

# Capital Value Update

## New Zealand and Australia

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**A reference guide for making capital allocation decisions** June 2009



# New Zealand

	Average market cap (NZ\$ millions)	Enterprise value to EBITDA	Enterprise value to EBIT	Market cap to net profit after tax	Asset beta	Debt to enterprise value	Return on assets (5 year avg)	WACC
<b>Consumer Discretionary</b>								
Hotels Restaurants & Leisure	366	5.2	8.7	8.7	0.5	34.9%	11.9%	7.5%
Household Durables	196	7.5	6.2	6.7	0.6	55.9%	13.2%	7.2%
Media	830	6.3	9.4	13.8	0.6	26.6%	11.7%	8.6%
Multiline Retail	596	10.8	11.8	20.9	0.4	22.8%	11.1%	7.4%
Specialty Retail	128	7.6	10.9	12.5	0.7	27.6%	18.6%	9.1%
<b>Consumer Staples</b>								
Beverages	219	7.1	9.0	11.4	0.4	42.5%	8.0%	7.4%
Food & Staples Retailing	72	6.8	12.8	10.2	0.3	33.5%	6.7%	6.9%
Food & Personal Products	88	6.4	8.0	7.4	0.6	31.2%	20.8%	7.9%
<b>Energy</b>								
Oil, Gas & Consumable Fuels	1,126	5.4	6.9	9.7	0.6	1.1%	14.8%	8.6%
<b>Financials</b>								
Diversified Financial Services	106	13.9	19.5	13.0	0.4	71.1%	14.4%	9.5%
Real Estate Investment Trusts	380	13.3	16.9	12.9	0.3	44.4%	4.1%	6.3%
<b>Health Care</b>								
Health Care Equipment & Supplies	588	10.4	12.9	19.9	0.5	27.4%	17.4%	7.6%
Health Care Providers & Services	317	6.5	8.4	13.4	0.4	21.3%	7.0%	7.5%
<b>Industrials</b>								
Air Freight & Logistics	419	9.1	10.3	12.4	0.9	24.1%	11.6%	10.3%
Airlines	959	1.5	2.8	4.4	0.5	3.6%	5.6%	9.5%
Building Products	90	6.5	7.6	8.9	0.9	26.6%	29.5%	9.8%
Construction & Engineering	157	5.3	6.8	9.0	0.9	0.0%	12.9%	11.2%
Industrial Conglomerates	57	3.6	4.7	12.1	0.7	61.7%	11.6%	10.7%
Machinery	57	14.9	21.4	21.4	0.7	31.5%	7.1%	7.2%
Professional Services	22	6.1	7.2	10.3	0.5	0.0%	13.3%	7.2%
Transportation Infrastructure	681	12.1	15.3	18.0	0.4	24.0%	10.1%	6.4%
<b>Materials</b>								
Chemicals	144	5.3	6.4	5.9	1.0	40.0%	9.2%	12.0%
Construction Materials	3,977	7.0	8.8	8.5	1.0	31.7%	15.6%	11.4%
Metals & Mining	221	7.2	8.4	11.0	0.9	8.4%	22.1%	10.9%
Paper & Forest Products	57	7.4	13.2	18.9	0.5	52.2%	4.0%	6.9%
<b>Telecommunication Services</b>								
Diversified Telecommunication	5,084	3.9	6.8	7.2	0.9	28.3%	18.1%	10.5%
<b>Utilities</b>								
	1,604	10.4	13.2	18.3	0.6	24.2%	6.5%	8.4%

# Australia

	Average market cap (AU\$ millions)	Enterprise value to EBITDA	Enterprise value to EBIT	Market cap to net profit after tax	Asset beta	Debt to enterprise value	Return on assets (5 year avg)	WACC
<b>Consumer Discretionary</b>								
Automobiles	310	5.3	6.5	9.1	1.1	4.8%	20.2%	10.8%
Distributors	338	6.5	7.5	6.3	0.5	42.5%	7.7%	6.9%
Diversified Consumer Services	571	11.9	13.5	19.5	0.3	8.9%	15.1%	6.0%
Hotels Restaurants & Leisure	1,500	8.0	10.1	14.2	0.6	11.2%	15.0%	7.9%
Household Durables	206	8.2	9.5	7.0	0.6	34.4%	14.0%	7.4%
Media	1,369	9.9	10.9	9.4	0.5	36.5%	9.7%	7.1%
Multiline Retail	1,753	13.5	18.4	14.5	0.8	10.6%	14.6%	8.7%
Specialty Retail	436	8.6	10.6	13.5	0.5	17.8%	19.0%	7.3%
Textiles, Apparel & Luxury Goods	1,131	6.2	7.2	9.3	0.6	25.4%	14.6%	7.7%
<b>Consumer Staples</b>								
Beverages	4,523	12.0	17.2	20.4	0.4	32.3%	12.6%	6.1%
Food & Staples Retailing	12,098	12.6	16.4	19.5	0.5	30.2%	9.1%	7.5%
Food Products	356	6.4	9.3	9.4	0.5	35.0%	4.5%	7.4%
<b>Energy</b>								
Energy Equipment & Services	2,877	13.2	15.1	20.3	1.5	5.1%	15.9%	13.1%
<b>Health Care</b>								
Biotechnology	2,886	3.0	20.6	4.6	0.7	0.2%	(32.6%)	8.2%
Health Care Providers & Services	1,639	8.6	10.8	15.2	0.5	29.0%	7.6%	7.2%
<b>Industrials</b>								
Air Freight & Logistics	2,250	6.2	11.3	7.8	0.5	24.8%	8.2%	7.2%
Airlines	1,442	3.1	5.4	4.0	0.6	32.7%	12.5%	6.6%
Building Products	430	6.2	7.6	9.6	0.8	28.9%	11.9%	8.7%
Commercial Services & Supplies	973	7.3	10.7	14.4	0.7	26.5%	11.7%	8.1%
Construction & Engineering	623	6.0	11.0	7.3	1.0	21.4%	12.5%	9.9%
Machinery	299	7.8	9.1	6.3	1.0	17.4%	3.3%	10.3%
Professional Services	494	8.6	11.5	13.5	0.8	14.3%	21.2%	8.6%
Trading Companies & Distributors	403	5.3	6.7	6.2	0.7	41.8%	11.6%	7.2%
<b>Information Technology</b>								
IT Services	769	6.7	7.8	10.0	0.9	9.3%	24.0%	9.7%
Software	142	6.3	8.7	12.6	0.5	4.7%	23.1%	6.6%
<b>Materials</b>								
Chemicals	2,770	6.4	7.7	9.7	0.6	31.0%	11.1%	8.1%
Construction Materials	2,131	12.3	18.3	13.2	0.7	23.4%	10.7%	9.2%
Paper & Forest Products	306	7.6	10.1	6.8	0.6	47.3%	11.4%	7.3%
<b>Telecommunication Services</b>								
Diversified Telecommunication	10,961	9.5	12.9	15.2	0.5	13.1%	11.5%	7.5%
<b>Utilities</b>								
Electric Utilities	1,123	12.5	14.3	14.0	0.5	75.3%	4.7%	5.4%
Gas Utilities	688	8.9	12.5	6.8	0.3	53.1%	6.8%	6.2%
Independent Power Producers	468	11.4	23.3	17.8	0.7	51.4%	2.5%	7.5%
Multi-Utilities	1,626	11.5	23.2	13.1	0.3	58.2%	2.6%	6.1%

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