyst(s) listed on the cover of this Research is (are) not registered or qualified as a research analyst with FINRA and are not subject to U.S. FINRA Rule 2241 restrictions on communications with companies that are the subject of the Research; public appearances; and trading securities by a research analyst.

DISTRIBUTION AND REGIONAL NOTICES:

Except as otherwise indicated below, any Recipient wishing to discuss this research report or effect any transaction in any security discussed in HTI’s research should contact the Haitong International salesperson in their own country or region.

Notice to Hong Kong investors: The research report is distributed by Haitong International Securities Company Limited (“HTISCL”) and/or Haitong International Investment Services Limited (“HTIIS”), both licensed corporations to carry on Type 1 regulated activity (dealing in securities) in Hong Kong. This research report does not constitute a solicitation or an offer of securities or an invitation to the public within the meaning of the SFO. This research report is only to be circulated to “Professional Investors” as defined in the SFO. This research report has not been reviewed by the Securities and Futures Commission. You should not make investment decisions solely on the basis of the information contained in this research report

Notice to U.S. investors: As described above, this research report was prepared by HTIRL, HSIPL or HTIJKK. Neither HTIRL, HSIPL, HTIJKK, nor any of the non U.S. HTISG affiliates is registered in the United States and, therefore, is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. This research report is provided for distribution to “major U.S. institutional investors” and “U.S. institutional investors” in reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended. When distributing research reports to “U.S. institutional investors,” HIT USA will accept the responsibilities for the content of the reports. Any U.S. recipient of this research report wishing to effect any transaction to buy or sell securities or related financial instruments based on the information provided in this research report should do so only through Haitong International Securities (USA) Inc. (“HTI USA”), located at 850 Third Avenue, Suite 9B, New York, NY 10022; telephone (212) 867-7300. HTI USA is a broker-dealer registered in the U.S. with the U.S. Securities and Exchange Commission (the “SEC”) and a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”). HTI USA is not responsible for the preparation of this research report nor for the analysis contained therein. Under no circumstances should any U.S. recipient of this research report contact the analyst directly or effect any transaction to buy or sell securities or related financial instruments directly through HSIPL, HTIRL or HTIJKK. The HSIPL, HTIRL or HTIJKK analyst(s) whose name appears in this research report is not registered or qualified as a research analyst with FINRA and, therefore, may not be subject to FINRA Rule 2241 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account. Investing in any non-U.S. securities or related financial instruments (including ADRs) discussed in this research report may present certain risks. The securities of non-U.S. issuers may not be registered with, or be subject to U.S. regulations. Information on such non-U.S. securities or related financial instruments may be limited. Foreign companies may not be subject to audit and reporting standards and regulatory requirements comparable to those in effect within the U.S. The value of any investment or income from any securities or related financial instruments discussed in this research report denominated in a currency other than U.S. dollars is subject to exchange rate fluctuations that may have a positive or adverse effect on the value of or income from such securities or related financial instruments.

All inquiries by U.S. recipients should be directed to:

Haitong International Securities (USA) Inc.
850 Third Avenue, Suite 9B
New York, NY 10022
Attn: Sales Desk at (212) 867-7300

People's Republic of China (PRC): In the PRC, the research report is directed for the sole use of those who receive the research report in accordance with the applicable PRC laws and regulations. Further, the information on the research report does not constitute "production and business activities in the PRC" under relevant PRC laws. This research report does not constitute a public offer of the security, whether by sale or subscription, in the PRC. Further, no legal or natural persons of the PRC may directly or indirectly purchase any of the security or any beneficial interest therein without obtaining all prior PRC government approvals or licenses that are required, whether statutorily or otherwise. Persons who come into possession of this research are required to observe these restrictions.

Notice to Canadian investors: Under no circumstances is this research report to be construed as an offer to sell securities or as a solicitation of an offer to buy securities in any jurisdiction of Canada. Any offer or sale of the securities described herein in Canada will be made only under an exemption from the requirements to file a prospectus with the relevant Canadian securities regulators and only by Haitong International Securities (USA) Inc., a dealer relying on the "international dealer exemption" under National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations ("NI 31-103") in Alberta, British Columbia, Ontario and Quebec. This research report is not, and under no circumstances should be construed as, a prospectus, an offering memorandum, an advertisement or a public offering of any securities in Canada. No securities commission or similar regulatory authority in Canada has reviewed or in any way passed upon this research report, the information contained herein or the merits of the securities described herein and any representation to the contrary is an offence. Upon receipt of this research report, each Canadian recipient will be deemed to have represented that the investor is an "accredited investor" as such term is defined in section 1.1 of National Instrument 45-106 Prospectus Exemptions or, in Ontario, in section 73.3(1) of the Securities Act (Ontario), as applicable, and a "permitted client" as such term is defined in section 1.1 of NI 31-103, respectively.

Notice to Singapore investors: This research report is provided in Singapore by or through Haitong International Securities (Singapore) Pte Ltd ("HTISSPL") [Co Reg No 201306644N], which is an Exempt Financial Adviser as defined in the Financial Advisers Act ("FAA") and regulated by the Monetary Authority of Singapore, and is only provided to accredited investors, expert investors and institutional investors, as defined in Section 4A of the Securities and Futures Act, Cap. 289. Recipients of this research report are to contact HTISSPL in respect of any matters arising from, or in connection with, the research report. If you are an accredited investor or expert investor, please be informed that in our dealings with you, we are relying on certain exemptions to the Financial Advisers Act, Cap. 110 ("FAA") - (1) the exemption in Regulation 33 of the Financial Advisers Regulations ("FAR"), which exempts us from complying with Section 25 of the FAA on disclosure of product information to clients; (2) the exemption set out in Regulation 34 of the FAR, which exempts us from complying with Section 27 of the FAA on recommendations; and (3) the exemption set out in Regulation 35 of the FAR, which exempts us from complying with Section 36 of the FAA on disclosure of certain interests in securities.

Notice to Japanese investors: This research report is distributed by Haitong International Japaninvest KK ("HTIJKK"), which is regulated as an Investment Adviser by the Kanto Finance Bureau of Japan. This research report is solely and exclusively directed at, and made available only to "Qualified Institutional Investors" as defined in the Financial Instruments and Exchange Law of Japan.

Notice to UK investors: This research report is distributed by Haitong International Securities (UK) Limited, which is authorised and regulated by the UK Financial Conduct Authority. The research report (and any advice contained therein) is directed only at, and made available only to, professional clients and eligible counterparties (as defined in the Financial Conduct Authority's rules) who are clients of Haitong International Securities (UK) Limited.

Notice to Australian investors: The research report is distributed in Australia by Haitong International Securities (Singapore) Pte Ltd, Haitong International Securities Company Limited, and Haitong International Securities (UK) Limited in reliance on ASIC Class Order 03/1102, 03/1103 or 03/1099, respectively, which exempts those HTISG entities from the requirement to hold an Australian financial services license under the Corporations Act 2001 in respect of the financial services it provides to wholesale clients in Australia. A copy of the ASIC Class Orders may be obtained at the following website, www.legislation.gov.au. Financial services provided by Haitong International Securities (Singapore) Pte Ltd, Haitong International Securities Company Limited, and Haitong International Securities (UK) Limited are regulated under foreign laws and regulatory requirements, which are different from the laws applying in Australia.

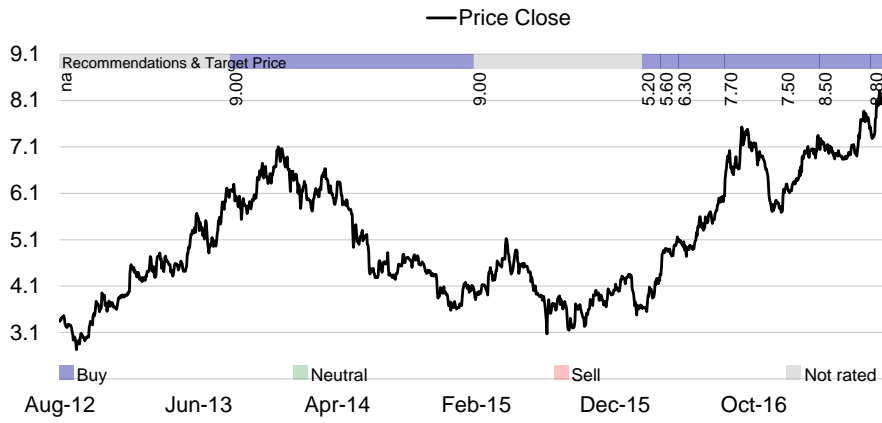
Notice to Indian investors: The research report is distributed by Haitong Securities India Private Limited ("HSIPL"), an Indian company and a Securities and Exchange Board of India ("SEBI") registered Stock Broker, Merchant Banker and Research Analyst that, inter alia, produces and distributes research reports covering listed entities on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") (collectively referred to as "Indian Exchanges").

This research report is intended for the recipients only and may not be reproduced or redistributed without the written consent of an authorized signatory of HTISG.

Copyright: Haitong International Securities Group Limited 2017. All rights reserved.

<http://equities.htisec.com/x/legal.html>

Recommendation Chart



Date	Recommendation	Target (HK\$)	Price (HK\$)
2017-06-22	Buy	8.80	7.28
2017-03-01	Buy	8.50	7.28
2016-12-09	Buy	7.50	6.19
2016-08-05	Buy	7.70	6.65
2016-04-25	Buy	6.30	5.05
2016-03-16	Buy	5.60	4.53
2016-02-05	Buy	5.20	3.64
2015-01-30	Not rated	-	3.85
2013-08-12	Buy	9.00	6.17

Source: Company data Bloomberg, HTI estimates

Definitions for Key Investment Metrics

Business Growth

This is the metric which matches the top line in our report.

Business profit

This is the metric which best represents operating profit in our report

Shareholder Returns

Return on Equity

Balance Sheet Risk

Net Debt to Equity