

15 February 2011

Tesla Motors

Reuters: **TSLA.OQ** Bloomberg: **TSLA UN** Exchange: **NMS** Ticker: **TSLA**

Increased Confidence Based on Strong Execution

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Tesla reported 4Q10 EPS of -\$0.47 vs DB estimate of -\$0.54. Overall, we continue to be impressed with Tesla's ability to post good near-term results vs the plan they laid out during their IPO marketing, grow the powertrain business, and hit key milestones with respect to the Model S development. The strong execution gives us increased confidence for an on-time launch of the Model S in mid-2012, which has led to increases to key out-year est's and an increase in our DCF-based target price to \$21.50 from \$17. Maintaining Hold based on valuation.

We noted the following positives from Tesla's earnings release and conference call:

1) According to management, the Model S is essentially 100% sourced and the company has already produced 15 Alpha prototypes. This is marginally ahead of our expectations at this point. 2) The Powertrain business continues to grow. Based on Tesla's comments, it appears that a production contract for the Toyota RAV4 is imminent (the company currently has a \$69MM development contract) and Tesla is likely in the best position to win a production contract for the Smart Fortwo EV. 3) Tesla announced that they now plan to have enough capacity to produce 20k units of the Model S on one shift, compared to their original 10k units per shift plan. This will drive higher up-front capital costs, but substantial labor and overhead savings. We have been a bit concerned with the company's targeted 25% gross margin, but this type of action increases our confidence.

Tesla indicated that they may raise additional capital as early as late 2011

Tesla's management mentioned that they may look to raise \$100MM-\$150MM of additional capital to fund the development of Model X (a crossover vehicle developed off the Model S platform). This may be perceived by investors as an indication that the company is worried about liquidity and may have underestimated the capital that needs to be deployed to develop automobiles. We believe the company has ample liquidity to make it through 2012 and that if TSLA does raise capital in 2011 to fund the Model X, it would likely be to support accelerated timing for the launch of that vehicle. This could actually be a positive, as we believe that it is critical for Tesla to broaden its vehicle portfolio in front of major EV competition from more established automakers.

Our \$21.50 target price is based on a Discounted Cash Flow analysis

Our DCF assumes a 7% terminal growth rate, a terminal EBIT margin of 11.9% and a weighted average cost of capital of 13.5% (cost of equity: 15.0% / cost of debt: 3.3%). Key downside risks include execution on the scale up from niche to volume manufacturing and demand / avg trans price assumptions. Upside could be derived from higher-than-expected Model S volumes or potential for the Powertrain business to be a long-term earnings generator.

Forecasts and ratios

Year End Dec 31	2010A	2011E	2012E
FY EPS (USD)	-2.55	-2.08	-1.11
Revenue (USDm)	116.7	174.4	712.1

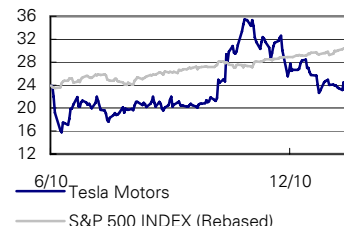
Source: Deutsche Bank estimates, company data

Forecast Change**Hold**

Price at 15 Feb 2011 (USD)	22.85
Price target	21.50
52-week range	35.47 - 15.80

Key changes

Price target	17.00 to 21.50	↑	26.5%
EPS (USD)	-2.08 to -2.08	↑	-0.3%
Revenue (USDm)	174.4 to 174.4	↓	-0.0%

Price/price relative

Performance (%)	1m	3m	12m
Absolute	-11.3	-25.8	-
S&P 500 INDEX	2.7	10.9	23.5

Stock & option liquidity data

Market Cap (USDm)	2,178.7
Shares outstanding (m)	95.4
Free float (%)	100
Volume (15 Feb 2011)	310,396
Option volume (und. shrs., 1M avg.)	-

Deutsche Bank Securities Inc.

All prices are those current at the end of the previous trading session unless otherwise indicated. Prices are sourced from local exchanges via Reuters, Bloomberg and other vendors. Data is sourced from Deutsche Bank and subject companies. Deutsche Bank does and seeks to do business with companies covered in its research reports. Thus, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision. DISCLOSURES AND ANALYST CERTIFICATIONS ARE LOCATED IN APPENDIX 1. MICA(P) 007/05/2010

Model updated: 16 February 2011

Running the numbers

North America

United States

Autos & Auto Parts

Tesla Motors

Reuters: TSLA.OQ

Bloomberg: TSLA UN

Hold

Price (15 Feb 11) USD 22.85

Target price USD 21.50

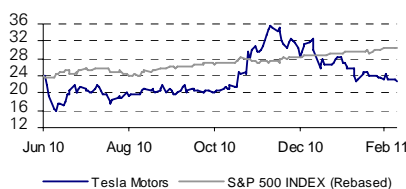
52-week Range USD 15.80 - 35.47

Market Cap (m) USDm 2,179
EURm 1,612

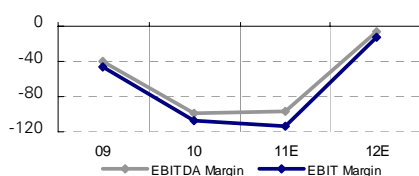
Company Profile

Tesla Motors designs, manufactures, and sells electric vehicles and EV powertrain components. Founded in 2003, the company introduced the first widely available highway-capable electric vehicle in 2008. They plan to produce a higher-volume product (Model S) in 2012.

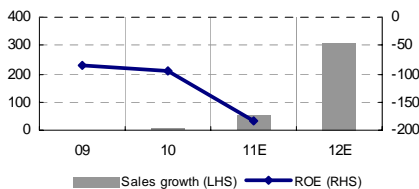
Price Performance



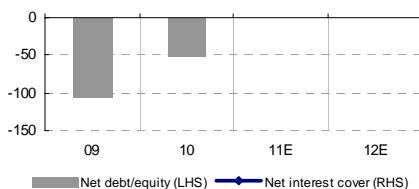
Margin Trends



Growth & Profitability



Solvency



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Fiscal year end 31-Dec

Financial Summary

	2009	2010	2011E	2012E
DB EPS (USD)	na	-2.55	-2.08	-1.11
Reported EPS (USD)	-1.03	-2.38	-1.93	-1.03
DPS (USD)	0.00	0.00	0.00	0.00
BVPS (USD)	1.30	4.11	0.10	-1.01

Valuation Metrics

Price/Sales (x)	nm	10.1	12.5	3.1
P/E (DB) (x)	na	nm	nm	nm
P/E (Reported) (x)	nm	nm	nm	nm
P/BV (x)	0.0	6.5	237.4	nm
FCF yield (%)	na	nm	nm	nm
Dividend yield (%)	na	0.0	0.0	0.0
EV/Sales	nm	9.2	13.9	3.7
EV/EBITDA	nm	nm	nm	nm
EV/EBIT	nm	nm	nm	nm

Income Statement (USDm)

Sales	112	117	174	712
EBITDA	-45	-115	-168	-43
EBIT	-52	-126	-196	-97
Pre-tax profit	-56	-128	-198	-107
Net income	-56	-128	-198	-107

Cash Flow (USDm)

Cash flow from operations	-81	-128	-151	-68
Net Capex	-12	-127	-201	-119
Free cash flow	-93	-255	-352	-187
Equity raised/(bought back)	158	270	0	0
Dividends paid	0	0	0	0
Net inc/(dec) in borrowings	0	0	0	0
Other investing/financing cash flows	-5	56	270	116
Net cash flow	60	71	-82	-71
Change in working capital	-38	-8	18	-15

Balance Sheet (USDm)

Cash and cash equivalents	70	178	96	25
Property, plant & equipment	24	123	319	385
Goodwill	0	0	0	0
Other assets	37	85	78	295
Total assets	130	386	493	705
Debt	0	72	348	465
Other liabilities	65	107	136	337
Total liabilities	65	179	484	802
Total shareholders' equity	66	207	9	-97
Net debt	-70	-106	252	440

Key Company Metrics

Sales growth (%)	nm	4.3	49.4	308.4
DB EPS growth (%)	na	na	18.5	46.7
Payout ratio (%)	nm	nm	nm	nm
EBITDA Margin (%)	-40.2	-98.6	-96.3	-6.1
EBIT Margin (%)	-46.4	-107.7	-112.7	-13.6
ROE (%)	-84.8	-94.0	-183.0	nm
Net debt/equity (%)	-106.0	-51.3	nm	nm
Net interest cover (x)	nm	nm	nm	nm

DuPont Analysis

EBIT margin (%)	-46.4	-107.7	-112.7	-13.6
x Asset turnover (x)	0.9	0.5	0.4	1.2
x Financial cost ratio (x)	1.0	1.0	1.0	1.1
x Tax and other effects (x)	1.0	1.0	1.0	1.0
= ROA (post tax) (%)	-42.7	-49.7	-45.0	-17.8
x Financial leverage (x)	2.0	1.9	4.1	-13.6
= ROE (%)	-84.8	-94.0	-183.0	241.6
annual growth (%)	na	-10.9	-94.6	na
x NTA/share (avg) (x)	1.2	2.5	1.1	-0.4
= Reported EPS	-1.03	-2.38	-1.93	-1.03
annual growth (%)	na	-130.1	18.8	46.7

Source: Company data, Deutsche Bank estimates

Tesla Motors reported 4Q10 EPS of -\$0.47 (excluding stock-based comp) vs DB estimate of -\$0.54. The bulk of the variance was related to gross profit (\$11MM vs DB estimate of \$7.4MM), driven by better powertrain revenue (\$9MM vs our \$5MM forecast) and unusually high margin on development services (driven by mismatch of timing between revenue and cost recognition). The company provided 2011 revenue guidance of \$160MM-\$175MM, which compares to \$145MM run rate in 4Q10, consensus of \$152MM, and our estimate of \$174MM. We are maintaining our FY2011 / 2012 EPS estimates of -\$2.08 / -\$1.11 (we'd note that this excludes non-cash stock-based compensation expense).

Overall, we continue to be impressed with Tesla's ability to post good near-term results vs the plan they laid out during their IPO marketing, grow the powertrain business, and hit key milestones with respect to the Model S development. The strong execution gives us increased confidence for an on-time launch of the Model S in mid-2012. Additionally, the company announced that they are increasing Model S capital spending in 2011 (guidance is \$190MM-\$215MM vs our forecast of \$130MM). In addition to deferral from the 2010 plan of ~\$20MM, the higher spending is to enable increased component in-sourcing and, importantly, to enable Model S capacity of 20k units on only one shift (compared to their original plan of 10k units per shift). These increased investments should pay dividends in terms of unit costs, which increases our confidence in the 25% targeted gross margin for the Model S.

Based on these positives, we've made adjustments to the out-year volumes and margins in our DCF model which results in a higher valuation. We are raising our target price to \$21.50 from \$17 and maintaining our Hold rating based on valuation.

We noted the following key positives in Tesla's earnings release and conference call:

- Execution has been very strong vs. the plan laid out during marketing for TSLA's June IPO. According to management, the Model S is essentially 100% sourced and the company has already produced 15 Alpha prototypes. This is marginally ahead of our expectations at this point. Based on discussions with company engineers at the Detroit Auto Show, there do not appear to have been any major stumbling blocks discovered during the prototype build, which is impressive. Additionally, although we believe the actual near-term results are largely irrelevant, we believe it is important that Tesla has put up strong results vs the plan they laid out during the marketing for their June 2010 IPO.
- The Powertrain business continues to grow. Based on Tesla's comments, it appears that a production contract for the Toyota RAV4 is imminent (the company currently has a \$69MM development contract) and Tesla is likely in the best position to win a production contract for the Smart Fortwo EV. Additionally, the company commented that they've had substantive discussions with other automakers but may limit themselves to current contracts, so as to not take resources away from the Model S development. We continue to be cautious about the sustainability of Tesla's powertrain business (our belief is that Tesla's OEM customers will develop their own technology over time), but in the near-term contracts for three Daimler vehicles (Smart Fortwo, Mercedes A-Class, and a Freightliner truck) and the Toyota RAV4 are providing a significant validation of the technology to be used in Tesla's own vehicles and an important liquidity boost (we forecast approximately \$35MM of annual gross profit in 2011 and 2012).
- Tesla announced that they now plan to have enough capacity to produce 20k units of the Model S on one shift, compared to their original 10k units per shift plan. This will drive higher up-front capital costs, but will save in labor costs (significantly less headcount in the one shift than the original plan for two shifts) and overhead (keeping the plant open for two shifts would have driven significant overhead costs), each of which will show up in higher variable margins. We have been a bit concerned with the company's targeted 25% gross margin, but this type of action increases our confidence.

Tesla indicated that they may raise additional capital as early as late 2011

Tesla's management mentioned that they may look to raise \$100MM-\$150MM of additional capital to fund the development of Model X (a crossover vehicle developed off the Model S platform). Although a headline came across to this effect a few days ago, we expect that some investors may take this (along with the increased 2011 Capex outlook) as an indication that the company is worried about liquidity and may have underestimated the capital that needs to be deployed to develop automobiles.

We believe that the company has ample liquidity to make it through 2012. As of 12/31/10, the company had \$571MM of available liquidity (\$178MM of cash and \$393MM available on its DOE loan). We're expecting a cash burn of \$466MM over the next 6 quarters (\$78MM per quarter), a substantial increase from the \$58MM burn rate in 2010. We believe that if the company does raise capital to fund the Model X, it would likely be to support accelerated timing for the launch of that vehicle. Considering our belief that it is critical for Tesla to broaden its vehicle portfolio in front of major EV competition from more established automakers, we would consider this type of acceleration a positive development.

Valuation / Risks

Our price target is based on a DCF analysis. Valuing Tesla presents a unique set of challenges, given the fact that company revenue won't accelerate until 2012 and beyond. We believe that DCF is the most appropriate valuation method in this case. We assume 7% terminal growth beginning in 2020 (given our projection that Tesla will still be building out its vehicle portfolio and that only 9.5% of global sales will be vehicles able to be fueled from the grid in 2020, we believe that a 7% growth rate is reasonable). We assume a terminal EBIT margin of 11.9% and a weighted average cost of capital of 13.5% (we calculate WACC by using 15% cost of equity and 3.3% cost of DOE debt and weight this over the expected capital structure from 2010 - 2014).

Key downside risks include execution on the scale up from niche to volume manufacturing, risks associated with demand and average transaction price assumptions, risks associated with costs projections, and unknowns associated with the future competitive landscape. In addition, we anticipate limited near term revenue/earnings to support the stock and, consequently, we anticipate that Tesla's shares can exhibit high levels of near term volatility. Upside could be derived from higher-than-expected Model S volumes or Powertrain sales contract wins. Given volumes of competitor vehicles in the 50k - 200k range, there is the potential for Tesla Model S volume to be significantly higher-than-expected. Additional customers / contracts for Powertrain sales could add significantly to our revenue / profitability targets (i.e. if current Toyota / Daimler development contracts turn into commercial production contracts).

Figure 1: Tesla Discounted Cash Flow Analysis (\$MM)

	2010	2011E	2012E	2013E	2014E	2015E	2016E	2017E	2018E	2019E	2020E
Revenues	116.7	174.4	712.1	1,986.2	2,223.4	2,717.1	3,332.7	3,817.0	4,596.7	5,350.0	6,011.2
Revenue Growth		49.4%	308.4%	178.9%	11.9%	22.2%	22.7%	14.5%	20.4%	16.4%	12.4%
Operating Expenses	242.4	370.8	809.0	1,754.2	1,936.8	2,345.5	2,842.7	3,253.6	4,089.7	4,729.6	5,296.1
Operating Income	(\$126)	(\$196)	(\$97)	\$232	\$287	\$372	\$490	\$563	\$507	\$620	\$715
Operating Margin	-107.7%	-112.7%	-13.6%	11.7%	12.9%	13.7%	14.7%	14.8%	11.0%	11.6%	11.9%
Depreciation and Amortization	\$11	\$29	\$54	\$59	\$59	\$65	\$75	\$86	\$104	\$121	\$136
EBITDA	(\$115)	(\$168)	(\$43)	\$291	\$346	\$436	\$565	\$650	\$611	\$741	\$851
EBITDA Margin	-98.6%	-96.3%	-6.1%	14.7%	15.6%	16.1%	17.0%	17.0%	13.3%	13.9%	14.2%
Taxes	\$0	(\$0)	(\$0)	(\$0)	(\$4)	(\$37)	(\$116)	(\$135)	(\$122)	(\$149)	(\$172)
Change Working Capital		\$18	(\$15)	(\$1)	\$77	(\$12)	(\$17)	\$1	(\$122)	(\$34)	(\$40)
Capex to Sales %	108.6%	115.0%	16.7%	3.0%	4.2%	4.8%	4.1%	4.1%	4.1%	4.1%	4.1%
CAPEX	(\$127)	(\$201)	(\$119)	(\$59)	(\$94)	(\$131)	(\$137)	(\$156)	(\$188)	(\$219)	(\$246)
Incremental Investment	(\$127)	(\$183)	(\$134)	(\$60)	(\$17)	(\$142)	(\$154)	(\$156)	(\$311)	(\$254)	(\$286)
Free Cash Flow	(\$242)	(\$351)	(\$178)	\$231	\$325	\$257	\$295	\$358	\$178	\$339	\$393
Terminal Value											\$5,984
Present Value			(\$156)	\$179	\$222	\$155	\$156	\$167	\$73	\$95	\$1,574
Sum of PVs	\$2,464										
Enterprise value	\$2,464										
Cash (2011YE)	(\$96)										
Total Debt (2011YE)	\$349										
Shareholder Value	\$2,212										
Shares Outstanding	102.5										
Per Share Value	\$21.57										

Source: Deutsche Bank

Normalized Assumptions

Sales Growth	7.0%	Terminal Value	
Operating Margin	11.9%	WACC - g	6.6%
Tax Rate	24.0%	WACC	13.6%
W/C % Revenue	2.0%		
CAPEX % Rev.	3.7%		

Figure 2: Tesla Earnings Model (\$MM)

	1Q10	2Q10	3Q10	4Q10	1Q11E	2Q11E	3Q11E	4Q11E	F2009	F2010	F2011E	F2012E	F2013E
Auto & PWT Revenue	20.6	24.0	23.4	29.2	27.9	30.1	30.1	30.3	94.8	97.1	118.4	686.6	1,971.2
Development Services	0.2	4.4	7.9	7.1	14.0	14.0	14.0	14.0	17.2	19.7	56.0	25.5	15.0
Total Revenue	20.8	28.4	31.2	36.3	41.9	44.1	44.1	44.3	111.9	116.7	174.4	712.1	1,986.2
Auto COGS	16.8	20.2	19.4	23.3									
Development Service COGS	0.1	1.9	2.5	1.6									
COGS	16.9	22.1	21.9	24.9	30.1	31.6	31.3	31.3	102.4	85.8	124.3	590.1	1,542.3
Gross Profit	3.9	6.3	9.4	11.4	11.8	12.4	12.8	13.0	9.5	31.0	50.1	122.0	443.9
Gross Margin	18.7%	22.2%	30.0%	31.5%	28.2%	28.2%	29.1%	29.3%		26.5%	28.7%	17.1%	22.4%
Product Gross Margin	18.3%	15.6%	17.0%	20.1%									
R&D	13.0	14.9	25.4	35.6	40.0	40.0	40.0	40.0	19.3	88.9	160.0	116.0	83.0
SG&A	13.5	16.7	17.9	19.7	20.7	21.5	21.8	22.5	42.2	67.8	86.5	102.9	128.9
Operating Profit	(22.6)	(25.2)	(34.0)	(43.8)	(48.9)	(49.0)	(49.0)	(49.5)	(51.9)	(125.7)	(196.5)	(96.9)	232.1
Operating Margin	-108.6%	-88.9%	-108.9%	-120.7%	-116.8%	-111.3%	-111.0%	-111.8%		-107.7%	-112.7%	-13.6%	11.7%
		20.7%										18.5%	25.8%
Interest Inc / (Exp)	(0.2)	(0.4)	(0.2)	0.1	(0.2)	(0.3)	(0.4)	(0.6)	(2.4)	(0.7)	(1.6)	(9.8)	(14.3)
Other gain / (loss)	(0.9)	(0.4)	-	(0.4)					(1.4)	(1.7)	-	-	-
Pretax Income	(23.7)	(26.0)	(34.2)	(44.1)	(49.1)	(49.3)	(49.4)	(50.1)	(55.7)	(128.1)	(198.0)	(106.7)	217.8
Taxes	(0.1)	(0.0)	(0.1)	0.0	0.0	0.0	0.0	0.0	(0.0)	(0.2)	0.1	0.1	0.1
Tax Rate					0%	0%	0%	0%	0%	0%	0%	0%	0%
Net Income	(23.8)	(26.1)	(34.3)	(44.1)	(49.1)	(49.3)	(49.4)	(50.1)	(55.7)	(128.3)	(197.9)	(106.6)	217.9
EPS	(3.26)	(3.41)	(0.37)	(0.47)	(0.52)	(0.52)	(0.52)	(0.52)		(2.55)	(2.08)	(1.11)	2.08
Basic Shares	7.3	7.6	92.3	94.2	95.0	95.2	95.5	95.7	50.4	50.4	95.4	96.4	97.4
Diluted Shares	7.3	7.6	99.5	101.4	102.1	102.4	102.7	102.9	54.0	54.0	102.5	103.6	104.6
EBITDA	(20.5)	(22.8)	(30.9)	(40.9)	(43.9)	(42.9)	(41.4)	(39.7)	(45.0)	(115.1)	(167.9)	(43.4)	291.3
EBITDA Margin											-96%	-6%	15%
R&D as % of Revenue	62.4%	52.3%	81.4%	98.0%	95.5%	90.8%	90.7%	90.2%	17%	76%	92%	16.3%	4.2%
SG&A as % of Revenue	65.0%	58.7%	57.5%	54.2%	49.5%	48.7%	49.4%	50.8%	38%	58%	50%	14.4%	6.5%

Source: Deutsche Bank, Company Filings

Figure 3: Tesla Cash Flow Model (\$MM)

Cash Flow Statement	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11	4Q11	F2009	F2010	F2011	F2012	F2013
Reported net income	(23.8)	(26.1)	(34.3)	(44.1)	(49.1)	(49.3)	(49.4)	(50.1)	(55.7)	(128.3)	(197.9)	(106.6)	217.9
Depreciation and amortization	2.1	2.5	3.1	2.9	5.0	6.1	7.6	9.9	6.9	10.6	28.5	53.5	59.2
Other operating	0.1	(4.1)	4.7	(3.3)					5.5	(2.6)			
Change in working capital	(5.8)	9.8	(21.9)	10.2	15.5	(7.7)	5.0	5.2	(37.5)	(7.6)	18.0	(15.0)	(0.9)
Operating cash flow	(27.3)	(17.9)	(48.3)	(34.3)	(28.6)	(50.9)	(36.8)	(35.0)	(80.8)	(127.8)	(151.4)	(68.1)	276.2
Capital expenditures	(5.5)	(9.2)	(67.1)	(23.6)	(35.9)	(45.2)	(59.5)	(60.2)	(11.9)	(126.8)	(200.6)	(119.1)	(59.2)
Free cash flow	(32.8)	(27.1)	(115.4)	(57.9)	(64.5)	(96.0)	(96.3)	(95.2)	(92.7)	(254.6)	(352.0)	(187.2)	217.0
Cash used in acquisitions													
Other investing	(3.9)	(0.9)	-						(2.4)	(4.8)	-	-	-
Dividends													
Discretionary cash flow	(36.7)	(27.9)	(115.4)	(57.9)	(64.5)	(96.0)	(96.3)	(95.2)	(95.1)	(259.4)	(352.0)	(187.2)	217.0
Increase (decrease) in borrowings													
Increase (decrease) in cap leas	(0.1)								(0.3)	(0.1)	-	-	-
Increase (decrease) in gov't bor	29.9	15.5	10.9	15.3	57.0	65.0	77.0	77.0		71.6	276.0	117.4	(52.8)
Change in vehicle lease investn	-	(1.9)	(2.4)	(2.7)	(1.7)	(1.6)	(1.5)	(1.2)		(6.9)	(6.1)	(1.0)	7.1
Governmental Grants													
Equity Issuances	0.4	-	239.2	30.0					157.8	269.6	-	-	-
Other	(1.6)	0.1	(2.17)						(2.0)	(3.7)			
Net Financing flow	28.6	13.7	245.6	42.6	55.3	63.4	75.5	75.8	155.4	330.5	269.9	116.4	(45.7)
Effect of foreign currency													
Net change in cash position	(8.1)	(14.2)	130.2	(15.4)	(9.2)	(32.7)	(20.7)	(19.4)	60.4	71.1	(82.0)	(70.7)	171.4

Source: Deutsche Bank, Company Filings

Appendix 1

Important Disclosures

Additional information available upon request

Disclosure checklist			
Company	Ticker	Recent price*	Disclosure
Tesla Motors	TSLA.OQ	22.85 (USD) 15 Feb 11	2,6,8

*Prices are sourced from local exchanges via Reuters, Bloomberg and other vendors. Data is sourced from Deutsche Bank and subject companies.

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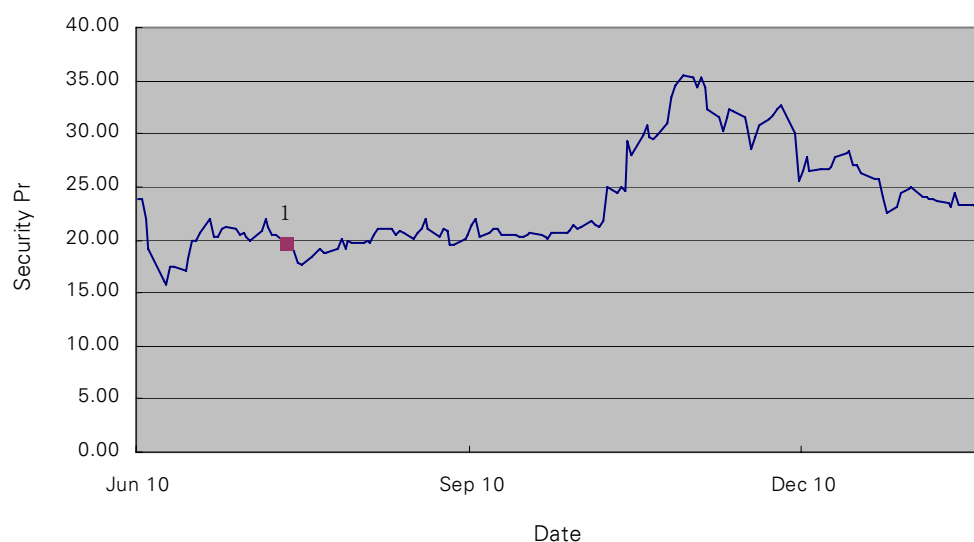
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Historical recommendations and target price: Tesla Motors (TSLA.OQ)

(as of 2/15/2011)

Previous Recommendations

Strong Buy
Buy
Market Perform
Underperform
Not Rated
Suspended Rating

Current Recommendations

Buy
Hold
Sell
Not Rated
Suspended Rating

*New Recommendation Structure
as of September 9, 2002

1. 8/9/2010: Hold, Target Price Change USD17.00

Equity rating key**Equity rating dispersion and banking relationships**

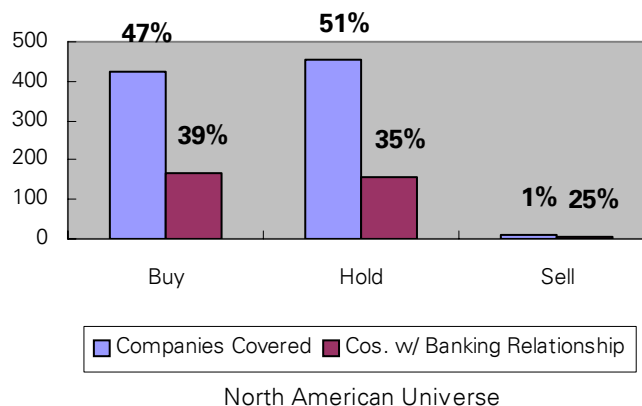
Buy: Based on a current 12- month view of total shareholder return (TSR = percentage change in share price from current price to projected target price plus projected dividend yield) , we recommend that investors buy the stock.

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Notes:

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 - Hold: Expected total return (including dividends) between -10% and 10% over a 12-month period
 - Sell: Expected total return (including dividends) of -10% or worse over a 12-month period



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