

30 August 2019

Australia

EQUITIES

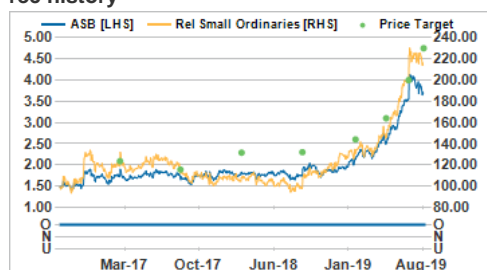
ASB AU Outperform
Price (at 06:10, 29 Aug 2019 GMT) A\$3.69

Valuation	A\$	3.94-4.26
- EV/EBITA		
12-month target	A\$	4.75
12-month TSR	%	+30.7
Volatility Index		Low/Medium
GICS sector		Capital Goods
Market cap	A\$m	1,309
30-day avg turnover	A\$m	7.1
Number shares on issue	m	354.7

Investment fundamentals

Year end 30 Jun		2018A	2019E	2020E	2021E
Revenue	m	1,392.0	1,865.8	1,981.3	1,915.2
EBITDA	m	102.3	135.0	155.1	163.2
EBIT	m	65.0	92.8	111.5	120.3
EBIT growth	%	10.7	42.8	20.1	7.9
Reported profit	m	39.0	61.4	75.9	82.5
Adjusted profit	m	39.0	61.4	75.9	82.5
Gross cashflow	m	76.3	103.6	119.5	125.4
CFPS	¢	21.8	29.5	33.8	35.5
CFPS growth	%	18.4	35.3	14.7	4.9
PGCFPS	x	16.9	12.5	10.9	10.4
PGCFPS rel	x	1.23	1.05	1.02	0.98
EPS adj	¢	11.1	17.5	21.5	23.4
EPS adj growth	%	18.9	56.8	23.0	8.7
PER adj	x	33.1	21.1	17.2	15.8
PER rel	x	1.49	1.05	1.01	0.99
Total DPS	¢	5.0	6.0	7.0	7.5
Total div yield	%	1.4	1.6	1.9	2.0
Franking	%	0	0	0	0
ROA	%	6.2	7.5	8.2	8.5
ROE	%	7.8	10.4	11.6	11.6
EV/EBITDA	x	12.1	9.3	8.1	7.7
Net debt/equity	%	4.2	-16.2	-22.1	-30.3
P/BV	x	2.4	2.1	1.9	1.8

ASB AU rel Small Ordinaries performance, & rec history



Note: Recommendation timeline - if not a continuous line, then there was no Macquarie coverage at the time or there was an embargo period.

Source: FactSet, Macquarie Research, August 2019

(all figures in AUD unless noted)

Analysts

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Austal (ASB AU)

Record result, boatloads to come...

Key points

- ▶ FY19 record result, all metrics improved, OCF standout, FY20 outlook +ve
- ▶ US core firing, Australasia ~\$20m EBIT turnaround, Support now 16% sales
- ▶ OP. FY19 result increases confidence in strong growth profile MT ~19x PE

FY19 result a record high, every metric improved

- Solid result vs MRE: EBIT +1%, NPAT +7%, OCF exceptional, outlook strong.

Past investments paying dividends, operations continue to improve

- **US operations are firing, upside risk to future forecasts.** EBIT +31% to \$106m (includes a -\$8.5m provision), US Shipbuilding margin 7.9%, +50bps YoY with FY20 guidance upgraded to 7.5-8.5%, US support revenue +67% YoY, margin +90bps to 7.3%. While better operational efficiency is the primary driver of recent margin expansion, LCS vessels 28 & beyond have been won at much higher margins that will drive further expansion FY19-22.
- **Australasia transition year delivered a ~\$20m EBIT turnaround YoY.** Revenue \$393m +65% YoY & EBIT \$11.7m (-\$8.5m pcp) driven by strong order book and throughput. Recent investment increased Asian capacity ~3x, transformed the cost base with ongoing operational improvements expected as the workforce and operations mature.
- **Support revenue ~\$300m now 16% of revenue, +38% YoY.** EBIT \$22m +64% YoY, margin +110bps to 7.3%. Mgmt remain bullish on outlook as more LCS are deployed: APAC presence increasing with US opening a support base in Singapore. ASB recently completed its first two dry-docking projects on or ahead of time, a significant achievement continuing to build on Austal's strong US brand equity primarily gained from the construction phase to date.
- **OCF \$165m a standout (\$65.6m pcp).** Cash conversion 123% (67% pcp) strong. Net cash \$151m (\$34m pcp). Cash flow was boosted by ~\$66m net advance progress payments, but excluding these, OCF and conversion still significantly up on pcp. Mgmt expect strong cash conversion again in FY20.

FY19 result & FY20 outlook shows there is boatloads to come...

- FY20 EBIT guidance maintained >\$105m (despite planned R&D costs +~3x), revenue >\$1.9b, US shipbuilding margin 7.5-8.5%, Australasia revenue +25%.

Earnings and target price revision

- EPS: FY20E/21E +10%/+18%. TP +19% to \$4.75ps in line with revisions.

Price catalyst

- 12-month price target: A\$4.75 based on an EV/EBITA methodology.
- Catalyst: Vessel awards, ongoing delivery of operational improvements.

Action and recommendation

- In May, we outlined the significant upside risk to medium-term earnings driven by strong execution in the US and an Australasia turnaround (see [All aboard](#)). The FY19 result provides further confidence that ongoing operational efficiency benefits will be delivered across the US and Australasian facilities, providing a clear path to sustainable earnings growth medium term. Order book on core programs shored up to ~2025/2022 (LCS/EPF) with a solid order book and numerous tender opportunities in the commercial & defence segments ex-US. Valuation attractive ~19x FY20e PE given growth profile with upside risk. **Maintain Outperform.**

Fig 1 ASB FY19 result review

The good...	...the not so good...	...and the interesting
<ul style="list-style-type: none"> Result in line with guidance ~\$92m EBIT, FY20 EBIT guidance of no less than \$105m and increased margin range to 7.5% to 8.5% (prev. 7.0% - 8.0%) OCF \$113.6m (\$65.6m pcg) & Cash conversion 123% (67% pcg) exceptional. Net cash \$151m, significantly improved from \$34m in FY18. FY20 cash conversion expected to be strong. Operating results (revenue & EBIT) all improved over FY18 and expect to further improve in FY20. Core US segment continues to fire: EBIT +31% to \$106m (includes a - \$8.5m provision), US Shipbuilding margin 7.9%, +50bps YoY with FY20 guidance upgraded to 7.5-8.5%, US support revenue +67% YoY, margin +90bps to 7.3%. US margin upside: While better operational efficiency is the primary driver of recent margin expansion, recent LCS vessels have been won at much higher margins that will drive further expansion FY19-22. US Shipbuilding margin +50bps to 7.9%. This is at the top end of 7-8% guidance range with FY20 guidance increased to 7.5-8.5%. Australasia region delivered a huge turnaround (~\$20m EBIT). Throughput levels are justifying the investment made across the facilities, with margins expanding 660bps to 3.0%. With a solid order book, we expect ongoing improvement as efficiency of the workforce and new facilities continues to increase. Australasian shipbuilding revenue increased ~2x to \$320m returned to EBIT profitability as forecast at 1H19 result. Total FY20 revenue (ships & support) expected to be ~25% above FY19. Guardian Class Patrol Boat program on time and on budget. 4/5 vessels have now been delivered, a solid effort so early in the 21 vessel program that is the first steel vessel program completed by Austal. 	<ul style="list-style-type: none"> No further commercial vessel awards at the FY19 result. We understand Austal has several later stage tenders underway and we expect given normal conversion rates there will be further award in the next 6 months. ASB have a solid order book, but we would expect will need to win more commercial vessels by end-FY20 to fully leverage the recent expansion. 	<ul style="list-style-type: none"> On 15 August 2019, Austal responded to media speculation that it was part of a consortium in negotiations to purchase the former Hanjin Heavy Industries shipyard at Subic Bay, Philippines. No further comment was provided, however Mgmt. noted even if they were involved in a transaction, there would be no requirement for a capital raising at all. Support revenues +39% YoY. We expect revenues to continue to build as Austal delivers more vessels globally. The LCS program is the biggest driver of support revenue and the US have recently opened a support base in Singapore, highlighting the ongoing expansion of operational deployment Philippines have announced intent to purchase OPVs that we estimate could be worth ~A\$800m? Media speculation in July 2019 pointed to contract award potentially by end CY19, but could slip into H1CY20. LCS dry dock work has been delivered exceptionally well to date. Austal has completed 2x projects and noted one was on time, the second ahead. In terms of prior US naval history, they understand this is quite an accomplishment.

Source: Company data, Macquarie Research, August 2019

Fig 2 ASB FY19 result summary

	FY17(a)	FY18(a)	FY19(a)	Change	MRE	Diff
Revenue	1310.1	1392.0	1865.8	34%	1876.2	(1%)
EBITDA	90.2	102.3	135.0	32%	131.2	3%
Depreciation	31.5	37.3	42.2	13%	39.6	7%
Amortisation of g	0.0	0.0	0		0	
EBIT	58.7	65.0	92.8	43%	91.6	1%
Net Interest expe	5.7	8.2	7.2	-12%	7.4	(2%)
Pre-Tax Profit	53.0	56.8	85.6	51%	84.2	2%
Tax Expense	20.3	17.8	24.2	36%	27.0	(10%)
Net Profit	32.7	39.0	61.4	57%	57.3	7%
Outside equity in	0.0	0.0	0.0		0.0	
Net ISIs	-17.3	0.0	0.0		0.0	
Reported Earnings	15.3	39.0	61.4	57%	57.3	7%
Adjusted Earnings	32.7	39.0	61.4	57%	57.3	7%
Gross Cashflow	64.2	76.3	103.6	36%	96.9	7%
EPS (Adj/dil)	9.4	11.1	17.5	57%	16.3	7%
EPS growth	0.3%	18.9%	0.0		0.5	
EBITDA %	6.9%	7.3%	7.2%		7.0%	
EBIT %	4.5%	4.7%	5.0%		4.9%	
NPAT %	2.5%	2.8%	3.3%		3.1%	

Source: Macquarie Research, August 2019

Fig 3 ASB FY19 earnings revisions

	New forecasts			Old forecasts			Change		
	FY19(a)	FY20(e)	FY21(e)	FY19(a)	FY20(e)	FY21(e)	FY19(a)	FY20(e)	FY21(e)
Revenue	1865.8	1981.3	1915.2	1876.2	1807.9	1743.6	(0.6%)	9.6%	9.8%
EBITDA	135.0	155.1	163.2	131.2	145.5	144.0	2.9%	6.6%	13.3%
Depreciation	42.2	43.6	42.8	39.6	39.2	38.0	6.6%	11.2%	12.7%
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0			
EBIT	92.8	111.5	120.3	91.6	106.3	106.0	1.3%	4.9%	13.5%
Net Interest expense	7.2	6.0	5.7	7.4	5.2	5.0	(1.9%)	16.7%	13.0%
Pre-Tax Profit	85.6	105.5	114.6	84.2	101.2	101.0	1.6%	4.2%	13.5%
Tax Expense	24.2	29.5	32.1	27.0	32.4	31.3	(10.3%)	(8.8%)	2.5%
Net Profit	61.4	75.9	82.5	57.3	68.8	69.7	7.2%	10.4%	18.4%
Outside equity interests	0.0	0.0	0.0	0.0	0.0	0.0			
Net ISIs	0.0	0.0	0.0	0.0	0.0	0.0			
Reported Earnings	61.4	75.9	82.5	57.3	68.8	69.7	7.2%	10.4%	18.4%
Adjusted Earnings	61.4	75.9	82.5	57.3	68.8	69.7	7.2%	10.4%	18.4%
Gross Cashflow	103.6	119.5	125.4	96.9	108.0	107.7	7.0%	10.7%	16.4%
EPS (Adj/dil)	17.5	21.5	23.4	16.3	19.5	19.8	7.2%	10.0%	18.0%
EPS growth	56.9%	23.0%	8.7%	46.3%	19.9%	1.3%	22.8%	15.4%	564.8%
EBITDA/Sales	7.2%	7.8%	8.5%	7.0%	8.0%	8.3%			
EBIT/Sales	5.0%	5.6%	6.3%	4.9%	5.9%	6.1%			

Source: Company data, Macquarie Research, August 2019

Fig 4 ASB financials

Austal Limited (ASB:\$4.06)

30-Aug-19

Interim results		2H18(a)	1H19(a)	2H19(a)	1H20(e)	Profit & Loss		2019A	2020E	2021E	2022E
Revenue		744.3	851.5	1014.3	941.6	Revenue	\$m	1865.8	1981.3	1915.2	1915.2
EBITDA	\$m	55.8	60.7	74.4	72.5	EBITDA	\$m	135.0	155.1	163.2	169.4
Depreciation	\$m	20.0	20.3	21.9	21.8	Depreciation	\$m	42.2	43.6	42.8	42.1
Amortisation of goodwill	\$m	0.0	0.0	0.0	0.0	Amortisation of goodwill	\$m	0.0	0.0	0.0	0.0
EBIT	\$m	35.8	40.4	52.5	50.7	EBIT	\$m	92.8	111.5	120.3	127.3
Net Interest expense	\$m	4.3	4.1	3.2	3.0	Net interest expense	\$m	7.2	6.0	5.7	5.3
Pre-Tax Profit	\$m	31.4	36.3	49.3	47.7	Pre-Tax Profit	\$m	85.6	105.5	114.6	122.0
Tax Expense	\$m	18.0	12.6	11.5	13.4	Tax Expense	\$m	24.2	29.5	32.1	34.2
Net Profit	\$m	13.4	23.7	37.8	34.3	Net Profit	\$m	61.4	75.9	82.5	87.9
Outside equity interests	\$m	0.0	0.0	0.0	0.0	Outside equity interests	\$m	0.0	0.0	0.0	0.0
Net Abn/Extra	\$m	0.0	0.0	0.0	0.0	Net Abnormals/Extra.	\$m	0.0	0.0	0.0	0.0
Reported Earnings	\$m	13.4	23.7	37.8	34.3	Reported Earnings	\$m	61.4	75.9	82.5	87.9
Adjusted Earnings	\$m	13.4	23.7	37.8	34.3	Adjusted Earnings	\$m	61.4	75.9	82.5	87.9
Gross Cashflow	\$m	47.8	54.0	66.6	56.1	Gross Cashflow	\$m	120.5	124.8	128.0	132.1
EPS (Adj/dil)	c	3.8	6.7	10.7	9.7	EPS (adj/diluted)	c	17.5	21.5	23.4	24.9
EPS growth	%	-5.2	-7.7	179.8	44.1	EPS growth	%	57%	23%	9%	6%
CFPS	c	23.5	29.0	17.8	15.4	PE (adj)	x	23.2	18.9	17.4	16.3
CFPS Growth	%	1281.5	nmf	-24.4	-47.0	CFPS	c	46.8	30.5	37.4	36.8
EBITDA/Sales	%	7.5	7.1	7.3	7.7	CFPS Growth	%	149.9	-34.9	22.6	-1.6
EBIT/Sales	%	4.8	4.7	5.2	5.4	PGCFPS	x	8.7	13.3	10.9	11.0
Earnings Split	%	34.4	38.5	61.5	45.2	DPS	c	6.0	7.0	7.5	7.5
Revenue Growth	%	12.5	31.5	36.3	10.6	Yield	%	1.5	1.7	1.8	1.8
EBIT Growth	%	31.0	38.1	45.8	25.6	Franking	%	-	-	-	50.0
Profit and Loss ratios		2019A	2020E	2021E	2022E	Cashflow Analysis		2019A	2020E	2021E	2022E
Revenue Growth	%	34.0	6.2	-3.3	0.0	Pre-tax Profit	\$m	85.6	105.5	114.6	122.0
EBIT Growth	%	42.4	20.1	7.9	5.8	Depreciation & Amortisation	\$m	42.2	43.6	42.8	42.1
EBITDA/Sales	%	7.2	7.8	8.5	8.8	Tax Paid	\$m	-7.3	-24.2	-29.5	-32.1
EBIT/Sales	%	5.0	5.6	6.3	6.6	Gross cashflow	\$m	120.5	124.8	128.0	132.1
Effective tax rate	%	28.2	28.0	28.0	28.0	Changes in working capital	\$m	-24.0	-11.8	6.7	0.0
Payout ratio	%	34.3	32.6	32.1	30.2	Other	\$m	68.0	-5.3	-2.6	-2.1
EV/EBITDA	x	14.3	11.5	10.1	9.0	Operating Cashflow	\$m	164.5	107.7	132.1	130.0
EV/EBITDA	x	9.8	8.3	7.4	6.7	Acquisitions	\$m	0.0	0.0	0.0	0.0
EV/Sales	x	0.7	0.6	0.6	0.6	Capex - Plant & Equip.	\$m	-41.5	-34.1	-33.0	-33.0
Balance sheet ratios						Asset Sales	\$m	3.9	0.0	0.0	0.0
ROE	%	10.4	11.6	11.6	11.4	Other	\$m	-0.1	0.0	0.0	0.0
ROA	%	7.5	8.2	8.5	8.7	Investing cashflow	\$m	-37.7	-34.1	-33.0	-33.0
ROFE	%	16.9	21.0	23.0	25.0	Dividend (ordinary)	\$m	-19.2	-24.7	-26.5	-26.5
Net Debt	\$m	-101.9	-150.8	-223.4	-294.0	Equity raised	\$m	0.0	0.0	0.0	0.0
Net Debt/Equity	%	< 0	< 0	< 0	< 0	Other	\$m	0.0	0.0	0.0	0.0
Interest Cover	x	12.8	18.5	21.2	24.2	Financing cashflow	\$m	-19.2	-24.7	-26.5	-26.5
Price/NTA	x	2.4	2.2	2.0	1.8	Net Change in cash/debt	\$m	107.6	48.9	72.6	70.5
NTA per share	\$	1.73	1.87	2.03	2.20	Balance Sheet		2019A	2020E	2021E	2022E
EFPOWA	m	351.5	353.4	353.4	353.4	Cash	\$m	275.7	324.6	397.2	467.7
Historical performance		2016A	2017A	2018A	2019A	Receivables	\$m	225.3	239.2	231.2	231.2
Revenue	\$m	1338.9	1310.1	1392.0	1865.8	Inventories	\$m	167.0	177.4	171.5	171.5
EBITDA	\$m	65.0	90.2	102.3	135.0	Investments	\$m	11.9	11.9	11.9	11.9
Depreciation/Amortisation	\$m	29.9	31.5	37.3	42.2	Property, plant & equipment	\$m	588.4	578.9	569.1	559.9
EBIT	\$m	35.1	58.7	65.0	92.8	Intangibles	\$m	20.7	20.7	20.7	20.7
Net interest expense	\$m	5.5	5.7	8.2	7.2	Other Assets	\$m	38.3	38.3	38.3	38.3
Pre-Tax Profit	\$m	29.6	53.0	56.8	85.6	Total Assets	\$m	1327.3	1391.0	1439.9	1501.3
Tax Expense	\$m	4.6	20.3	17.8	24.2	Payables	\$m	202.3	214.8	207.7	207.7
Net Profit	\$m	25.0	32.7	39.0	61.4	Short Term Debt	\$m	51.2	51.2	51.2	51.2
Net Abn/Extra	\$m	-109.2	-17.3	0.0	0.0	Long Term Debt	\$m	122.5	122.5	122.5	122.5
EPS (adj/dil)	c	7.2	9.4	11.1	17.5	Other Liabilities	\$m	320.5	320.5	320.5	320.5
EPS growth	%	-0.4	0.3	0.2	0.6	Total Liabilities	\$m	696.5	709.1	701.9	701.9
Ordinary DPS	c	4.0	4.0	5.0	6.0	Shareholders Funds	\$m	630.8	682.0	738.0	799.4
EBITDA/Sales	%	4.9	6.9	7.3	7.2	Minority Interests	\$m	0.0	0.0	0.0	0.0
EBIT/Sales	%	2.6	4.5	4.7	5.0	Total Shareholders Equity	\$m	630.8	682.0	738.0	799.4
ROE	%	5.1	7.1	7.8	10.4	Total Funds employed	\$m	1,327.3	1,391.0	1,439.9	1,501.3
ROFE	%	7.6	12.9	12.1	16.9						
EFPOWA	m	347.7	349.0	350.3	351.5						

Source: Company data, Macquarie Research, August 2019

Macquarie Quant Alpha Model Views

The Quant View page below has been derived from models that are developed and maintained by Sales and Trading personnel at Macquarie. The models are not a product of the Macquarie Research Department.

The quant model currently holds a strong positive view on Austal. The strongest style exposure is Price Momentum, indicating this stock has had strong medium to long term returns which often persist into the future. The weakest style exposure is Profitability, indicating this stock is not efficiently converting investments to earnings; proxied by ratios like ROE or ROA.

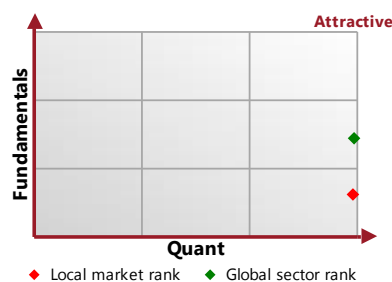
22/2005

Global rank in
Capital Goods

% of BUY recommendations 25% (1/4)

Number of Price Target downgrades 1

Number of Price Target upgrades 4

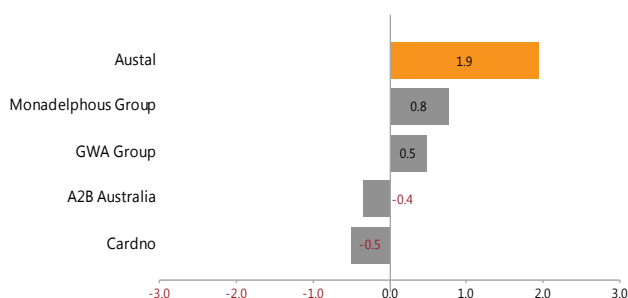


Displays where the company's ranked based on the fundamental consensus Price Target and Macquarie's Quantitative Alpha model.

Two rankings: Local market (Australia & NZ) and Global sector (Capital Goods)

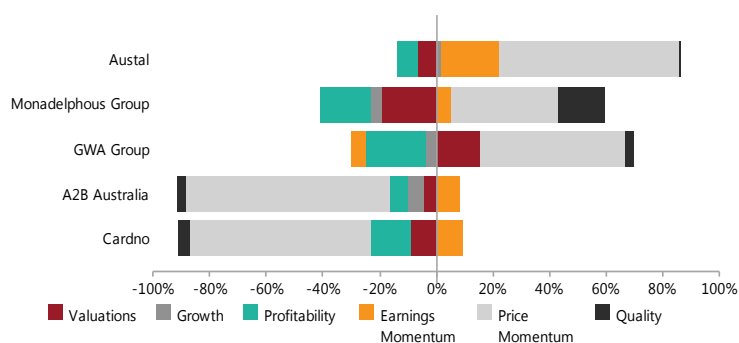
Macquarie Alpha Model ranking

A list of comparable companies and their Macquarie Alpha model score (higher is better).



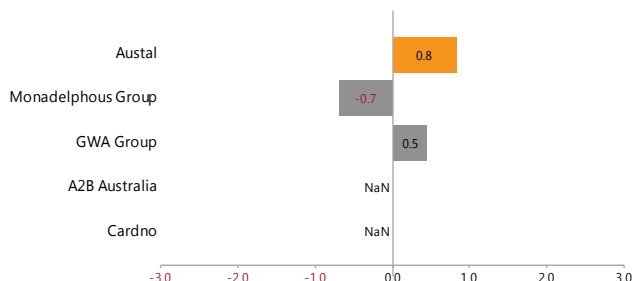
Factors driving the Alpha Model

For the comparable firms this chart shows the key underlying styles and their contribution to the current overall Alpha score.



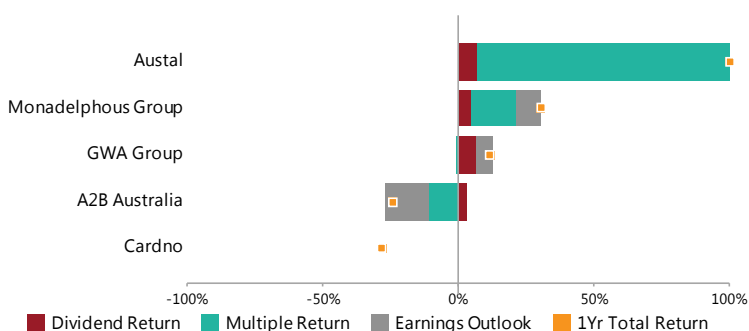
Macquarie Earnings Sentiment Indicator

The Macquarie Sentiment Indicator is an enhanced earnings revisions signal that favours analysts who have more timely and higher conviction revisions. Current score shown below.



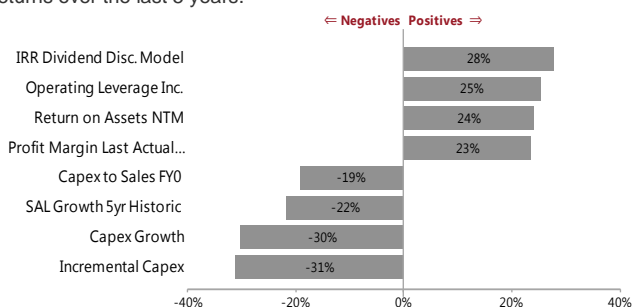
Drivers of Stock Return

Breakdown of 1 year total return (local currency) into returns from dividends, changes in forward earnings estimates and the resulting change in earnings multiple.



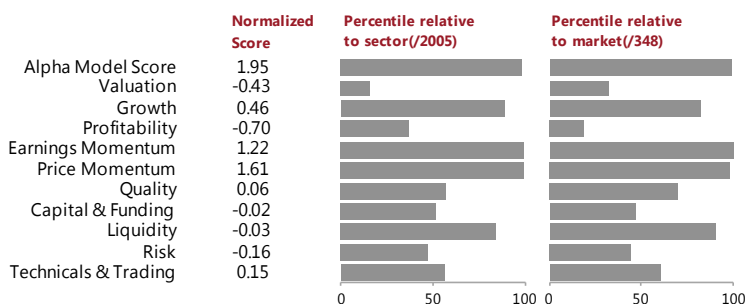
What drove this Company in the last 5 years

Which factor score has had the greatest correlation with the company's returns over the last 5 years.



How it looks on the Alpha model

A more granular view of the underlying style scores that drive the alpha (higher is better) and the percentile rank relative to the sector and market.



Source (all charts): FactSet, Thomson Reuters, and Macquarie Quant. For more details on the Macquarie Alpha model or for more customised analysis and screens, please contact the Macquarie Global Quantitative/Custom Products Group (cpg@macquarie.com)

Important disclosures:

Recommendation definitions

Macquarie – Asia, USA, Europe and Mazi Macquarie (SA):

Outperform – expected return >10%
 Neutral – expected return from -10% to +10%
 Underperform – expected return <-10%

Macquarie - Australia/New Zealand

Outperform – expected return >10%
 Neutral – expected return from 0% to 10%
 Underperform – expected return <0%

Note: expected return is reflective of a Medium Volatility stock and should be assumed to adjust proportionately with volatility risk

Volatility index definition*

This is calculated from the volatility of historical price movements.

Very high–highest risk – Stock should be expected to move up or down 60–100% in a year – investors should be aware this stock is highly speculative.

High – stock should be expected to move up or down at least 40–60% in a year – investors should be aware this stock could be speculative.

Medium – stock should be expected to move up or down at least 30–40% in a year.

Low–medium – stock should be expected to move up or down at least 25–30% in a year.

Low – stock should be expected to move up or down at least 15–25% in a year.

* Applicable to select stocks in Asia/Australia/NZ

Recommendations – 12 months

Note: Quant recommendations may differ from Fundamental Analyst recommendations

Financial definitions

All "Adjusted" data items have had the following adjustments made:

Added back: goodwill amortisation, provision for catastrophe reserves, IFRS derivatives & hedging, IFRS impairments & IFRS interest expense
 Excluded: non-recurring items, asset revals, property revals, appraisal value uplift, preference dividends & minority interests

EPS = adjusted net profit / efpowa*

ROA = adjusted ebit / average total assets

ROA Banks/Insurance = adjusted net profit / average total assets

ROE = adjusted net profit / average shareholders' funds

Gross cashflow = adjusted net profit + depreciation

*equivalent fully paid ordinary weighted average number of shares

All Reported numbers for Australian/NZ listed stocks are modelled under IFRS (International Financial Reporting Standards).

Recommendation proportions – For quarter ending 30 June 2019

	AU/NZ	Asia	RSA	USA	EUR	
Outperform	47.41%	58.03%	49.38%	52.16%	51.95%	(for global coverage by Macquarie, 3.22% of stocks followed are investment banking clients)
Neutral	36.30%	29.24%	32.10%	42.65%	40.69%	(for global coverage by Macquarie, 3.02% of stocks followed are investment banking clients)
Underperform	16.30%	12.74%	18.52%	5.19%	7.36%	(for global coverage by Macquarie, 0.96% of stocks followed are investment banking clients)

ASB AU vs Small Ordinaries, & rec history



(all figures in AUD currency unless noted)

Note: Recommendation timeline – if not a continuous line, then there was no Macquarie coverage at the time or there was an embargo period.
 Source: FactSet, Macquarie Research, August 2019

12-month target price methodology

ASB AU: A\$4.75 based on a EV/EBITA methodology

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Date	Stock Code (BBG code)	Recommendation	Target Price
16-Jul-2019	ASB AU	Outperform	A\$4.00
09-May-2019	ASB AU	Outperform	A\$3.10
06-Feb-2019	ASB AU	Outperform	A\$2.60
30-Aug-2018	ASB AU	Outperform	A\$2.30
28-Feb-2018	ASB AU	Outperform	A\$2.29
28-Aug-2017	ASB AU	Outperform	A\$1.89
27-Feb-2017	ASB AU	Outperform	A\$2.09
29-Aug-2016	ASB AU	Outperform	A\$1.56

Target price risk disclosures:

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