

Lehman Brothers

Outperform

LEH

USD13.92*

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Going Private May Be the Best Course of Action

Data	
52-week range (USD)	13.92-73.06
Price Target (USD)	62.00
Upside/downside to price target (%)	345.4
Market cap (USDm)	9,666.0
Dividend (USD)	na
Dividend Yield (%)	na

Performance (%)				
	1W	1M	3M	YTD
Price performance	-33.2	-46.1	-64.7	-78.7
Rel. S&P 500	-32.5	-40.8	-62.1	-74.8
Rel. FPKCCW Investment Banks	-30.6	-35.2	-55.5	-63.8

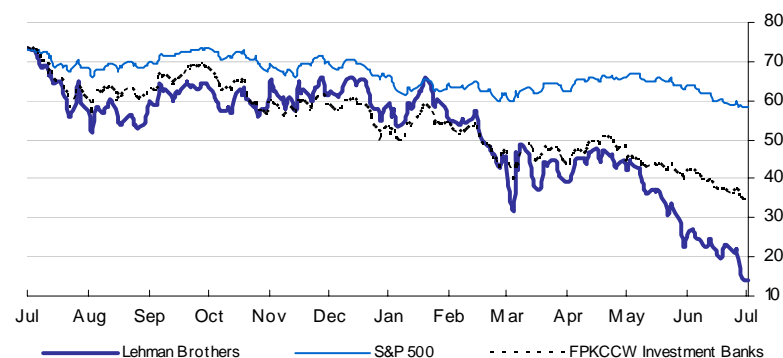
Operating EPS (USD)			
Quarterly EPS breakdowns			
	2007	2008e	2009e
1Q	1.96	0.81 a	1.07
Consensus			0.85
2Q	2.21	-5.14 a	1.15
Consensus			0.83
3Q	1.60	0.36	1.00
Consensus		0.27	0.76
4Q	1.54	0.81	1.28
Consensus		0.64	0.89
Annual	7.32	-3.16	4.50
Consensus		-3.17	3.71

Valuation Data			
YE (Nov 30)	2007	2008e	2009e
Operating P/E (x)	1.9	nm	3.1
BVPS (USD)	39.45	na	na
P/BV (x)	0.35	na	na
ROE (%)	19.8	na	na
Revenue Growth (%)	9.5	na	na
Net income (USDm)	4,125.0	na	na
PTOM (%)	31.2	na	na
Comp ratio (%)	49.3	na	na
Non-Comp ratio (%)	19.5	na	na

* Price as at Jul 14, 2008 11:50

- We continue to believe that the decline in Lehman's stock has little to do with the company's liquidity and balance sheet, but is more based on investors' pricing in the probability of a Bear Stearns-like run-on-the-bank.
- Meanwhile, we believe there is increasing danger that counterparties, creditors, and customers will be spooked by the stock's action, thus completing the vicious cycle of a self-fulfilling prophecy.
- As with Bear Stearns, we firmly believe that Lehman has been targeted by the fear-trade, and there are media reports that executives are working with the SEC to track down rumor-mongering. We believe this will be difficult given: (a) the oral nature of the act; and (b) the indemnity that comes with the words: "I heard". Instead, we still believe that an emergency prohibition of short-selling in brokerage shares is imperative.
- In the absence of such a measure, we believe Lehman's best course of action would be a "going-private" transaction, since it is the public equity mkts that are the threat to the company's survival. Without a public stock, there would be no shorting, thus no motivation for rumor-mongering, thus no source to spook their counterparties and creditors.
- The current market value is \$10 bil., and we believe mgmt/employees own about \$2.5 bil., leaving \$7.5 bil. (we est. \$9.4 bil. assuming a 25% premium) for a buy-out consortium, including private equity, SWFs, etc.
- We believe this would eliminate the disconnect between Lehman's true financial condition and current stock price by eliminating the run-on-the-bank discount in the process of the buyout. In our view, this value-release would be big enough to avoid the need for leverage.
- Current equity holders would likely get a worse deal should a lack of action ultimately result in a rescue by another financial institution. We do not believe selling assets or getting a mere injection of capital would eliminate the panic threat—as long as there is shorable public stock, we suspect the fear-trade will linger. Sufficient steps had already been taken that should have eliminated the doubts.
- We continue to keep a favorable view of the risk/reward in LEH shares, based on the fundamentals (see the case outlined below), while conceding that the panic threat is high.

Share price performance (USD)



Analyst certifications and required disclosures begin on page 8.

Fox-Pitt Kelton Cochran Caronia Waller on the Web: <http://www.fpk.com/x/publicresearchdisclosure.html>

DISCUSSION

The following is a recap/overview of Lehman's sum-of-the-parts, liquidity, and problem assets/balance sheet analysis.

Sum-of-the-Parts Analysis Values LEH at \$34/Share, or 2.5x Current Price

Asset Mgmt = \$8 bil. Using AllianceBernstein (AB, \$46.42, Outperform), Franklin resources (BEN, \$88.80, In Line) and T.Rowe Price (TROW, \$50.00, In Line), as its peers, we derived average MV/AUM of 3.1%. We conservatively applied 2.8% to Lehman's \$282 bil. AUM at the end of FY07; we thus value the Asset Mgmt segment at \$7.9 bil. Alternatively, we assigned a 20.1x multiple (U.S. Asset Manager Universe average trailing P/E multiple from 2000 to date) to Lehman Asset Mgmt's FY07 net income of \$392 mil (estimated), and we once again arrive at \$7.9 bil.

Private Client = \$2 bil. We believe Lehman's private client segment centers on high net worth clients, rather than the mass market retail segment. We applied a 15.7 MV/Net Income multiple, which is derived by taking a 25% discount to Northern Trust's (NTRS, Outperform, \$68.41) 2007 MV/Net Income multiple of 20.9x. We derived a \$2 bil value for the private client segment.

Inv. Banking + Equity + Non-Mortgage FICC = \$17 bil. Per our forecast, Invest. Banking should still generate \$1.3 bil in pre-tax earnings in FY08. At a more rational 10x multiple (below normal), this equals \$9 bil. For equity trading, with execution and prime brokerage growing in recent quarters, the business remains strong. We estimate that equity trading should generate \$0.8 bil in pre-tax earnings in FY08. At a 10x multiple (below normal), this equals \$6 bil. For FICC trading, we believe normalized pre-tax earnings in a challenging environment should be about \$0.6 bil. At a more rational 5x multiple (below normal), this equals \$2 bil.

LEH Sum-of-Parts (\$bil)	26.5	Per Share	\$34
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Value Asset Mgmt \$8 bil

		MV (\$bil)	2007 AUM (\$ bil)	MV/AUM
AllianceBernstein	AB	16.2	800	2.0%
Franklin Resources	BEN	23.2	644	3.6%
T. Rowe Price	TROW	14.7	400	3.7%
Average				3.1%
Lehman Asset Mgmt		7.9	282	2.8%

Value Private Client \$2 bil

2007 Lehman (\$ mil)	Asset Mgmt	Private Client	2007 Northern Trust (\$ mil)
Net Revenue	1,877	1,220	
Non Interest Expense	1,300	1,006	
Income before Tax	577	214	
Income Tax	185	68	
Net Income	392	146	726
MV (bil)	7.9	2.3	15.2
MV/Net Income	20.1x	15.7x	20.9x

Source: Company reports and FPK CCW

Value Inv Banking \$9 bil
Inv Banking (\$ mil)

2008 est. revenue	3,704
2008 pretax earnings	1,259
2008 aftertax earnings	856
Multiple	10.0x
Value	8,564

Value Equity Trading \$6 bil
Equity Trading (\$ mil)

2008 est. revenue	3,735
2008 pretax earnings	822
2008 aftertax earnings	559
Multiple	10.0x
Value	5,588

Value FICC Trading \$2 bil
Equity Trading (\$ mil)

Normalized earnings, discounted for current market condition	2,500
2008 pretax earnings	625
2008 aftertax earnings	425
Multiple	5.0x
Value	2,125

Source: Company reports, FPK CCW.

Leverage Ratios Are In Line With Peers. In 2Q08, Lehman reduced its leverage ratio and adjusted leverage ratio 23% and 18%, respectively, resulting in ending leverage ratio of 24.3x and adjusted leverage ratio of 12.6x. Overall, Lehman's leverage was below those of its peers' in 2Q08.

Leverage Ratio	2Q07	3Q07	4Q07	1Q08	2Q08
LEH	28.7	30.3	30.7	31.6	24.3
GS	24.5	26.7	26.2	27.9	24.3
MS	29.8	32.3	32.6	27.4	25.1
MER	23.3	25.3	27.8	25.2	

Leverage Ratio: Total assets divided by equity capital.

Adjusted Leverage Ratio	2Q07	3Q07	4Q07	1Q08	2Q08
LEH	15.4	16.1	16.1	15.4	12.6
GS	17	18	17.5	18.6	14.7
MS	17.5	18.8	17.6	16.0	14.1
MER	14.3	17.9	20.3	18.2	

Adjusted leverage Ratio: Tangible adjusted assets divided by tangible equity capital.

Source: Company reports, FPK CCW.

Liquidity Ratios Normal. Next, we examined overall liquidity ratios of Lehman and its peers. Lehman's 2Q08 ratio of (Liquidity Assets – Float Funding)/ (Float Funding), which indicates the amount of liquid assets vs. current liabilities, was 49%. The ratio was higher than those of Goldman and Morgan Stanley. Lehman's ratio of (Float Funding/Other Funding) was 1.9x, lower than those of Goldman and Morgan Stanley, which we view as positive. Lehman ended 2Q08 with a liquidity pool of \$45 billion.

	Lehman	Morgan Stanley	Goldman	Merrill
2Q08 Balance Sheet Data LEH, MS, GS (\$ bil)				
1Q08 Balance Sheet Data MER (\$ bil)				
<u>Liquid assets</u>				
cash	7	24	14	62
Segregated cash & Securities	13	53	85	27
Securities owned	269	390	411	312
Collateralized agreements	295	424	429	348
Receivables	42	86	123	148
Total liquid assets	625	977	1,062	896
<u>Funding Sources</u>				
<u>Float Funding</u>				
collateralized financing	208	213	203	288
Fin. Sold, but not repurchased	142	162	183	124
payables	71	327	346	153
Total Float Funds	420	701	733	565
<u>Other Funding</u>				
short term	35	24	71	22
long term	128	211	182	259
Deposits	29	35	30	105
equity	26	34	45	37
Total other term funding	219	304	328	422
<u>Ratios</u>				
Liquid Assets less Float	205	275	330	331
Liquid less Float / Float	49%	39%	45%	59%
Float/long term funding	1.9x	2.3x	2.2x	1.3x

Source: Company reports, FPK CCW.

Stress-Testing Problem Assets. At the end of 2Q08, Lehman had \$89 billion of problem asset exposure, which included \$25 billion in residential mortgage, \$29 billion in commercial mortgage, \$7 billion in other asset-backed securities, \$10 billion in real estate related investments, and \$18 billion in leveraged lending loans. From 3Q07 to 2Q08, Lehman took about \$7.7 billion cumulative net write downs against these exposures (\$5.6 billion cumulative earnings impact). Gross write-downs were almost double that. Largely due to effective hedging strategies that worked well from 3Q07 to 1Q08, the \$7.7 billion net write downs and \$5.6 billion earnings impact were much smaller than those at Morgan Stanley (MS-\$33.01-In Line) and Merrill (MER-\$26.12-In Line).

Were the \$89 billion of problem asset exposure to incur an extraordinary incremental 15% gross mark-down in future quarters, the firm would then incur estimated further gross write-downs of \$13 billion, which equates to \$9.8 bil in after-tax earnings impact. Offsetting this would be gains from Lehman's sizeable short positions, and cash generated in its other businesses over the requisite time period. If the latter were to be six quarters, Lehman could absorb even this draconian scenario without a capital raise.

LEH	2Q08 Expo Est	Stress Testing Further Gross Write Down %	Stress Testing Further Gross Write Down
Residential mortgages			
Prime, Alt A	10.2		
EU	9.3		
Subprime	2.8		
ABS CDO	0.6		
Asia	0.7		
Other U.S	1.3		
Total Residential mortgages	24.9	15%	3.7
Commercial mortgages			
Whole loans	19.9		
Securities/other	9.5		
Total Commercial mortgages	29.4	15%	4.4
Other asset-backed	6.5	15%	1.0
Real estate related	10.4	15%	1.6
Acquisition Finance			
HG	6.5		
HY	11.5		
Total Acquisition Finance	18.0	15%	2.7
Total	89.2		13.4

Source: Company reports, FPK CCW.

LEH 3Q07-2Q08 Cumulative Net Write Downs

LEH	3Q07	4Q07	1Q08	2Q08	Total
Leveraged lending			0.5	0.4	0.9
Residential mortgages			0.8	2.0	2.8
Commercial mortgages			0.7	1.1	1.8
Other real-estate			0.3	0.3	0.6
Non-residential asset backed securities			0.1	0.3	0.4
Additional Hedging losses				0.7	0.7
Firm Structured liabilities			-0.6	-0.4	-1.0
Total	0.7	0.8	1.8	4.4	7.7

Source: Company reports, FPK CCW.

3Q07-2Q08 Cumulative Net Write Downs & After Tax Impact on Earnings (\$ bil)				
	Write Downs	Earnings Impact	Stress Testing LEH further Write Downs	Stress Testing Further LEH Earnings Impact
GS	4.2	2.9		
MS	14.1	9.3		
LEH	7.7	5.6	13.4	9.8
MER	30.3	19.6		

Source: Company reports, FPK CCW.

MER: 3Q07-1Q08 Cumulative Net Write Downs as reported.



LEH: Document Format

In Millions of \$	FY04	FY05	% Δ	FY06	% Δ	1Q07	% Δ	2Q07	% Δ	3Q07	% Δ	4Q07	% Δ	FY07	% Δ	1Q08	% Δ	2Q08	% Δ	3Q08E	% Δ	4Q08E	% Δ	FY08E	% Δ	FY09E	% Δ	
Revenues																												
Capital Markets	7,694	9,807	27.5%	12,006	22.4%	3,502	15.4%	3,594	2.6%	2,435	-32.2%	2,727	12.0%	12,258	2.1%	1,672	-38.7%	(2,374)	-242.0%	971	-140.9%	1,803	85.7%	2,072	-83.1%	8,709	320.3%	
FICC	5,739	7,334	27.8%	8,447	15.2%	2,164	1.4%	1,891	-12.6%	1,063	-43.8%	860	-19.1%	5,978	-29.2%	262	-69.5%	(2,975)	-1235.5%	150	-105.0%	900	500.0%	(1,663)	-127.8%	4,058	-344.0%	
Equity	1,955	2,473	26.5%	3,559	43.9%	1,338	48.7%	1,703	27.3%	1,372	-19.4%	1,867	36.1%	6,280	76.5%	1,410	-24.5%	601	-57.4%	821	36.6%	903	10.0%	3,735	-40.5%	4,650	24.5%	
Investment Banking	2,188	2,894	32.3%	3,160	9.2%	850	-0.9%	1,150	35.3%	1,071	-6.9%	831	-22.4%	3,902	23.5%	867	4.3%	858	-1.0%	883	2.9%	1,096	24.1%	3,704	-5.1%	4,907	32.5%	
Debt UW	1,002	1,304	30.1%	1,425	9.3%	428	13.2%	540	26.2%	350	-35.2%	233	-33.4%	1,551	8.8%	322	38.2%	288	-10.6%	297	3.0%	371	25.0%	1,277	-17.6%	1,652	29.3%	
Equity UW	560	824	47.1%	814	-1.2%	175	-21.9%	333	90.3%	296	-11.1%	210	-29.1%	1,014	24.6%	215	2.4%	330	53.5%	347	5.0%	485	40.0%	1,377	35.8%	2,202	60.0%	
Advisory	626	766	22.4%	921	20.2%	247	-3.5%	277	12.1%	425	53.4%	388	-8.7%	1,337	45.2%	330	-14.9%	240	-27.3%	240	0.0%	240	0.0%	1,050	-21.5%	1,053	0.3%	
Investment Mgmt.	1,694	1,929	13.9%	2,417	25.3%	695	8.6%	768	10.5%	802	4.4%	832	3.7%	3,097	28.1%	968	16.3%	848	-12.4%	870	2.6%	886	1.9%	3,572	15.3%	3,850	7.8%	
Asset Mgmt.	840	1,026	22.1%	1,432	39.6%	416	13.0%	460	10.6%	468	1.7%	533	13.9%	1,877	31.1%	618	15.9%	496	-19.7%	507	2.2%	506	-0.3%	2,127	13.3%	2,273	6.9%	
Priv. Inv. Mgmt.	854	903	5.7%	985	9.1%	279	2.6%	308	10.4%	334	8.4%	299	-10.5%	1,220	23.9%	350	17.1%	352	0.6%	363	3.0%	381	5.0%	1,445	18.5%	1,577	9.1%	
Net Revenues	\$11,576	\$14,630	26.4%	\$17,583	20.2%	\$5,047	11.3%	\$5,512	9.2%	\$4,308	-21.8%	\$4,390	1.9%	\$19,257	9.5%	\$3,507	-20.1%	(\$668)	-119.0%	\$2,724	-507.8%	\$3,785	39.0%	\$9,348	-51.5%	\$17,466	86.8%	
Expenses																												
Compensation & Benefits	5,730	7,213	25.9%	8,669	20.2%	2,488	11.3%	2,718	9.2%	2,124	-21.9%	2,164	1.9%	9,494	9.5%	1,841	-14.9%	2,325	26.3%	1,493	-35.8%	2,006	34.4%	7,665	-19.3%	8,698	13.5%	
Technology and Communications	764	834	9.2%	974	16.8%	266	1.9%	287	7.9%	282	-1.7%	311	10.3%	1146	17.7%	302	-2.9%	309	2.3%	246	-20.2%	266	8.0%	1124	-2.0%	1116	-0.7%	
Brokerage and Clearance	453	503	11.0%	630	25.2%	194	16.2%	201	3.6%	224	11.4%	240	7.1%	859	36.3%	253	5.4%	252	-0.4%	179	-38.9%	193	8.0%	878	2.2%	913	4.0%	
Professional Fees	252	282	11.9%	363	28.7%	98	-16.9%	120	22.4%	128	6.7%	120	-6.3%	466	28.4%	98	-18.3%	100	2.0%	76	-23.7%	76	0.0%	351	-24.7%	322	-8.3%	
Business Development	211	234	10.9%	301	28.6%	84	-6.7%	100	19.0%	91	-9.0%	103	13.2%	378	25.6%	89	-13.6%	87	-2.2%	80	-7.9%	84	5.0%	340	-10.0%	359	5.6%	
Occupancy	421	490	16.4%	539	10.0%	146	11.5%	152	4.1%	170	11.8%	173	1.8%	641	18.9%	185	6.9%	188	1.6%	155	-17.7%	156	1.0%	684	6.7%	739	8.1%	
Other	208	245	17.8%	202	-17.6%	72	71.4%	55	-23.6%	84	52.7%	49	-41.7%	260	28.7%	76	55.1%	158	107.9%	71	-55.2%	71	0.0%	376	44.4%	286	-23.9%	
Other Unusual Items	19	0		0		-		-		-		-	0		-		-		-		-		0		0		0	
Total Non-Comp Exp.	2328	2588	11.2%	3009	16.3%	860	6.3%	915	6.4%	979	7.0%	996	1.7%	3750	24.6%	1,003	0.7%	1,094	9.1%	807	-26.2%	847	4.9%	3751	0.0%	3735	-0.4%	
Total Non-Interest expenses	\$8,058	\$9,801	21.6%	\$11,678	19.2%	\$3,348	10.0%	\$3,633	8.8%	\$3,103	-14.6%	\$3,160	1.8%	\$13,244	13.4%	\$2,844	-10.0%	\$3,419	20.2%	\$2,300	-32.7%	\$2,853	24.1%	\$11,416	-13.8%	\$12,433	8.9%	
Pre-tax Income	\$3,518	\$4,829	37.3%	\$5,905	22.3%	\$1,699	14.1%	\$1,879	10.6%	\$1,205	-35.9%	\$1,230	2.1%	\$6,013	1.8%	\$663	-46.1%	(\$4,087)	-716.4%	\$424	-110.4%	\$932	120.0%	(\$2,068)	-134.4%	\$5,033	-343.4%	
Provision for income taxes	1,125	1,569		1,945		553		606		318		344		1,821		174		(1,313)		119		270		(750)		1,460	-294.6%	
Dividends on Trust/Preferred	24	-		-		-		-		-		-	-	-		-		-		-		-	-	-	-	-		
Net Income	\$2,369	\$3,260	37.6%	\$3,960	21.5%	\$1,146	14.1%	\$1,273	11.1%	\$887	-30.3%	\$886	-0.1%	\$4,192	5.9%	\$489	-44.8%	(\$2,774)	-667.3%	\$305	-111.0%	\$662	116.9%	(\$1,318)	-131.4%	\$3,573	-371.1%	
Pref. stock dividends	71	68.6		66		17		17		17		16		67		24		100		25		25		174		100	-42.5%	
Net Income Avail. To Common	\$2,298	\$3,191	38.9%	\$3,894	22.0%	\$1,129	14.4%	\$1,256	11.2%	\$870	-30.7%	\$870	0.0%	\$4,125	5.9%	\$465	-46.6%	(\$2,873)	-717.8%	\$280	-109.7%	\$637	127.4%	(\$1,492)	-136.2%	\$3,473	-332.8%	
One-Time Items	12.4	0		0		0		0		37		0		37		0		0		0		0		0		0		0
Avg. Diluted Shares	582	587	0.8%	572	-2.6%	575	0.4%	568	-1.3%	566	-0.4%	564	-0.4%	569	-0.5%	573	1.6%	559	-2.4%	785	40.4%	785	0.0%	473	-16.9%	773	63.5%	
Reported EPS- Diluted	\$3.95	\$5.44	37.8%	\$6.81	25.3%	\$1.96	13.9%	\$2.21	12.7%	\$1.54	-30.5%	\$1.54	0.4%	\$7.25	6.5%	\$0.81	-47.4%	(\$5.14)	-732.8%	\$0.36	-106.9%	\$0.81	127.4%	(\$3.16)	-143.5%	\$4.50	-242.4%	
Operating EPS- Diluted	\$3.97	\$5.44	36.9%	\$6.81	25.3%	\$1.96	13.9%	\$2.21	12.7%	\$1.60	-27.5%	\$1.54	-3.7%	\$7.32	7.4%	\$0.81	-47.4%	(\$5.14)	-732.8%	\$0.36	-106.9%	\$0.81	127.4%	(\$3.16)	-143.1%	\$4.50	-242.4%	
Common Size :																												
Revenues																												
Trading	66.5%	67.0%		68.3%		69.4%		65.2%		56.5%		62.1%		63.7%		47.7%		355.4%		35.6%		47.6%		22.2%		49.9%		
Investment Banking	18.9%	19.8%		18.0%		16.8%		20.9%		24.9%		18.9%		20.3%		24.7%		-128.4%		32.4%		28.9%		39.6%		28.1%		
Inv. Mgmt.	14.6%	13.2%		13.7%		13.8%		13.9%		18.6%		19.0%		16.1%		27.6%		-126.9%		31.9%		23.4%		38.2%		22.0%		
Expenses																												
Compensation Ratio	49.5%	49.3%		49.3%		49.3%		49.3%		49.3%		49.3%		49.3%		52.5%		-348.1%		54.8%		53.0%		82.0%		49.8%		
Non-Compensation Ratio	20.1%	17.7%		17.1%		17.0%		16.6%		22.7%		22.7%		19.5%		28.6%		-163.8%		29.6%		22.4%		40.1%		21.4%		
PTOM	30.4%	33.0%		33.6%		33.7%		34.1%		28.0%		28.0%		31.2%		18.9%		611.8%		15.6%		24.6%		-22.1%		28.8%		
Effective tax rate	32.0%	32.5%		32.9%		32.5%		32.3%		26.4%		28.0%		30.3%		26.2%		32.1%		28.0%		29.0%		36.3%		29.0%		
Dividends per share	\$ 0.32	\$ 0.40		\$ 0.48		\$ 0.15		\$ 0.15		\$ 0.15		\$ 0.15		\$ 0.60		\$0.17		\$0.17		\$0.17		\$0.17		\$ 0.68		\$0.68		
Balance Sheet, ROE																												
Prior Balance	12,111	14,920		16,794										19,191		22,490		22,425		19,025		18,739		22,490		18,947		
Retained Earnings	2,369	3,260		4,007										3,546		465		(2,873)		280		637		(1,492)		3,473		
Dividends	186	302		342										550		97		95		133		133		321		525		
Treasury Stock Acquired	600	1,310		1,230										702		450		450		450		450		1,800		1,500		
Additional Paid In Capital	(48)	24		(202)										1,006		18		18		18		18		70		70		
Shareholder Equity- Period End	14,920	16,794		19,191										22,490		22,425		19,025		18,739		18,810		18,947		20,464		
Shareholder Equity- Average	13,516	15,857		17,993										20,841		22,458		20,725		18,882		18,774		20,718		19,705		
Return on Avg Equity- Reported	17.0%	20.1%		23.4%										20.8%										-7.2%		17.6%		
Return on Avg Equity- Operating	17.1%	20.1%		21.6%										20.0%										-7.2				

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Lehman Brothers [LEH]

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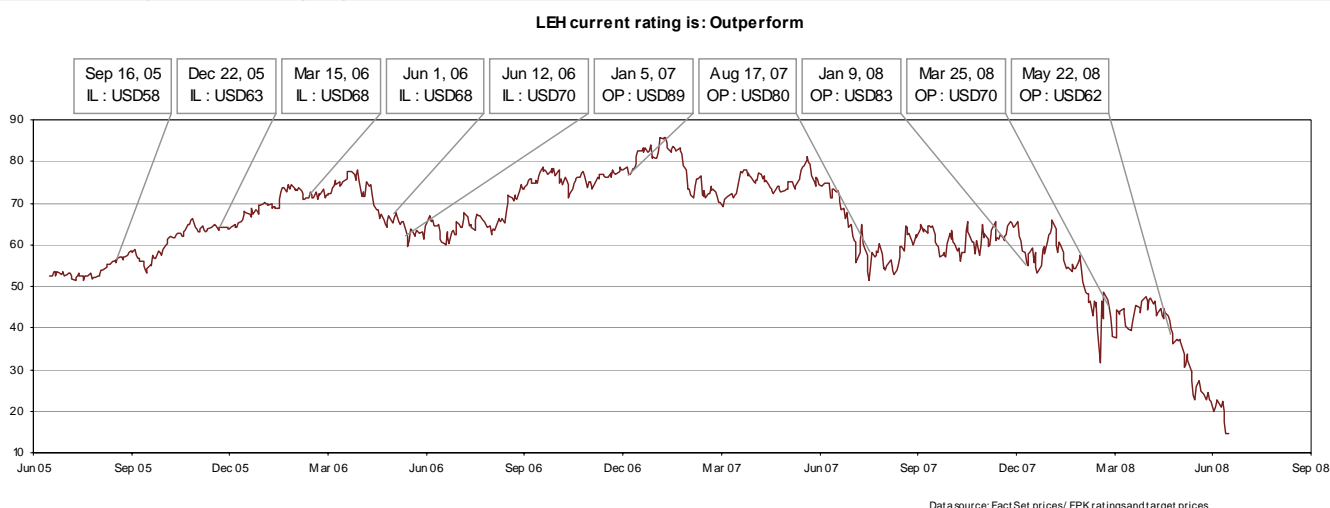
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Historical closing prices and rating/target prices



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Rating type	% of covered companies currently assigned this rating	% of companies assigned this rating with which FPK has provided investment banking services over the past 12 months
Buy [OP/UW; IL/OW]	38.2%	3.1%
Hold [OP/UW; IL/OW; IL/MW; IL/UW; UP/OW]	46.7%	1.8%
Sell [UP/MW; UP/UW]	15.1%	0.2%

Ratings definition information

Global company rating definitions

Outperform (OP)	We expect the stock to outperform its sector over the next 12 months
In Line (IL)	We expect the stock to perform in line with its sector over the next 12 months
Underperform (UP)	We expect the stock to underperform its sector over the next 12 months

Global sector ranking definitions

Overweight (OW)	We expect the sector to outperform the relevant market index over the next 12 months
Marketweight (MW)	We expect the sector to perform in line with the relevant market index over the next 12 months
Underweight (UW)	We expect the sector to underperform the relevant market index over the next 12 months



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