

Ryman Healthcare

NEUTRAL

1H20 — Vertical Velocity

Ryman Healthcare (RYM) has reported a 1H20 result below our expectations, impacted by a lower development margin at one project, but has guided to +10% to +17% underlying profit growth in FY20 and we have not materially changed our forecasts. RYM remains very well placed given the vertical integrated nature of its full continuum of care operation and the sharp lift in build activity over the next 24 months. **NEUTRAL**.

What's changed?

- **Earnings:** FY20 +1%, FY21 +2% and FY22 +2%
- **Target Price:** Lifted from NZ\$12.60 to NZ\$14.00
- **Rating:** Remains NEUTRAL

Slightly weaker underlying profit — strong development progress

1H20 underlying profit was up +6.1% to NZ\$103m, versus our forecast of NZ\$108.3m. The major miss was development margins which were well down on the pcp at 20% and impacted by redevelopment / earthquake rebuild work at the Malvina Major village in Wellington. The development margin was non-existent at its previous Wellington development at Bob Scott in Petone given earthquake strengthening requirements. Excluding this work, the margin was 25%, close to the 27% in the pcp. Operating cash flow was NZ\$256m, up +18% and the interim dividend was up +6.5% at 11.5cps.

FY20 guidance of +10% to +17% underlying profit growth

RYM has provided strong FY20 underlying profit guidance of between NZ\$250m and NZ\$265m. The major swing factor is new sales volumes and timing of new stock delivery in a stronger 2H20.

Forecast changes

We have reduced our FY20 development margin forecasts given the lower 1H20 margins due to the Malvina Major rebuild in Wellington. This has been offset by slightly higher resales margins and new sales volumes in 2H. In addition, slightly higher forecast depreciation has been offset by a lower forecast for interest costs, resulting in a very small increase in our FY20 underlying forecast. We have lifted our forecast new beds delivered in FY20 to 200 which bring our FY20 forecasts in line with RYM guidance of 900 new units and beds in FY20. We have not changed our assumptions around forecast new units which sit at 700 in FY20, 850 in FY21 and 950 in FY22.

Our target price has lifted +11% from NZ\$12.60 to NZ\$14 with about half of this coming from the time-value-of-money impact on our DCF valuation since our last update and the balance from a slightly more positive view on medium-to-longer-term pricing.

Investment View

With the rapidly aging population there is increasing demand for retirement village accommodation and aged care, in particular RYM's hospital and dementia facilities. RYM remains very well positioned given its fully integrated villages, strong brand and track record. RYM is a leading NZ growth story while also having defensive qualities due to the strength of its franchise and its 'needs based' focus. Victoria is gaining momentum and RYM expects to have five villages open by the end of 2020. **NEUTRAL**.

NZX Code	RYM
Share price	NZ\$14.18
Target price	NZ\$14.00
Risk rating	Medium
Issued shares	500.0m
Market cap	NZ\$7,090m
Average daily turnover	450.5k (NZ\$5,481k)

Share Price Performance



Financials: March	19A	20E	21E	22E
NPAT* (NZ\$m)	227.0	261.0	306.1	346.2
EPS* (NZc)	45.4	52.2	61.2	69.2
EPS growth* (%)	11.5	15.0	17.3	13.1
DPS (NZc)	22.7	26.1	30.6	34.6
Imputation (%)	0	0	0	0

Valuation (x)	19A	20E	21E	22E
EV/EBITDA	30.8	27.3	23.7	21.0
EV/EBIT	33.7	30.0	25.7	22.8
PE	31.2	27.2	23.2	20.5
Price / NTA	3.3	3.2	3.0	n/a
Cash dividend yield (%)	1.6	1.8	2.2	2.4
Gross dividend yield (%)	1.6	1.8	2.2	2.4

*Historic and forecast numbers based on underlying profits

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Ryman Healthcare Ltd (RYM)

Priced as at 21 Nov 2019: NZ\$14.18

March year end

Forsyth Barr valuation					Valuation Ratios					
Valuation methodology					2018A	2019A	2020E	2021E	2022E	
DCF 30% base case & 70% Aust expansion					EV/EBITDA (x)	33.5	30.8	27.3	23.7	21.0
					EV/EBIT (x)	36.6	33.7	30.0	25.7	22.8
12-month target price (NZ\$)*	14.00	Spot valuations (NZ\$)			PE (x)	34.8	31.2	27.2	23.2	20.5
Expected share price return	-1.3%	1. DCF		13.00	Price/NTA (x)	3.7	3.3	3.2	3.0	2.8
Net dividend yield	2.1%	2. n/a		n/a	Free cash flow yield (%)	-1.8	-2.2	0.3	1.5	2.7
Estimated 12-month return	0.8%	3. n/a		n/a	Net dividend yield (%)	1.4	1.6	1.8	2.2	2.4
					Gross dividend yield (%)	1.4	1.6	1.8	2.2	2.4
Key WACC assumptions					DCF valuation summary (NZ\$m)					
Risk free rate	2.75%	Total firm value			7,878	Imputation (%)	0	0	0	0
Equity beta	0.81	(Net debt)/cash			(1,324)	Pay-out ratio (%)	50	50	50	50
WACC	8.0%	Value of equity			6,554	Capital Structure				
Terminal growth	1.5%	Shares (m)			500	2018A	2019A	2020E	2021E	2022E
					Interest cover EBIT (x)	14.1	13.8	15.4	16.9	18.7
					Interest cover EBITDA (x)	15.4	15.0	16.9	18.3	20.2
					Net debt/ND+E (%)	35.3	37.9	38.8	38.2	36.5
					Net debt/EBITDA (x)	4.4	4.9	4.6	4.1	3.6
Profit and Loss Account (NZ\$m)					Key Ratios					
2018A	2019A	2020E	2021E	2022E	2018A	2019A	2020E	2021E	2022E	
Sales revenue	508	572	651	725	799	Return on assets (%)	3.9	3.8	4.0	4.2
Normalised EBITDA	240	269	311	360	406	Return on equity (%)	10.5	10.5	11.5	12.7
Depreciation and amortisation	(21)	(23)	(28)	(29)	(32)	Return on funds employed (%)	7.8	7.3	7.6	8.4
Normalised EBIT	220	245	282	332	374	EBITDA margin (%)	47.3	46.9	47.8	49.7
Net interest	(16)	(18)	(19)	(21)	(21)	EBIT margin (%)	43.2	42.9	43.4	45.7
Associate income	-	-	-	-	-	Capex to sales (%)	94.0	96.5	82.3	85.5
Tax	(1)	(3)	(2)	(5)	(7)	Capex to depreciation (%)	2,322	2,389	1,888	2,161
Minority interests	-	-	-	-	-	Operating Performance				
Normalised NPAT	204	227	261	306	346	2018A	2019A	2020E	2021E	2022E
Abnormals/other	185	99	-	-	-	Revenue (NZ\$m)				
Reported NPAT	388	326	261	306	346	Care fees	270	302	332	357
Normalised EPS (cps)	40.7	45.4	52.2	61.2	69.2	Management fees	70	79	90	112
DPS (cps)	20.4	22.7	26.1	30.6	34.6	Other	2	1	1	1
					Fair value m'ment in Investment Property (NZ\$m)					
					Realised	166	190	227	256	276
					Unrealised	-	-	-	-	-
					Total revenue	508	572	651	725	799
Growth Rates					Key Drivers					
2018A	2019A	2020E	2021E	2022E	Sales - new NZ units	416	284	468	495	495
Revenue (%)	18.5	12.6	13.7	11.4	10.2	Sales - new Australian units	42	157	128	270
EBITDA (%)	18.1	11.8	15.7	15.9	12.8	Sales - total new units	458	441	595	765
EBIT (%)	16.5	11.7	15.1	17.4	12.9	Unit price - new sales (NZ\$000s)	671	702	723	730
Normalised NPAT (%)	14.1	11.5	15.0	17.3	13.1	Ave new unit price inflation (%)	52.9	4.7	3.0	1.0
Normalised EPS (%)	14.1	11.5	15.0	17.3	13.1	Sales - resold units	825	824	919	994
DPS (%)	14.4	11.3	15.0	17.3	13.1	Unit price - resales (NZ\$000s)	503	507	522	532
					Ave resold unit price inflation (%)					
					Gross development margin (%)					
					Gross resales margin (%)					
					New units					
					NZ					
					Australia					
					Total					
					New beds					
					NZ					
					Australia					
					Total					
					Total portfolio					
					Apartments/units					
					Beds					

* Forsyth Barr target prices reflect valuation rolled forward at cost of equity less the next 12-months dividend

1H20 Results — Key points of interest

RYM 1H20 underlying profit was up +6.1% to NZ\$103m, versus our forecast of NZ\$108.3m. Underlying EBITDA of NZ\$126.1m was up +7.8%. The major miss versus our forecast was development margins which were well down on the pcp at 20% given the Malvina Major project. Excluding this work, the margin was 25%, close to the 27% in the pcp and our forecast of 27%.

Operating cash flow was NZ\$401m, up +18% and the interim dividend was up +6.5% in line with the underlying profit growth at 11.5cps (record date 6 December / payment date 13 December).

Gearing increased modestly (37.2% to 39.6%) and is at 20.7% in terms of debt to total assets. Given the growth and momentum in the business, and that most of the debt is project related, our view is that gearing remains at manageable levels.

Figure 1. 1H20 Result Summary (NZ\$m)

Six months ending 30 September	1H19	1H20	Chg	Forbar
Revenue				
Care fees	147.7	163.1	10.4%	157.8 Revenue per bed up
Management fees	39.2	44.4	13.2%	43.0 Portfolio expansion & higher selling prices
Fair value movement of investment property				
Realised value movement	82.6	87.2	5.6%	96.6 Strong new sales and resales vol
Unrealised value movement	72.8	92.8		Expansion and higher pricing
Total fair value movement	155.4	180.0	15.9%	
Total revenue	342.4	387.6	13.2%	
Total costs	152.5	168.7	10.6%	164.7 Care, village & marketing cost increases
Total EBITDA	189.8	218.8	15.3%	
Depreciation	11.3	13.8	22.2%	12.5
EBIT	178.6	205.1	14.8%	
Net interest	(8.7)	(9.3)	7.2%	(11.9)
EBT	169.9	195.7	15.2%	
Tax (deferred)	0.4	7.4		0.0
Reported profit (NZ IFRS)	169.5	188.3	11.1%	Unrealised gains stronger than pcp
Unrealised value movement	(72.8)	(92.8)		0.0
Tax (deferred) + other	0.4	7.5		0.0
Normalised or underlying profit	97.1	103.0	6.1%	108.3 Below due to lower new sales margins
Underlying earnings (excludes unrealised gains)				
Revenue	269.6	294.8	9.3%	297.4
EBITDA	117.0	126.0	7.7%	132.7
EBIT	105.8	112.3	6.1%	120.2
Underlying profit	97.1	103.0	6.1%	108.3 Below due to lower new sales margins
EPS (cents)	19.4	20.6	6.1%	21.7
DPS (cents)	10.8	11.5	6.5%	12.0
Operating cash flow	217.8	256.1	17.6%	195.0
Balance Sheet Summary				
As at 30 September	1H19	1H20	Chg	
Total Assets	6,180.2	7,255.8	17.4%	Portfolio expansion
Working Capital	221.9	151.1	-31.9%	
Net Debt	1,214.3	1,505.0	23.9%	Landbank expansion
Shareholders Equity	2,052.7	2,294.5	11.8%	
NTA	4.06	4.53	11.6%	Portfolio expansion
Net Debt / (Net Debt + Equity)	37.2%	39.6%	6.6%	Up slightly
Net Debt / Total assets	19.6%	20.7%	5.6%	

Source: Forsyth Barr analysis, Company Reports

FY20 guidance of +10% to +17% underlying profit guidance

RYM has provided strong FY20 underlying profit guidance of between NZ\$250m and NZ\$265m. The major swing factor will be the level and timing of new sales in 2H20. The 2H is expected to be a stronger half given the timing of new stock delivery.

+12% lift in NTA

The level of overall fair value gain for the investment portfolio of retirement villages was NZ\$180m. The realised gains from actual sales activity was \$87m, (up +6% versus the pcp). The NTA is up +12% to NZ\$4.53.

New sales contribution down due to weak development margins

New sales volumes (+36% versus 1H19) and flat average pricing (NZ\$710,000 per unit) were close to expectations, however, the margins at 20% were well below our forecast of 27%. This led to a development contribution from new sales (the realised gain) of NZ\$32m, down -2% versus the pcp. RYM noted that the underlying margin was 25% if the one-off redevelopment work at the earthquake damaged Malvina Major village was excluded.

Resales contribution in line with expectations

The overall resales contribution was up +10% and reflected a strong lift in volume to 454 units, and steady pricing and margins. RYM noted that resales demand remains strong with a low volume of stock available to resell at 1.6% of the resales base, although this is slightly higher than in recent years. We suspect this reflects mix (i.e more serviced apartments) than a drop in demand. RYM noted that it had seen recent signs of recovery in the Melbourne and Auckland markets. RYM has a resale bank of NZ\$867m, which is the aggregate amount of the current value of units versus the price paid by residents. The value of contracts not yet booked was stable above NZ\$150m.

Care progress — dementia expertise sets it apart

Demand remains robust for RYM's modern and full continuum of care product with 97% occupancy at established facilities. Care revenue was up +10% and ahead of expectations. RYM remains sector leading in that 84% of its aged care facilities now have the maximum four year DHB certification. It has completed a review of its dementia services to keep at the leading edge of this market. Its dementia services offering across its portfolio remains a key strength and point of difference with the other major operators.

Figure 2. Sales of occupation right agreements (ORAs)

Six months ending 30 September	2H18	1H19	2H19	1H20	Chg pcp	Chg seq	Forbar
New Sales (Units)	301	168	273	229	36.3%	-16.1%	224
Resales (Units)	431	405	419	454	12.1%	8.4%	441
Total	732	573	692	683	19.2%	-1.3%	665
New Sales \$m	216.8	120.4	170.3	160.7	33.4%	-5.6%	159.0
Resales \$m	212.8	202.1	215.3	234.8	16.2%	9.1%	223.6
Total	429.6	322.5	385.6	395.5	22.6%	2.6%	382.6
Ave new sales \$000	720	717	624	702	-2.1%	12.4%	710
Ave resales \$000	494	499	514	517	3.6%	0.6%	507
Operating margins							
New sales (development margins)	20%	27%	32%	20%			27%
Resales margins	26%	25%	25%	24%			24%
New sales margin (\$m)	44	33	54	32	-2.2%	-41.4%	43
Resales margin \$m	55	51	53	55	9.7%	4.2%	54
Total realised gain (\$m)	99	83	107	87	5.0%	-18.8%	97

Source: Forsyth Barr analysis, Company Reports

Stock delivery set to ramp up with Melbourne momentum

New stock delivered was 234 units highlighting the importance of the 2H20 build programme with over 650 units/beds expected. RYM is in a period of very strong build growth and will be working across 12 villages in 2H20. RYM is guiding to 900 new units and beds in FY20 and 1,000 in FY21.

Development progression in Melbourne continues to be a focus with the target remaining to have 5 villages open in the area by the end of CY20 and looking on track with its fifth development approval received. RYM purchased two new sites in 1H20, including Highett in Victoria and Northwood in Christchurch. With these acquisitions RYM's landbank now consists of 22 sites and ~7,000 units and beds. This quantum of development represents 66% of its existing portfolio.

The target build rate for FY20 is 900 units and beds, an improvement of ~140 upon that achieved in FY19 (757). RYM's medium term target build rate remains 1,600 units and beds.

Figure 3. RYM landbank as at 30 September 2019

Development sites	Location	Independent	Serviced	Hospital	Dementia	Resthome	Total	Needs based
Existing sites								
William Sanders	Auckland	139	48	40	36	36	299	
Grace Joel	Auckland	96					96	
Murray Halberg	Auckland	260					260	
Linda Jones	Hamilton	175	93	40	40	40	388	
Jean Sandel	New Plymouth	59					59	
Diana Isaac	Christchurch	30					30	
Total NZ existing sites		759	141	80	76	76	1,132	33%
NZ new sites								
Havelock North	Hawkes Bay	147	76	35	35	20	313	
Hobsonville	Auckland	276	101	40	40	40	497	
Lincoln Road	Auckland	186	77	42	37	42	384	
Kohimarama	Auckland	125	78	20	40	20	283	
Northwood	Christchurch	156	60	30	30	30	306	
Park Tce / Bishops Park	Christchurch	130	79	36	40	40	325	
Riccarton Racecourse	Christchurch	226	66	40	40	40	412	
Karori	Wellington	178	84	20	20	20	322	
Newton	Wellington	40	56	20	15	20	151	
Total new sites		1,464	677	283	297	272	2,993	51%
Total NZ landbank		2,223	818	363	373	348	4,125	46%
Auckland landbank								
		587	256	102	117	102	1,164	
Australia existing sites								
Nellie Melba	Melbourne	165	50	31	0	29	275	
Australia new sites								
Coburg	Melbourne	200	76	35	35	36	382	
Burwood East	Melbourne	174	96	38	38	38	384	
Highett	Melbourne	94	37	30	30	20	211	
Aberfeldie	Melbourne	64	27	25	25	24	165	
Ringwood East	Melbourne	242	55	40	40	40	417	
Mount Eliza	Victoria	217	55	40	44	40	396	
Mount Martha	Victoria	70	37	40	40	36	223	
Ocean Grove	Victoria	83	53	40	40	40	256	
Geelong	Victoria	80	60	40	20	40	240	
Total Australia Landbank		1,389	546	359	312	343	2,949	53%
Australia %		38%	40%	49%	46%	50%	42%	
Total Landbank		3,612	1,364	711	685	702	7,074	49%

Source: Forsyth Barr analysis, Company Reports

Forecast changes

We have reduced our FY20 development margin forecasts given the lower 1H20 margins due to the Malvina Major rebuild in Wellington. This has been offset by slightly higher resales margins and new sales volumes in 2H. In addition, slightly higher forecast depreciation has been offset by a lower forecast for interest costs, resulting in a very small increase in our FY20 underlying forecast.

Figure 4. Changes to key drivers (NZ\$m)

Year ending 31 March	Old	New	Chg %
Gross devel margin % FY20	27.6	25.0	-9.4%
Gross devel margin % FY21	24.0	24.0	0.0%
Gross devel margin % FY22	23.0	23.0	0.0%
New units built FY20	700	700	0.0%
New units built FY21	850	850	0.0%
New units built FY22	950	950	0.0%
Sales - new units FY20	560	595	6.3%
Sales - new units FY21	765	765	0.0%
Sales - new units FY22	855	855	0.0%
Ave price - new sales FY20 (NZ\$000's)	723	723	0.0%
Ave price - new sales FY21 (NZ\$000's)	730	730	0.0%
Ave price - new sales FY22 (NZ\$000's)	745	745	0.0%
Sales - resold units FY20	919	919	0.0%
Sales - resold units FY21	994	994	0.0%
Sales - resold units FY22	1087	1087	0.0%
Ave price - resold sales FY20 (NZ\$000's)	517	522	1.0%
Ave price - resold sales FY21 (NZ\$000's)	527	532	1.0%
Ave price - resold sales FY22 (NZ\$000's)	538	543	1.0%
Gross resales margin % FY20	24.5	25.0	2.0%
Gross resales margin % FY21	23.0	23.0	0.0%
Gross resales margin % FY22	22.0	22.0	0.0%

Source: Forsyth Barr analysis, Company Reports

Figure 5. Forecast Changes (NZ\$m)

Year ending 31 March	Old	New	Chg %
Underlying Revenue FY20	640.7	650.6	1.6%
Underlying Revenue FY21	708.2	724.9	2.4%
Underlying Revenue FY22	781.1	798.6	2.2%
Underlying EBITDA FY20	311.2	310.8	-0.1%
Underlying EBITDA FY21	358.4	360.2	0.5%
Underlying EBITDA FY22	404.4	406.3	0.5%
Normalised Profit FY20	258.9	261.0	0.8%
Normalised Profit FY21	299.0	306.1	2.4%
Normalised Profit FY22	338.8	346.2	2.2%
DPS cents FY20	25.9	26.1	0.8%
DPS cents FY21	29.9	30.6	2.4%
DPS cents FY22	33.9	34.6	2.2%
Price Target	\$12.60	\$14.00	11.1%

Source: Forsyth Barr analysis, Company Reports

In terms of near-term development assumptions, we have lifted our forecast new beds delivered in FY20 to 200 beds rather than 112 previously, so essentially lifting to around two care centres largely completed in FY20. This brings our FY20 forecasts in line with RYM guidance of 900 new units and beds in FY20. Our FY21 forecasts are in line with RYM's target of 1,000 new units and beds.

RYM currently has care facilities under way at William Sanders in Devonport, Linda Jones in Hamilton and Murray Halberg in Auckland. We have not changed our assumptions around forecast new units which sit at 700 in FY20, 850 in FY21 and 950 in FY22.

Our target price has lifted from NZ\$12.60 to NZ\$14 (+11%) with about half of this coming from the time-value-of-money impact on our DCF valuation since our last update and the balance from a slightly more positive view on medium term unit pricing. We remain with a NEUTRAL investment rating.

Investment summary

Ryman Healthcare (RYM) is leveraged to the rapidly aging population in NZ and Victoria with growing demand for retirement accommodation and aged care. RYM's strong brand, fully integrated villages and care expertise provide a needs-based defensive customer base. It maximises development returns through its in-house expertise and has a long-run market leading EPS growth track record since 1999.

Business quality

- **A market leader:** Barriers to entry for retirement village operators include care expertise, brand, scale, and access to capital. RYM has all of these.
- **An integrated model:** RYM is the only nationwide operator of integrated retirement villages with a full continuum of care that includes dementia services.
- **Opportunity in Australia:** Entry into the AU market provides significant long-term earnings upside.
- **Defensive qualities:** RYM maintained a strong balance sheet, continued to build new units, and grew earnings through the global financial crisis.

Earnings and cash flow outlook

- **Underlying EPS growth target of around +15%:** RYM continues to generate strong EPS growth through the expansion of the business and growing recurring earnings streams via strong management execution.
- **Recycling capital:** The occupational right agreement (ORA) structure allows RYM to self-fund development and recycle capital.

Company description

RYM was founded in 1984 and listed on the NZX in 1999. It is now the largest owner and developer of integrated retirement villages in NZ. It has a nationwide portfolio of 34 villages in NZ and two in Australia, with all villages offering a continuum of care. The company is an industry leader in aged residential care with a high occupancy rate of 97%. RYM has a significant development pipeline of over 7,000 units and beds (at March 2019) with 30% and 40% of this weighted to Auckland and Melbourne respectively. RYM is targeting to lift its build rate 1,600 units and beds by around FY23.

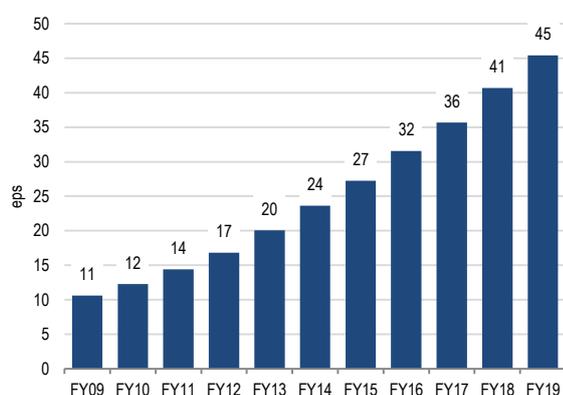
Financial structure

- **Balance sheet:** Gearing has increased in recent years as RYM has lifted its build rate, expanded into Australia and invested in higher priced metropolitan land, however, gearing is essentially project related and manageable. RYM is looking at a potential corporate bond.
- **Dividends:** RYM has had a long-running 50% dividend pay-out rate and as a result dividend growth has tracked the earnings growth. RYM is a market leader in terms of consistently growing its dividends for 20 years.

Risks factors

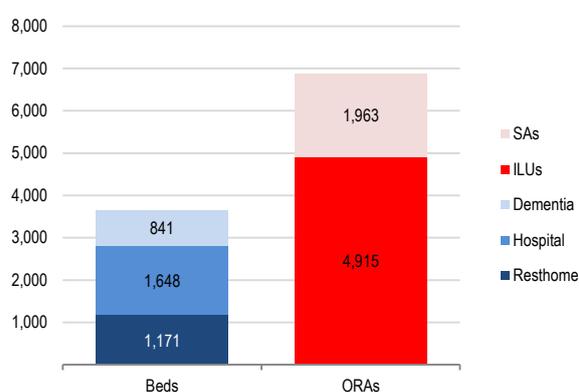
- **Oversupply:** The significant industry pipeline poses the threat of short-term oversupply, offset by a likely shortage of quality beds longer term.
- **Housing market downturn:** Any sizable downturn in the current buoyant housing market conditions poses a threat to sales volumes and pricing.

Figure 6. RYM underlying eps trajectory



Source: Forsyth Barr analysis, Company Reports

Figure 7. RYM portfolio as at 31 March 2019



Source: Forsyth Barr analysis, Company Reports

Figure 8. Substantial Shareholders

Shareholder	Latest Holding
Geoffrey A Cumming	10.2%
Hickman Family	7.2%

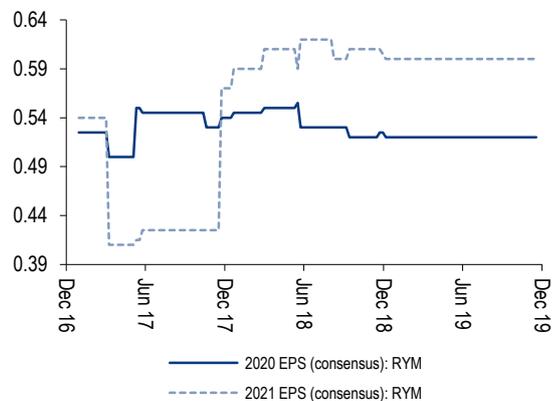
Source: NZX, Forsyth Barr analysis, NOTE: based on SSH notices only

Figure 9. International Compco

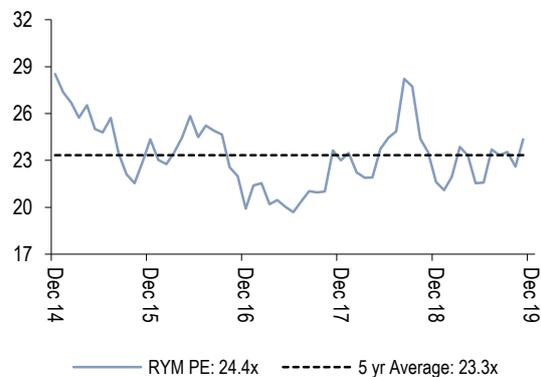
Company	Code	Price	Mkt Cap	PE		EV/EBITDA		EV/EBIT		Cash D/Yld
<i>(metrics re-weighted to reflect RYM's balance date - March)</i>										
			(m)	2020E	2021E	2020E	2021E	2020E	2021E	2021E
Ryman Healthcare	RYM NZ	NZ\$14.18	NZ\$7,090	27.2x	23.2x	27.1x	23.4x	29.8x	25.4x	2.2%
Metlifecare *	MET NZ	NZ\$5.73	NZ\$1,222	13.5x	12.8x	15.2x	14.3x	16.1x	15.2x	2.0%
Summerset Group *	SUM NZ	NZ\$7.43	NZ\$1,685	15.9x	13.8x	16.9x	14.8x	17.9x	15.6x	2.2%
Oceania Healthcare *	OCA NZ	NZ\$1.11	NZ\$676	12.0x	11.1x	13.0x	12.1x	15.4x	14.2x	4.9%
Arvida Group Limited *	ARV NZ	NZ\$1.61	NZ\$872	14.9x	13.1x	15.4x	12.5x	16.9x	13.7x	4.2%
Compco Average:				14.1x	12.7x	15.1x	13.4x	16.6x	14.7x	3.3%
RYM Relative:				+93%	+82%	+79%	+74%	+80%	+73%	-35%

EV = Current Market Cap + Actual Net Debt

Source: *Forsyth Barr analysis, Bloomberg Consensus, Compco metrics re-weighted to reflect headline (RYM) companies fiscal year end

Figure 10. Consensus EPS Momentum


Source: Forsyth Barr analysis, Bloomberg

Figure 11. 12 Month Forward PE


Source: Forsyth Barr analysis

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