



ASPEN – ACCUMULATE

Sector – PHARMACEUTICALS

Key statistics:

Current Price	31410c
Market Capitalisation	R147.10Bil
Price/Earnings	24.28
Price/Book	3.32
Return on Equity (TTM)	16.39%

Source: Google Finance, RelativeValuation.co.za calculations

Our RV Scatter Plot for the Pharmaceutical sector as at 04 April 2016 is shown in Figure 1 below.

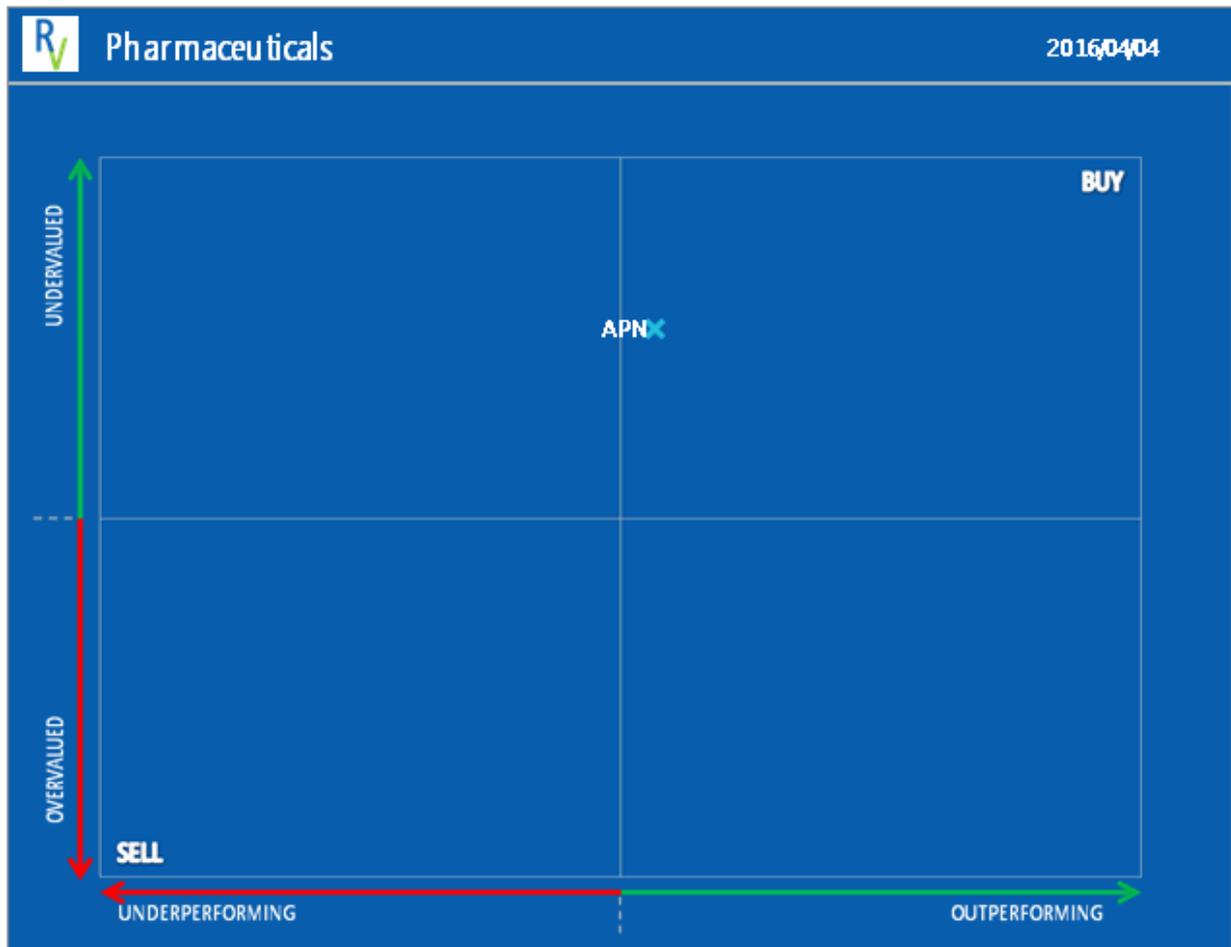


Figure 1 – Pharmaceutical Scatter Plot

Source: RelativeValuation.co.za calculations

**(1) APN is undervalued relative to long term metrics.** The y-axis of the scatter plot represents our Normalised Relative Valuation calculation. Shares in the upper half of the plot are considered cheap. Figure 1 shows that APN is undervalued.

**(2) APN is outperforming the index.** The x-axis of the scatter plot represents our Normalised Relative Momentum calculation. Shares in the right half of the plot are outperforming the index. Figure 1 shows that APN is outperforming the index by a small margin.

**(3) We have an ACCUMULATE recommendation.** Shares in the top right quadrant of our Scatter Plot are undervalued and are outperforming the index. The table below shows our Normalised Relative Valuation (y-axis) and Normalised Relative Momentum (x-axis) calculations together with our Investment Score for APN

NORMALISED VALUATION	51.02
NORMALISED MOMENTUM	7.39
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TOTAL SCORE	<b>29.21/100</b>

The Normalised Relative Valuation and Normalised Relative Momentum components values, together with the Total Score value, result in us rating the share an ACCUMULATE at current levels.