

# Saracen Mineral Holdings

SAR-ASX

Rating  
Market PerformPrice: Aug-19  
A\$5.52Target ↑  
A\$6.50Total Rtn  
18%

## FY20 Earnings, Production, KCGM and 7-Year Plan

**Bottom Line:** After a very "newsy" couple of weeks, we have updated our model for FY20 earnings, a reserve and resource update, and long range guidance for the company. For the most part, the majority of the news was in line with investor expectations, but the KCGM update was most illuminating. The net impact of all these changes was to increase our target price to A\$6.50 (from A\$6.00).

### Key Points

**Financials.** Underlying net profit of A\$258 million was just slightly below our A\$272 million estimate after production of 146 koz had been previously released (See [Superpit Below Expectations](#)). It was also notable that owing to the large amount of capital to be spent in FY2021, the company also did not issue a dividend at year end. The dividend policy has since been amended so that a dividend will be declared when the company has a minimum net cash balance of A\$150m. The target payout ratio of 20-40% of NPAT remains.

**KCGM.** The maiden JORC resource for KCGM was higher than the previous (non-JORC) resource in all categories. That being said, there seems to still be plenty of optimization that could further improve economics and productivity at this mine. Our NPV rose modestly as a result of increased resources and a higher long term production run rate.

**Guidance.** For the two legacy assets (Carosue Dam and Thunderbox), our estimates were roughly in line with the top end of the 380-400 koz production guidance for FY21. We had been a little too enthusiastic about near term KCGM production, and following yesterday's release, we have added some conservatism to our model.

**Increasing our target price to \$A6.50.** After the most recent reserve and resource update, along with long range production guidance, the NPV for each of Saracen's assets increased slightly. Rolling our model forward into the next 12 months, which has a higher gold price forecast also elevated our CFPS slightly. Using the same multiples as before to set our price target, we now reach a A\$6.50 price target. We retain our Market Perform rating.

### Key Changes

Target	Estimates	1H / 21E	2021E	2022E
A\$6.50↑	Revenue	859	1,719	1,610
A\$6.00	Previous	943	1,904	1,660
	EPS		0.50	0.47
	Previous		0.53	0.48
	CFPS	0.32	0.64	0.63
	Previous	0.34	0.72	0.65

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BMO  Capital Markets

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Company Data		in AUD	
Dividend	AUD0.00	Shares O/S (mm)	1,107.6
Yield	0.0%	Market Cap (mm)	A\$6,114
NAV	\$4.17	P/NAV	1.3x
BMO Estimates		in AUD	
(FY- Jun .)	2020A	2021E	2022E
Revenue	1,077	1,719↓	1,610↓
EPS	0.25	0.50↓	0.47↓
CFPS	0.48	0.64↓	0.63↓
Gold Prod (koz)	520	627↓	647↓
AISC (\$/oz)	\$1,189	\$1,332↑	\$1,205↑
Consensus Estimates			
	2020A	2021E	2022E
EPS		0.37	0.44
Valuation			
	2020A	2021E	2022E
P/E	22.0x	11.0x	11.7x
P/CFPS	11.5x	8.6x	8.8x
EV/EBITDA	13.6x	5.9x	5.9x
Semi-Annual EPS		H1	H2
2020A		0.09	0.14
2021E		0.25	0.25
2022E		0.24	0.23

### Our Thesis

Saracen Mineral Holdings owns three Western Australia-based assets, with the most recent addition of the KCGM JV solidifying the company's position as a long-life, mid-tier gold producer. As SAR grows its production base and exploration adds to the reserve/resource base, we expect investors to reward the company with a premium valuation.

## Saracen Mineral Holdings - Block Summary Model

Income Statement		2020A	2021E	2022E
Revenue		1,077	1,719	1,610
Operating Costs		550	611	624
G&A		18	30	28
Depreciation		152	160	169
EBITDA		448	987	923
Tax		95	274	236
Adjusted Net Earnings		250	552	522
EPS		0.25	0.50	0.47
Cash Flow Statement		2020A	2021E	2022E
CFO		478	711	690
CFI		(1,315)	(479)	(230)
CFF		1,076	(217)	(234)
Free Cash Flow		218	231	460
FCF/Share		0.22	0.21	0.42
Balance Sheet		2020A	2021E	2022E
Cash & Equivalents		360	375	601
Long-Term Debt		122	0	0
Total Assets		2,525	2,858	3,145
Total Liabilities		966	869	801
Total Shareholders' Equity		1,558	1,989	2,344
Attrib. Production & Cash Costs		2020A	2021E	2022E
Gold Production - Carosue Dam (koz)		203	245	225
Gold Production - Thunderbox (koz)		185	144	183
Gold Production - Kalgoorlie (koz)		133	238	240
Total Gold Prodn (koz)		520	627	647
Total Gold Eq. Production (koz)		520	627	647
Total Cash Costs (\$/oz)		641	644	660
AISC (\$/oz)		\$1,189	\$1,332	\$1,205
Price Assumptions		2020A	2021E	2022E
Gold Price (US\$/oz)		1,563	1,814	1,700
Silver Price (US\$/oz)		16.88	18.81	17.75
Copper Price (US\$/lb)		2.58	2.75	2.54
USD:AUD		0.671	0.661	0.684

Source: BMO Capital Markets, Company Reports

## New Scenarios

**Valuation**

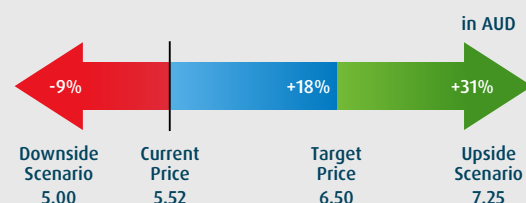
Our A\$6.50 target price is based on a 50% weighting assigned to a 1.5x P/NPV multiple (BMO metal prices, 5% discount rate) and a 50% weighting given to a 12.0x P/NTM CFPS multiple. SAR trades at 1.3x P/NPV and 8.6x P/NTM CFPS vs. the group, which trades at 1.7x P/NPV and 7.9x P/2021E CFPS.

**Upside Scenario** AUD7.25

The company has had great success in delineating reserves and resources at both Carosue Dam and Thunderbox at relatively shallow depths. The discovery of new mineralized zones, especially if they are higher grade, could move valuations significantly higher.

**Downside Scenario** AUD5.00

Saracen is transitioning from being an open-pit-centric producer to an underground-centric producer. Any significant stumbles on this path could have a dramatic effect on the production profile and financial health of the company.


**Key Catalysts**

A successful completion of the Thunderbox Open-Pit would aid in increasing the long-term production profile for the company. Further updates on the remediation plan for the east pit wall at the Fimiston open pit could provide clarity on the long-term prospects of the KCGM JV.

**Company Description**

Saracen Mineral Holdings is an ASX-listed company that operates the Carosue Dam and Thunderbox mines, and jointly operates the Kalgoorlie Super Pit, all of which are located in Western Australia


 SAR-ASX  
Research


Glossary


 Company  
Models

**Exhibit 1: SAR Block Model at BMO Metal Price Assumptions**

SARACEN MINERAL HOLDINGS			SAR
Recommendation	<b>Mkt</b>	Analyst	BQ
As at	19-Aug-20	<b>BMO Capital Markets</b>	
Year End	June		
Share Price	\$5.52 A\$/share	\$4.00 US\$/share	
Target Price	<b>\$6.50</b> A\$/share	<b>\$4.70</b> US\$/share	
Net Present Value	5% \$4.17 A\$/share	\$3.02 US\$/share	
	0% \$5.83 A\$/share	\$4.22 US\$/share	
Market Cap	6,088.5 A \$M	4,406.6 US \$M	
Ordinary Shares	1,103.0 M		
Options & Warrants	0.0 M		

PRICE ASSUMPTIONS - BMO PRICES						
(June Year End)						
		2018A	2019A	2020A	2021E	2022E
Exchange Rate	AUD:USD	0.78	0.72	0.67	0.66	0.68
Gold	US\$/oz	1,297	1,263	1,563	1,814	1,700
Silver	US\$/oz	16.72	15.00	16.88	18.81	17.75
Copper	US\$/lb	3.06	2.79	2.58	2.75	2.54
Zinc	US\$/lb	1.44	1.20	1.00	0.93	0.86
Oil	US\$/bbl	58.25	60.73	47.01	39.01	47.98

FINANCIAL SUMMARY						
(June Year End)						
		2018A	2019A	2020A	2021E	2022E
<b>NPAT (pre-Abs)</b>	<b>(AUD\$M)</b>	<b>69.3</b>	<b>100.7</b>	<b>249.7</b>	<b>551.8</b>	<b>521.6</b>
ADJUSTED EPS	(AUD\$/share)	0.09	0.12	0.25	0.50	0.47
PER	(x)	na	44.9x	22.0x	11.0x	11.7x
<b>EBITDA</b>	<b>(AUD\$M)</b>	<b>207.0</b>	<b>219.9</b>	<b>448.4</b>	<b>987.0</b>	<b>923.2</b>
EBITDA/share	(AUD\$/share)	0.25	0.27	0.45	0.89	0.84
EV/EBITDA	(x)	21.3x	20.1x	13.6x	5.9x	5.9x
<b>Cash Flow</b>	<b>(AUD\$M)</b>	<b>191.4</b>	<b>228.1</b>	<b>478.2</b>	<b>710.8</b>	<b>690.1</b>
Cash Flow/share	(AUD\$/share)	0.24	0.28	0.48	0.64	0.63
P/Cash Flow	(x)	23.4x	19.8x	11.5x	8.6x	8.8x
<b>Dividend</b>	<b>(AUD\$/share)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.11</b>	<b>0.15</b>
<b>Ordinary Shares</b>	<b>(M)</b>	<b>812.3</b>	<b>820.1</b>	<b>996.4</b>	<b>1,103.0</b>	<b>1,103.0</b>

PROFIT AND LOSS STATEMENT - AUD\$M						
(June Year End)						
	2018A	2019A	2020A	2021E	2022E	
Sales Revenue	511.0	555.6	1,074.0	1,719.0	1,610.0	
Other Revenue	1.2	2.2	2.9	0.0	0.0	
Operating Costs	(299.0)	(316.0)	(550.0)	(610.6)	(624.5)	
Depreciation	(94.3)	(87.9)	(152.4)	(160.5)	(168.6)	
Interest	(0.4)	(0.6)	(11.2)	(4.9)	(0.4)	
Exploration	(1.4)	(0.4)	(0.8)	0.0	0.0	
Corporate	(10.0)	(13.3)	(17.8)	(30.1)	(28.2)	
Other Costs	0.0	0.0	0.0	(87.3)	(30.2)	
Operating Profit Before Tax	107.0	139.6	344.8	825.6	758.1	
Income Tax	(37.7)	(38.9)	(95.2)	(273.9)	(236.5)	
<b>Operating Profit After Tax</b>	<b>69.3</b>	<b>100.7</b>	<b>249.7</b>	<b>551.8</b>	<b>521.6</b>	
Minorities	0.0	0.0	0.0	0.0	0.0	
<b>Net Profit After Tax</b>	<b>69.3</b>	<b>100.7</b>	<b>249.7</b>	<b>551.8</b>	<b>521.6</b>	
Abnormals	6.3	(8.3)	(60.0)	(4.0)	(4.0)	
Tax on Abnormals	0.0	0.0	0.0	0.0	0.0	
<b>Reported Profit</b>	<b>75.6</b>	<b>92.5</b>	<b>189.7</b>	<b>547.8</b>	<b>517.6</b>	

SARACEN MINERAL HOLDINGS						
	2018A	2019A	2020A	2021E	2022E	
Cash Operating Costs	AUD\$/oz	830	721	798	900	903
Total Cash Costs	AUD\$/oz	886	771	918	974	965
All-In-Sustaining-Costs	AUD\$/oz	1,196	1,143	1,189	1,332	1,205
All-In-Costs	AUD\$/oz	1,367	1,601	1,612	1,787	1,363
Gold Price Received	AUD\$/oz	1,605	1,729	2,124	2,742	2,486
EBIT to Total Assets		1.8%	6.0%	6.1%	19.1%	14.8%
NPAT to Shareholders Equity		19.8%	18.8%	12.2%	27.5%	22.1%

CASH FLOW ANALYSIS - AUD\$M					
(June Year End)					
	2018A	2019A	2020A	2021E	2022E
<b>Cash Flows From Operating Activities</b>					
Net Income	0.0	231.1	535.7	547.8	517.6
Non-Cash Items	0.0	(3.0)	(57.5)	163.0	172.5
Re-invested in Working Capital	0.0	0.0	0.0	0.0	0.0
<b>Cash Flows From Investing Activities</b>					
Property and Business Activities	5.0	5.5	39.5	0.0	0.0
Acq. of Property, Plant and Equip.	(130.2)	(213.0)	(249.6)	(479.3)	(229.6)
Other	(0.3)	(1.4)	(1,104.8)	0.0	0.0
<b>Cash Flows From Financing Activities</b>					
Proceeds From Borrowings	1.6	0.0	438.8	0.0	0.0
Repayment of Borrowings	(1.4)	(0.2)	(142.2)	(100.0)	(71.5)
Other	0.0	0.0	779.7	(116.9)	(162.6)
<b>Net Increase In Cash Held</b>	<b>66.0</b>	<b>18.9</b>	<b>241.5</b>	<b>14.5</b>	<b>226.3</b>
Cash At Beginning of Year	0.0	0.0	0.0	0.0	0.0
Cash At End of Year	66.0	118.7	360.2	374.7	601.0

BALANCE SHEET ANALYSIS - AUD\$M					
(June Year End)					
	2018A	2019A	2020A	2021E	2022E
<b>Current Assets</b>					
Cash and Cash Equivalents	99.8	118.7	360.2	374.7	601.0
Other	63.4	63.5	246.0	246.0	246.0
<b>Non-Current Assets</b>					
Investments	0.0	0.0	0.0	0.0	0.0
Fixed Assets	348.4	472.9	1,495.1	1,814.0	1,875.1
Other	174.9	207.7	1,029.5	1,044.1	1,270.4
<b>Current Liabilities</b>					
Borrowings	0.2	0.0	77.0	121.5	0.0
Creditors	44.2	57.0	164.6	164.6	164.6
Other	8.3	17.9	49.6	49.6	49.6
<b>Non-Current Liabilities</b>					
Borrowings	0.0	0.0	329.5	0.0	0.0
Other	142.1	187.5	636.8	868.9	801.3
<b>Shareholders Funds</b>					
Net Debt to Equity	-26.1%	-24.1%	3.0%	-12.7%	-25.6%

PROJECT	0%		5%		GOLD PRODUCTION (koz)				
	NPV	NPV	2018A	2019A	2020A	2021E	2022E		
CAROSUE DAM	1,839.5	1,412.4	171.3	199.7	203.4	244.7	224.9		
THUNDERBOX	2,064.5	1,593.2	145.2	155.3	184.5	144.3	182.6		
KALGOORLIE	2,893.5	1,881.2	0.0	0.0	132.6	237.9	239.8		
<b>Total Production</b>			316.5	355.1	520.5	626.8	647.3		
<b>Total Sales</b>			320.4	350.9	528.7	626.8	647.3		
<b>Gold Equiv Sales</b>			320.4	350.9	528.7	626.8	647.3		
Exploration Credit	0.0	0.0							
Hedge Book	(252.3)	(245.1)							
Corporate	(263.3)	(188.3)							
Net Cash	146.6	146.6							
Investments/Equity	0.0	0.0							
Options & Warrants	0.0	0.0							
<b>Total NPV</b>	<b>6,428.4</b>	<b>4,600.0</b>							
Per Share	\$5.83	\$4.17	IRR = 0.0%	P/1NPV	1.3x				

Co-Product Cash Cost (US\$/oz)						
	2018A	2019A	2020A	2021E	2022E	
CAROSUE DAM (AUSTRALIA)	731	543	738	647	683	
THUNDERBOX (AUSTRALIA)	635	563	413	520	539	
KALGOORLIE /KCGM (AUSTRALIA)	673	844	803	717	729	
<b>QUARTERLY SUMMARY</b>		<b>H1/21E</b>	<b>H2/21E</b>	<b>H1/22E</b>	<b>H2/22E</b>	
ADJUSTED EPS (AUD\$/sh)		0.25	0.25	0.24	0.23	
CFPS (AUD\$/sh)		0.32	0.33	0.32	0.31	
FCFPS (AUD\$/sh)		0.09	0.12	0.21	0.21	

Source: BMO Capital Markets

**Exhibit 2: SAR Block Model at Spot Metal Prices**

SARACEN MINERAL HOLDINGS		SAR
Recommendation	Mkt	Analyst BQ
As at	19-Aug-20	BMO Capital Markets
Year End	June	
Share Price	\$5.52 A\$/share	\$4.00 US\$/share
Target Price	\$6.50 A\$/share	\$4.70 US\$/share
Net Present Value	5% \$5.43 A\$/share 0% \$7.65 A\$/share	\$3.93 US\$/share \$5.54 US\$/share
Market Cap	6,088.5 A\$M	4,406.6 US\$M
Ordinary Shares	1,103.0 M	
Options & Warrants	0.0 M	

PRICE ASSUMPTIONS - SPOT PRICES		2018A	2019A	2020A	2021E	2022E
Exchange Rate	AUD:USD	0.78	0.72	0.70	0.72	0.72
Gold	US\$/oz	1,297	1,263	1,706	1,936	1,936
Silver	US\$/oz	16.72	15.00	21.89	26.68	26.68
Copper	US\$/lb	3.06	2.79	2.80	2.94	2.94
Zinc	US\$/lb	1.44	1.20	1.09	1.11	1.11
Oil	US\$/bbl	58.25	60.73	49.86	42.86	42.86

FINANCIAL SUMMARY		2018A	2019A	2020A	2021E	2022E
NPAT (pre-Abs)	(AUD\$M)	69.3	100.7	249.7	505.1	532.5
ADJUSTED EPS	(AUD\$/share)	0.09	0.12	0.25	0.46	0.48
PER	(x)	na	44.9x	22.0x	12.1x	11.4x
EBITDA	(AUD\$M)	207.0	219.9	448.4	916.3	946.2
EBITDA/share	(AUD\$/share)	0.25	0.27	0.45	0.83	0.86
EV/EBITDA	(x)	21.3x	20.1x	13.6x	6.4x	5.8x
Cash Flow	(AUD\$M)	191.4	228.1	478.2	664.1	701.0
Cash Flow/share	(AUD\$/share)	0.24	0.28	0.48	0.60	0.64
P/Cash Flow	(x)	23.4x	19.8x	11.5x	9.2x	8.7x
Dividend	(AUD\$/share)	0.00	0.00	0.00	0.10	0.14
Ordinary Shares	(M)	812.3	820.1	996.4	1,103.0	1,103.0

PROFIT AND LOSS STATEMENT - AUD\$M		2018A	2019A	2020A	2021E	2022E
Sales Revenue		511.0	555.6	1,074.0	1,636.5	1,653.2
Other Revenue		1.2	2.2	2.9	0.0	0.0
Operating Costs		(299.0)	(316.0)	(550.0)	(609.8)	(626.4)
Depreciation		(94.3)	(87.9)	(152.4)	(160.5)	(168.6)
Interest		(0.4)	(0.6)	(11.2)	(4.9)	(0.4)
Exploration		(1.4)	(0.4)	(0.8)	0.0	0.0
Corporate		(10.0)	(13.3)	(17.8)	(28.6)	(28.9)
Other Costs		0.0	0.0	0.0	(77.8)	(47.7)
Operating Profit Before Tax		107.0	139.6	344.8	754.9	781.2
Income Tax		(37.7)	(38.9)	(95.2)	(249.8)	(248.7)
Operating Profit After Tax		69.3	100.7	249.7	505.1	532.5
Minorities		0.0	0.0	0.0	0.0	0.0
Net Profit After Tax		69.3	100.7	249.7	505.1	532.5
Abnormals		6.3	(8.3)	(60.0)	(4.0)	(4.0)
Tax on Abnormals		0.0	0.0	0.0	0.0	0.0
Reported Profit		75.6	92.5	189.7	501.1	528.5

SARACEN MINERAL HOLDINGS		2018A	2019A	2020A	2021E	2022E
Cash Operating Costs	AUD\$/oz	830	721	798	900	903
Total Cash Costs	AUD\$/oz	886	771	918	973	968
All-In-Sustaining-Costs	AUD\$/oz	1,196	1,143	1,189	1,329	1,210
All-In-Costs	AUD\$/oz	1,367	1,601	1,612	1,783	1,367
Gold Price Received	AUD\$/oz	1,605	1,729	2,149	2,611	2,554
EBIT to Total Assets		1.8%	6.0%	6.1%	17.5%	15.5%
NPAT to Shareholders Equity		19.8%	18.8%	12.2%	25.7%	22.7%

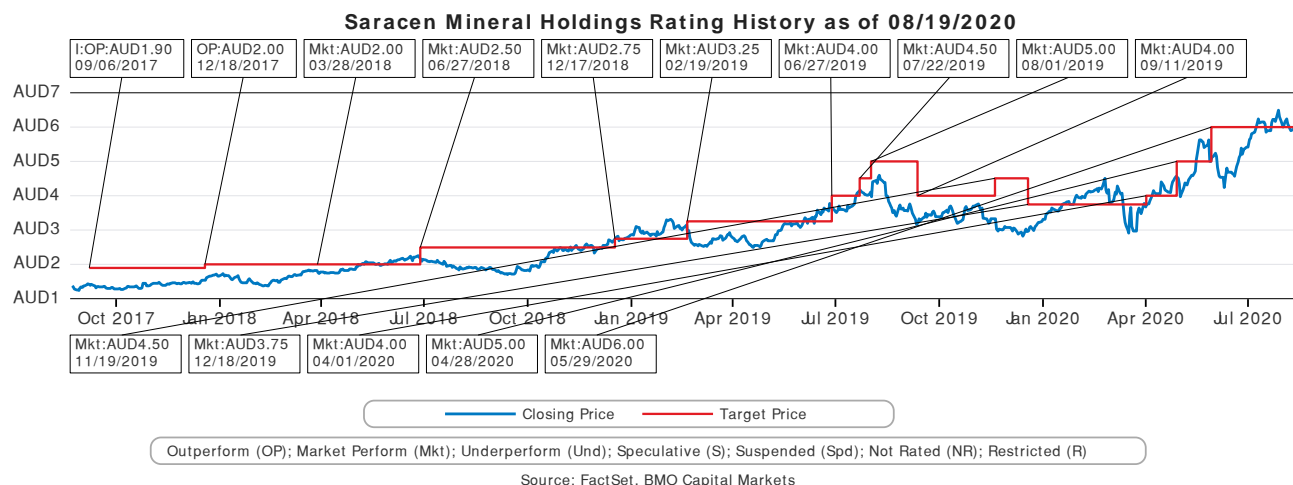
CASH FLOW ANALYSIS - AUD\$M		2018A	2019A	2020A	2021E	2022E
(June Year End)						
<b>Cash Flows From Operating Activities</b>						
Net Income		0.0	231.1	535.7	501.1	528.5
Non-Cash Items		0.0	(3.0)	(57.5)	163.0	172.5
Re-invested in Working Capital		0.0	0.0	0.0	0.0	0.0
<b>Cash Flows From Investing Activities</b>						
Property and Business Activities		5.0	5.5	39.5	0.0	0.0
Acq. of Property, Plant and Equip.		(130.2)	(213.0)	(249.6)	(479.3)	(229.6)
Other		(0.3)	(1.4)	(1,104.8)	0.0	0.0
<b>Cash Flows From Financing Activities</b>						
Proceeds From Borrowings		1.6	0.0	438.8	0.0	0.0
Repayment of Borrowings		(1.4)	(0.2)	(142.2)	(100.0)	(71.5)
Other		0.0	0.0	779.7	(109.8)	(154.4)
<b>Net Increase in Cash Held</b>		66.0	18.9	241.5	(25.1)	245.4
Cash At Beginning of Year		0.0	0.0	0.0	0.0	0.0
Cash At End of Year		66.0	118.7	360.2	335.1	580.5

BALANCE SHEET ANALYSIS - AUD\$M		2018A	2019A	2020A	2021E	2022E
(June Year End)						
<b>Current Assets</b>						
Cash and Cash Equivalents		99.8	118.7	360.2	335.1	580.5
Other		63.4	63.5	246.0	246.0	246.0
<b>Non-Current Assets</b>						
Investments		0.0	0.0	0.0	0.0	0.0
Fixed Assets		348.4	472.9	1,495.1	1,814.0	1,875.1
Other		174.9	207.7	1,029.5	1,004.5	1,249.9
<b>Current Liabilities</b>						
Borrowings		0.2	0.0	77.0	121.5	0.0
Creditors		44.2	57.0	164.6	164.6	164.6
Other		8.3	17.9	49.6	49.6	49.6
<b>Non-Current Liabilities</b>						
Borrowings		0.0	0.0	329.5	0.0	0.0
Other		142.1	187.5	636.8	868.9	801.3
<b>Shareholders Funds</b>						
Net Debt to Equity		-26.1%	-24.1%	3.0%	-11.0%	-25.0%

PROJECT	NPV		GOLD PRODUCTION (koz)				
	0% AUD\$M	5% AUD\$M	2018A	2019A	2020A	2021E	2022E
CAROSUE DAM	3,045.1	2,257.9	171.3	199.7	203.4	244.7	224.9
THUNDERBOX	3,059.7	2,300.0	145.2	155.3	184.5	144.3	182.6
KALGOORLIE	2,796.0	1,797.9	0.0	0.0	132.6	237.9	239.8
			0.0	0.0	0.0	0.0	0.0
<b>Total Production</b>			316.5	355.1	520.5	626.8	647.3
<b>Total Sales</b>			320.4	350.9	528.7	626.8	647.3
<b>Gold Equiv Sales</b>			320.4	350.9	528.7	626.8	647.3
Exploration Credit	0.0	0.0					
Hedge Book	(286.3)	(275.4)					
Corporate	(301.2)	(214.6)					
Net Cash	122.9	122.9					
Investments/Bullion	0.0	0.0					
Options & Warrants	0.0	0.0					
<b>Total NPV</b>	8,436.4	5,988.8					
Per Share	\$7.65	\$5.43	IRR = 8973.7%	P/NPV	1.0x		

Co-Product Cash Cost (US\$/oz)		2018A	2019A	2020A	2021E	2022E
CAROSUE DAM (AUSTRALIA)		731	543	775	706	729
THUNDERBOX (AUSTRALIA)		635	563	434	569	570
KALGOORLIE /KCGM (AUSTRALIA)		673	844	843	785	772
<b>QUARTERLY SUMMARY</b>			H1/21E	H2/21E	H1/22E	H2/22E
ADJUSTED EPS	(AUD\$/sh)		0.22	0.23	0.24	0.25
CFPS	(AUD\$/sh)		0.30	0.31	0.31	0.32
FCFPS	(AUD\$/sh)		0.06	0.10	0.21	0.22

Source: BMO Capital Markets



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Rating category	BMO rating	BMOCM US Universe*	BMOCM US IB Clients**	BMOCM US IB Clients***	BMOCM Universe****	BMOCM IB Clients*****	StarMine Universe~
Buy	Outperform	44.0 %	26.5 %	52.1 %	46.4 %	56.9 %	57.7%
Hold	Market Perform	53.2 %	19.1 %	45.4 %	51.1 %	42.0 %	37.5%
Sell	Underperform	2.8 %	20.0 %	2.5 %	2.5 %	1.1 %	4.8%

\* Reflects rating distribution of all companies covered by BMO Capital Markets Corp. equity research analysts.

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~ As of April 1, 2019.

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