

SAETA

BUY

Will the Dividend be Maintained?

CURRENT PRICE: €8.19
TARGET PRICE: €10.60

Revision of power prices and incentives. The Industry Ministry has sent the CNMC its proposal for the incentive calculation for the regulatory semi-period 2017-19. As we expected, the ministry has used futures prices for those years (€42.13/MWh, €41.65/MWh and €41.82/MWh, respectively) but kept €52/MWh from 2020 onwards. Although this does not breach regulations, it does twist them somewhat. The general view among experts is that the ministry should have used a long-term estimated price closer to the current forwards price.

CAFD 2017-19. For Saeta (SAY), the negative impact on recurrent cash available for distribution (CAFD) of €68.2mn would be c€4-5mn/year in the period 2017-19. From 2020, the impact is a positive c€9mn/year. The NPV of the assets does not change, but the allowed return 2017-19 would be lower than the 7.4% established by the regulator. A fair question now would be: will the regulator cut the 7.4% retribution from 2020 onwards? This is something we cannot rule out. We estimate a cut of 100bp would reduce our TP by c€0.80/share.

We think SAY will keep paying €61.4mn in dividends: Our CAFD calculation for 2017E-19E is below €61mn on average. We think SAY is likely to abandon its policy of paying out 90% of CAFD. To maintain its dividends, it could pay a higher portion of its CAFD and could make acquisitions to offset the updated regulations. We think that in the following months, SAY could announce the acquisition of Oaxaca, Manchacol 1 and some third party assets. SAY could use the CAFD generated in these assets to maintain and increase dividend. Furthermore, a possible positive effect not taken into account in our estimates is the possibility that spot power prices stay above the c€42/MWh. As of today, spot prices are clearly above €48/MWh. Every €1/MWh higher, would imply c€1.5mn more CAFD.

New TP of €10.60/share for end 2017E and total shareholder return of €11.35/share including the €0.75/share DPS to be paid in 2017E. We maintain our positive view of the stock, despite the updated regulation as we think the company will continue paying the dividends and the fair value of the assets is above current market prices.

Company Data, December 15, 2016. (closing price)

| Reuters/Bloomberg code | SAY.MC / SAY SM | (€mn) | 2015 | 2016E | 2017E | 2018E | 2019E | | |
|-----------------------------|-----------------|-------------|-------------|---------------------|-------|-------|-------|------|------|
| Market cap (€mn) | | 668 | 156 | 195 | 209 | 207 | 207 | | |
| Outst shares (mn) | | 82 | 96 | 98 | 107 | 105 | 105 | | |
| Free float (%) | | 51.0 | 16 | 25 | 36 | 37 | 39 | | |
| Avg daily vol (€mn) | | 1.3 | 0.20 | 0.31 | 0.43 | 0.45 | 0.46 | | |
| 12-month range (€) | | 7.58 - 9.40 | 723 | 1,225 | 1,135 | 1,047 | 955 | | |
| Historical volatility (%) | | 13.4 | 62 | 44 | 60 | 60 | 60 | | |
| Performance (%) | -1M | -3M | -12M | EV/EBITDA (x) | 9.5 | 9.7 | 8.6 | 8.3 | 7.8 |
| Absolute | -0.7 | -6.7 | -2.7 | Net debt/EBITDA (x) | 4.6 | 6.3 | 5.4 | 5.0 | 4.6 |
| Relative to STOXX Utilities | -5.8 | -2.8 | 6.2 | P/E (x) | 46.7 | 26.5 | 18.7 | 18.3 | 17.3 |
| | | | | GDY (%) | 7.6 | 9.2 | 9.2 | 9.2 | 9.2 |
| | | | | FCF yield (%) | 8.3 | 6.6 | 8.9 | 9.0 | 9.0 |

Source: FactSet.

Source: Company data and Santander Investment Bolsa estimates.

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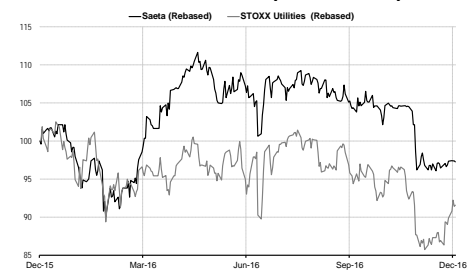
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What Has Changed

Target Price: To €10.60 from €11.40

Previous TP was set on 28/06/16.

Relative Performance (12 Months)



Source: FactSet.

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SAETA AT A GLANCE

Key Company Data

| (€mn) | 2014 | 2015 | 2016E | 2017E | 2018E | 2019E |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| P&L ACCOUNT (€mn) | | | | | | |
| EBITDA – liberalised Europe | – | – | – | – | – | – |
| EBITDA – regulated Europe | – | – | – | – | – | – |
| Other | – | – | – | – | – | – |
| Consolidated EBITDA | 153 | 156 | 195 | 209 | 207 | 207 |
| EBIT | 101 | 96 | 98 | 107 | 105 | 105 |
| Non-recurrent items | – | – | – | – | – | – |
| Net income | 35 | 16 | 25 | 36 | 37 | 39 |
| CASH FLOW STATEMENT (€mn) | | | | | | |
| Funds from operations (FFO) | 87 | 111 | 128 | 149 | 150 | 153 |
| Working capital | 0 | 0 | 0 | 0 | 0 | 0 |
| Operating Cash Flow | 87 | 111 | 128 | 149 | 150 | 153 |
| Capex | 0 | -1 | 0 | -1 | -0 | -0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| FCF | 153 | 62 | 44 | 60 | 60 | 60 |
| Dividends | 471 | -35 | -61 | -61 | -61 | -61 |
| Others | – | – | – | – | – | – |
| Change in debt | -194 | -281 | 502 | -89 | -89 | -92 |
| BALANCE SHEET (€mn) | | | | | | |
| Assets | 1,739 | 1,652 | 2,157 | 2,057 | 1,954 | 1,851 |
| Fixed assets | 1,494 | 1,408 | 1,882 | 1,782 | 1,680 | 1,579 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| Current assets | 245 | 244 | 275 | 275 | 274 | 273 |
| Liabilities | 1,739 | 1,652 | 2,157 | 2,057 | 1,954 | 1,851 |
| Shareholders' equity | 356 | 571 | 541 | 527 | 514 | 504 |
| Minority interests | 0 | 0 | 0 | 0 | 0 | 0 |
| Provisions | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 279 | 175 | 178 | 180 | 180 | 180 |
| Debt | 1,104 | 907 | 1,439 | 1,350 | 1,260 | 1,167 |
| Current liabilities | 0 | 0 | 0 | 0 | 0 | 0 |
| NET DEBT & LEVERAGE RATIOS | | | | | | |
| Net debt (Curr mn) | 1,004 | 723 | 1,225 | 1,135 | 1,047 | 955 |
| Adj net debt (Curr mn) | 1,004 | 723 | 1,225 | 1,135 | 1,047 | 955 |
| Net debt/EBITDA (x) | 6.6 | 4.6 | 6.3 | 5.4 | 5.0 | 4.6 |
| Adj net debt/EBITDA (x) | 6.6 | 4.6 | 6.3 | 5.4 | 5.0 | 4.6 |
| CAPITAL EMPLOYED (€mn) | | | | | | |
| Year-end | 1,359 | 1,293 | 1,766 | 1,662 | 1,561 | 1,459 |
| Adjusted | 1,359 | 1,293 | 1,766 | 1,662 | 1,561 | 1,459 |
| Adjusted Average | 1,359 | 1,326 | 1,529 | 1,714 | 1,612 | 1,510 |
| RETURNS (%) | | | | | | |
| ROCE (average) | – | 5.7 | 5.0 | 4.6 | 4.8 | 5.1 |
| RoE (average) | 9.9 | 3.5 | 4.5 | 6.7 | 7.0 | 7.6 |
| VALUATION MULTIPLES (x) | | | | | | |
| Market cap-based multiples | | | | | | |
| P/E | – | 46.7 | 26.5 | 18.7 | 18.3 | 17.3 |
| Cash P/E (*) | – | 46.7 | 26.8 | 18.9 | 18.3 | 17.7 |
| P/CF | – | 6.8 | 5.3 | 4.5 | 4.4 | 4.5 |
| P/BV | – | 1.3 | 1.2 | 1.3 | 1.3 | 1.3 |
| FCF yield (%) | – | 8.3 | 6.6 | 8.9 | 9.0 | 9.0 |
| GDY (%) | – | 7.6 | 9.2 | 9.2 | 9.2 | 9.2 |
| Pay-out (%) | -1,335.0 | 353.0 | 246.2 | 173.9 | 168.1 | 162.8 |
| EV-based multiples | | | | | | |
| EV/sales | – | 6.7 | 6.8 | 6.0 | 5.7 | 5.4 |
| EV/EBITDA* | – | 9.5 | 9.7 | 8.6 | 8.3 | 7.8 |
| EV/Invested capital | – | 1.1 | 1.2 | 1.1 | 1.1 | 1.1 |

Source: Company data and Santander Investment Bolsa estimates.

Investment Case

➤ Saeta has young assets, low counterparty risk and stable cash flows. It also has low exposure to merchant prices, as more than 70% of its revenues are fixed incentives and, due to caps and floors, its final exposure to pool prices is only 3%.

➤ Our TP of €10.60/share (Dec-2017) implies almost 29% upside potential from current prices. Furthermore, we are expecting SAY to pay €0.75/share in dividends in 2017E (9.1% implicit yield).

➤ Saeta is one of the few stocks in our Iberian utilities universe with upside, despite having, in our view, a lower risk profile than most of its peers.

Key Value Drivers

➤ Stable and visible regulations that allow the generation of stable cash flows and dividends.

➤ A low interest rate context, especially regarding the impact on the stock of changes in the allowed return from a valuation standpoint.

Investment Risks

➤ Political uncertainty, which reduces visibility about the position a future government may take on renewables, and especially thermosolar (>50% of Saeta's EBITDA and value).

➤ Regulations in Spain, as 100% of SAY's assets are regulated there. Even if all ROFO assets were to be executed, its exposure to Spain would still be substantial (>80% of EBITDA).

➤ Risk of a cut in incentives if the recalculation of returns at the end of the regulatory period (the first ends in Dec-19) adopts the same methodology (10Y bond +300bp) as initially applied for the calculation of the current one (pre-tax return of 7.4%).

Catalysts

➤ Improved visibility for both the political and the regulatory scenario in Spain.

➤ Potential acquisitions of ROFO assets at accretive prices (not so much for dividend growth as for intrinsic value).

Company Description

Saeta Yield is a yieldco created by ACS that currently has 788.5MW of assets (538.5MW of wind and 250MW of thermosolar) in Spain, ROFOs over 454MW of wind and thermosolar in Iberia and LatAm and a 400km transmission line in Peru. ACS and the infrastructure fund GIP are its main shareholders with stakes of 24.2% and 24%, respectively.



VALUATION

TOTAL SHAREHOLDER RETURN OF €1.35/SHARE

Our new TP is €10.60/share, but this does not include the €0.75/share in dividends included in our previous TP of €11.40/share. We think this is a cleaner way to look at the upside and the dividends that will be paid in the first year.

- We are not including the value creation from the acquisition of ROFOs. Although, in theory, there is value creation on transactions between the parent company and the yieldco (due to the different costs of capital), we prefer to be cautious and provide only the valuation of the existing assets. Previously we included 50% of the value creation.
- We calculate an equity value of €666mn for all the assets.
- We are assuming the same remuneration from 2020 onwards, ie 7.4%.
- We are already incorporating the new prices and incentives from 2017 onwards.

Figure 1. SAY – Sum-of-the-Parts Valuation

| (€mn) | NPV | | Gross Debt | | MW | Age (years) | EV/MW | |
|-------------------------------------|--------------|-----------|--------------|--------------|------------|-------------|---------|----------|
| | Dec-16 | Ke | 2017E | EV | | | Non-Adj | Adjusted |
| Al Andalus | 98 | 7% | 200 | 297 | 255 | 9.2 | 1.2 | 1.8 |
| Boga II | 38 | 7% | 114 | 152 | 113 | 7.6 | 1.4 | 1.9 |
| Santa Catalina | 50 | 7% | 96 | 146 | 108 | 5.9 | 1.4 | 1.8 |
| Montegordo | 16 | 7% | 42 | 58 | 48 | 7.0 | 1.2 | 1.7 |
| Valcaire | 17 | 7% | 0 | 17 | 16 | 5.1 | 1.1 | 1.3 |
| Wind | 219 | 7% | 452 | 671 | 539 | 7.9 | 1.2 | 1.8 |
| Extresol 1 | 97 | 7% | 168 | 264 | 50 | 8.0 | 5.3 | 7.8 |
| Manchasol 2 | 80 | 7% | 179 | 259 | 50 | 6.5 | 5.2 | 7.0 |
| Serrezuela | 119 | 7% | 164 | 284 | 50 | 4.5 | 5.7 | 6.9 |
| Extresol 2 | 78 | 7% | 193 | 271 | 50 | 7.0 | 5.4 | 7.5 |
| Extresol 3 | 74 | 7% | 193 | 267 | 50 | 5.4 | 5.3 | 6.8 |
| CSP | 447 | 7% | 898 | 1,346 | 250 | 6.3 | 5.4 | 7.2 |
| Total EV | 666 | 7% | 1,350 | 2,017 | 789 | 7.5 | - | - |
| Cash | 198 | | | | | | | |
| Retained earnings (updated) of DSRA | 1 | | | | | | | |
| Total existing assets | 865 | | | | | | | |
| Value creation ROFO | 75 | | | | | | | |
| % Distribution Saeta-ACS | 0% | | | | | | | |
| Attributable value creation ROFO | 0.0 | | | | | | | |
| Total | 864.9 | | | | | | | |
| Nº of shares | 81.6 | | | | | | | |
| NPV /share | 10.60 | | | | | | | |
| Current price | 8.20 | | | | | | | |
| Premium/discount | 29% | | | | | | | |

Source: Company data and Santander Investment Bolsa estimates.

Sensitivity to Ke

Our TP is based on the discount of the CAFD of each of the plants at a cost of equity (Ke) of 7.0%. We think it is interesting to see the impact in our TP of changes and conclude that an increase in Ke of 100bp would cut our TP by c€0.70/share or 7%. In the case of a change in the 7.4% allowed return, a 100bp decrease would take €0.80/share off our TP.

Figure 2. SAY – Sensitivity Analysis to Changes in the Ke

| (€/share) | 7.00% | 7.50% | 8.00% | 8.50% | 9.00% |
|--|-------|-------|-------|-------|-------|
| TP | 10.60 | 10.24 | 9.90 | 9.59 | 9.29 |
| Change vs TP €10.60/share | 0% | -3% | -7% | -10% | -12% |
| upside vs current price of €8.15/share | 29.3% | 24.9% | 20.8% | 16.9% | 13.3% |

Source: Company data and Santander Investment Bolsa estimates.

CAFD AND DIVIDENDS

We think SAY will maintain its €61.4mn of dividends, despite the updated regulations. However, the current recurrent CAFD expected for 2017-19 should be in line with or slightly lower than the amount of dividends. That is why we think SAY will abandon its current policy of paying out 90% of the cash available.

CAFD

In 2016, the target is for CAFT to be in the €42-48mn range. We are expecting it to be in the upper part of the range. This would depend on the high power prices (above €50/MWh) at the end of 2016 vs the low level of the rest of the year. Furthermore, SAY would benefit from an old settlement at the Serrezuela thermosolar plant of c€12mn and c€9.0mn of cash from the acquisition of Extresol 2& 3. On the negative side, we highlight: (1) the advance taxes of €4.5mn, and (2) the cover ratio of the system payments that would be below the usual 91% expected (c86%) and would have a negative impact of c€10mn on working capital.

For 2017-19E, we expect CAFD to average c€61mn. We have two main negative effects: (1) the update of the regulation, with an impact of c€4-5mn and (2) the CAFD from Extresol 2&3 is not linear and it is lower in 2016-19 (c€9mn/year) and higher in 2020-23, at c€16mn/year.

Figure 3. SAY – Cash Available for Distribution, 2015-20E

| (€mn) | 2015 | 2016E | 2017E | 2018E | 2019E | 2020E |
|-------------------------------|-------------|--------------|-------------|-------------|-------------|-------------|
| EBITDA | 155.6 | 194.6 | 208.5 | 207.2 | 206.9 | 220.0 |
| Change in WC and others | 17.0 | 1.6 | 2.5 | 0.0 | 0.0 | 0.0 |
| Capex | -1.0 | 0.0 | -1.0 | -0.3 | -0.3 | -0.3 |
| Debt service | -95.6 | -145.9 | -147.8 | -146.9 | -146.5 | -146.8 |
| Taxes | -2.0 | -4.5 | -0.1 | -0.1 | -0.1 | -0.1 |
| Ordinary CAFD | 74.0 | 45.7 | 62.1 | 60.0 | 60.0 | 72.9 |
| CF from the IPO restructuring | 52.9 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Dividends | -34.7 | -60.3 | -61.4 | -61.4 | -61.4 | -65.6 |
| Total CF | 92.2 | -14.6 | 0.7 | -1.4 | -1.4 | 7.3 |

Source: Company data and Santander Investment Bolsa estimates.

Power prices could have a positive effect in 4Q16 and in 2017E, in our opinion. Power prices have been quite weak during 2016. However, due to the pick-up in commodities and the closure for revision of some nuclear plants in France, power prices rose sharply in 4Q16. In Spain, the average price so far 4Q16 has been above €6/MWh vs c€34/MWh during the first nine months.

The reference price taken by the regulator for 2017 is €42.13/MWh. Due to the band regulations, SAY could benefit by up to €6/MWh as, by law, any profit from prices above this level should be returned to consumers. Until the cash is returned, it remains within the company. Each €1/MWh price increase for the whole year can increase Saeta's CAFD by c€1.5mn. We will track power prices closely.



Figure 4. SAY – Spot Power Prices in Spain, 2015-YTD 2016 (LHS) and in November-December 2016 (RHS)



Source: OMIE.

Dividends

We think SAY will maintain its dividends at €61.4mn a year, but will abandon its current policy of linking dividends to CAFD. We think SAY will use a higher portion of the CAFD and buy assets to compensate and increase the dividends. We are expecting SAY to buy some assets in the coming months (Oaxaca, Manchasol 1, third party assets), which should help it maintain the level of dividends.

If the company has resources to pay the dividend and is not suffering financial problem, any cut in dividends would have a very negative impact. That is another reason to hold its dividends steady.

Figure 5. SAY – Dividends and Implicit Yield, 2016-20E

| (€mn) | 2016E | 2017E | 2018E | 2019E | 2020E |
|------------------|-------|-------|-------|-------|-------|
| CAFD | 45.7 | 62.1 | 60.0 | 60.0 | 72.9 |
| Dividends | -61.4 | -61.4 | -61.4 | -61.4 | -65.6 |
| Implicit pay-out | 134% | 99% | 102% | 102% | 90% |
| DPS (€/share) | 0.75 | 0.75 | 0.75 | 0.75 | 0.80 |
| Implicit yield | 9.2% | 9.2% | 9.2% | 9.2% | 9.8% |

Source: Company data and Santander Investment Bolsa estimates.

ESTIMATES

Figure 6. SAY – P&L, 2014-20E

| (€mn) | 2014 | 2015 | 2016E | 2017E | 2018E | 2019E | 2020E |
|----------------------------|------------|------------|------------|------------|------------|------------|------------|
| Market revenue wind | 41 | 42 | 38 | 40 | 40 | 40 | 50 |
| Market revenue thermosolar | 20 | 22 | 28 | 30 | 30 | 30 | 37 |
| Incentive wind | 57 | 58 | 58 | 64 | 64 | 64 | 64 |
| Incentive thermosolar | 99 | 97 | 155 | 168 | 167 | 167 | 167 |
| Revenue | 216 | 221 | 279 | 302 | 301 | 301 | 318 |
| Opex | -63 | -65 | -84 | -93 | -94 | -94 | -98 |
| EBITDA | 153 | 156 | 195 | 209 | 207 | 207 | 220 |
| Wind | 67 | 71 | 67 | 74 | 73 | 73 | 81 |
| Thermosolar | 86 | 82 | 122 | 135 | 134 | 134 | 139 |
| % margin | 70.7% | 70.5% | 69.9% | 69.1% | 68.9% | 68.7% | 69.3% |
| Depreciation | -76 | -60 | -96 | -102 | -102 | -102 | -102 |
| Impairments | 24 | 0 | 0 | 0 | 0 | 0 | 0 |
| EBIT | 101 | 96 | 98 | 107 | 105 | 105 | 118 |
| Net financials | -56 | -75 | -62 | -59 | -57 | -54 | -50 |
| Pre-tax | 44 | 22 | 36 | 48 | 49 | 52 | 69 |
| Taxes | -9 | -5 | -11 | -12 | -12 | -13 | -17 |
| Net profit | 35 | 16 | 25 | 36 | 37 | 39 | 51 |
| Cash flow | 87 | 111 | 128 | 149 | 150 | 153 | 170 |
| Debt repayments | -23 | -53 | -84 | -89 | -90 | -93 | -97 |
| WC, adjustments & other | 0 | 17 | 2 | 2 | 0 | 0 | 0 |
| Capex | 0 | -1 | 0 | -1 | 0 | 0 | 0 |
| CAFD | 64 | 74 | 46 | 62 | 60 | 60 | 73 |
| Dividends | 471 | -57 | -61 | -61 | -61 | -61 | -66 |
| DPS | | 0.70 | 0.75 | 0.75 | 0.75 | 0.75 | 0.80 |
| Pay out | NM | 77% | 134% | 99% | 102% | 102% | 90% |
| Rights issue | 0 | 200 | 0 | 0 | 0 | 0 | 0 |
| Restructuring | 0 | -147 | 0 | 0 | 0 | 0 | 0 |
| Cash | -536 | -92 | 15 | -1 | 1 | 1 | -7 |

Source: Company data and Santander Investment Bolsa estimates.

Figure 7. SAY – Balance Sheet, 2014-20E

| (€mn) | 2014 | 2015 | 2016E | 2017E | 2018E | 2019E | 2020E |
|---------------------------------|-------|-------|-------|-------|-------|-------|-------|
| Tangible assets | 1,410 | 1,338 | 1,813 | 1,712 | 1,611 | 1,509 | 1,408 |
| Other fixed assets | 9 | 8 | 8 | 8 | 8 | 8 | 8 |
| Fixed assets | 1,418 | 1,346 | 1,821 | 1,720 | 1,619 | 1,517 | 1,416 |
| Deferred tax assets | 76 | 61 | 61 | 61 | 61 | 61 | 61 |
| Working assets | 144 | 61 | 61 | 61 | 61 | 61 | 61 |
| Cash & cash equivalents | 100 | 184 | 214 | 215 | 213 | 212 | 219 |
| Total assets | 1,739 | 1,652 | 2,157 | 2,057 | 1,954 | 1,851 | 1,757 |
| Equity | 356 | 571 | 541 | 527 | 514 | 504 | 507 |
| Deferred tax liabilities | 41 | 36 | 36 | 36 | 36 | 36 | 36 |
| Provisions & other | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest bearing debt (LT + ST) | 1,104 | 907 | 1,439 | 1,350 | 1,260 | 1,167 | 1,070 |
| Other | 239 | 139 | 141 | 144 | 144 | 144 | 144 |
| Total liabilities | 1,739 | 1,652 | 2,157 | 2,057 | 1,954 | 1,851 | 1,757 |

Source: Company data and Santander Investment Bolsa estimates.

Figure 8. SAY – Financial Ratios, 2014-20E

| Financial ratios (€mn) | 2014 | 2015 | 2016E | 2017E | 2018E | 2019E | 2020E |
|------------------------|---------|--------|---------|---------|---------|---------|---------|
| Gross debt | 1,103.8 | 906.5 | 1,438.7 | 1,350.0 | 1,259.9 | 1,167.0 | 1,070.0 |
| Cash | -100.3 | -183.6 | -214.0 | -214.7 | -213.3 | -211.9 | -219.2 |
| Net debt | 1,004 | 723 | 1,225 | 1,135 | 1,047 | 955 | 851 |
| Debt to equity | 282% | 127% | 226% | 215% | 204% | 189% | 168% |
| Net debt/EBITDA | 6.6 | 4.6 | 6.3 | 5.4 | 5.0 | 4.6 | 3.9 |
| Interest coverage | 2.7 | 2.1 | 3.1 | 3.5 | 3.6 | 3.9 | 4.4 |
| Pay-out ratio | NM | 77% | 134% | 99% | 102% | 102% | 90% |

Source: Company data and Santander Investment Bolsa estimates.



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|---------------------|--------------------------|--------------------------|---|
| | | Covered with This Rating | Provided with Investment Banking Services in the Past 12 Months |
| Buy | Upside of more than 15%. | 54.42 | 20.41 |
| Hold | Upside of 10%-15%. | 31.97 | 12.24 |
| Underweight | Upside of less than 10%. | 13.61 | 4.76 |
| Under Review | | 0 | 0 |

NOTE: Given the recent volatility seen in the financial markets, the recommendation definitions are only indicative until further notice.

(*) Target prices set from January to June are for December 31 of the current year. Target prices set from July to December are for December 31 of the following year.

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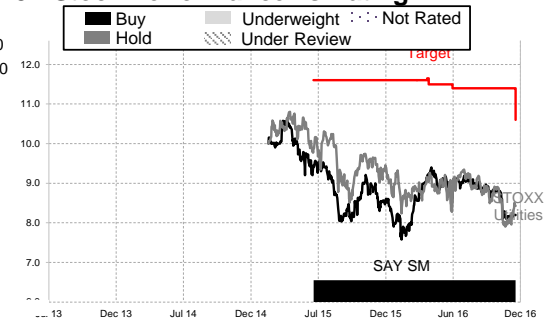
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Source: FactSet and Santander Investment Bolsa.