

GOVERNANCE RANKING

By ACGA, the independent governance expert organisation

Figure 1

CG Watch market scores: 2010 to 2016

(%)	2010	2012	2014	2016	Change 2014 vs 2016 (ppt)	Direction of CG reform
Australia	-	-	-	78	-	
1. Singapore	67	69	64	67	(+3)	Mostly sunny, but storms ahead?
2. Hong Kong	65	66	65	65	-	Action, reaction: the cycle of Hong Kong life
3. Japan	57	55	60	63	(+3)	Cultural change occurring, but rules still weak
4. Taiwan	55	53	56	60	(+4)	The form is in, now need the substance
5. Thailand	55	58	58	58	-	Could be on the verge of something great, if...
6. Malaysia	52	55	58	56	(-2)	Regulation improving, public governance failing
7. India	49	51	54	55	(+1)	Forward movement impeded by vested interests
8. Korea	45	49	49	52	(+3)	Forward movement impeded by vested interests
9. China	49	45	45	43	(-2)	Falling further behind, but enforcement better
10. Philippines	37	41	40	38	(-2)	New policy initiatives, but regulatory ennui
11. Indonesia	40	37	39	36	(-3)	Losing momentum after progress of recent years

Source: Asian Corporate Governance Association

Historical market rankings vs 2016

Country ranking	2005	2007	2010	2012	2014	2016
1	Thailand	Thailand	Thailand	Australia	Australia	Australia
2	Hong Kong	Hong Kong	Hong Kong	Singapore	Hong Kong	Japan
3	Taiwan	Taiwan	Singapore	Hong Kong	Singapore	Singapore
4	Malaysia	Malaysia	India	Japan	Thailand	Hong Kong
5	Singapore	India	Malaysia	Taiwan	Taiwan	Taiwan
6	India	Singapore	Taiwan	Malaysia	Japan	Thailand
7	Korea	Philippines	Philippines	Thailand	Malaysia	India
8	Philippines	Korea	Korea	India	India	Malaysia
9	China	China	China	China	China	China
10	Indonesia	Indonesia	Indonesia	Korea	Indonesia	Philippines
11				Philippines	Philippines	Indonesia
12				Indonesia	Korea	Korea

Source: CLSA 2001-16 CG Watch survey

By CLSA's analysts who covers companies



MSCI Korea Index					
Price	560.96	BEst EPS (Y)	51.62	BEst P/E	10.87
52 Week High	579.21	BEst EPS (Y+1)	58.15	BEst P/B	0.98
52 Week Low	489.19	BEst EPS (Y+2)	62.89	BEst Sales	865.13M
Price Chg 1Yr	11.95	CAGR	-0.41	BEst EBITDA	132.25M

Korea:

- Historical P/B—
0.86x ~ 1.81x
(median: 1.18x)
- Historical P/E—
10x ~ 12x
(currently at 11x)



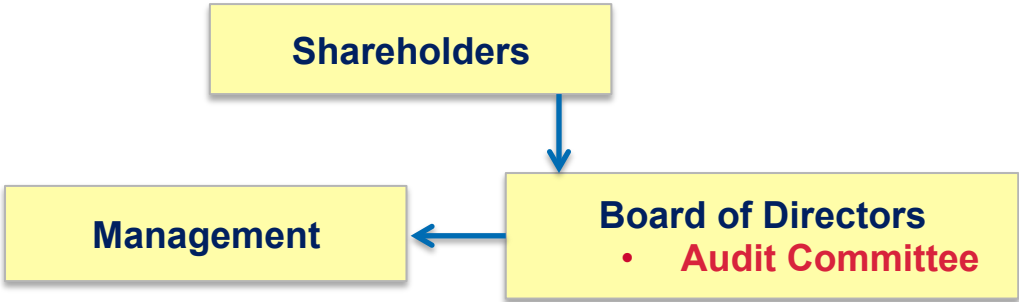
MSCI Taiwan Index					
Price	345.98	BEst EPS (Y)	23.74	BEst P/E	14.57
52 Week High	354.20	BEst EPS (Y+1)	26.33	BEst P/B	1.71
52 Week Low	278.00	BEst EPS (Y+2)	28.55	BEst Sales	350.68M
Price Chg 1Yr	25.27	CAGR	5.66	BEst EBITDA	44.22M

Taiwan:

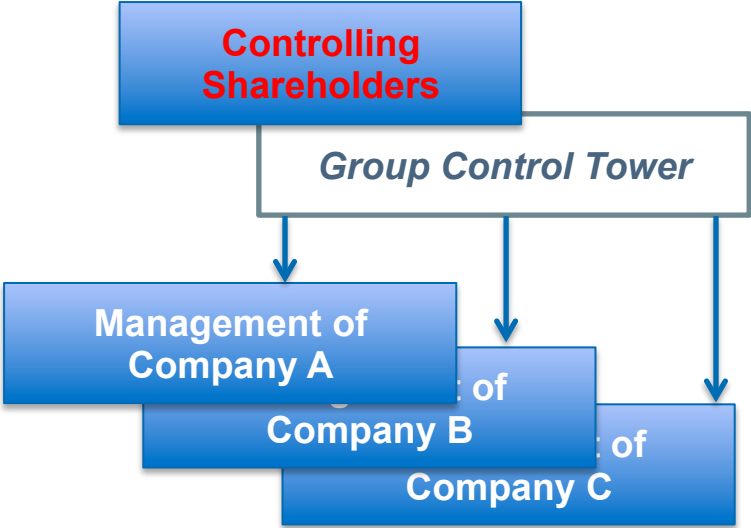
- Historical P/B—
1.08x ~ 2.40x
(median: 1.75x)
- Historical P/E—
12x ~ 18x
(currently at 15x)

GOVERNANCE IN LAW VS. IN PRACTICE

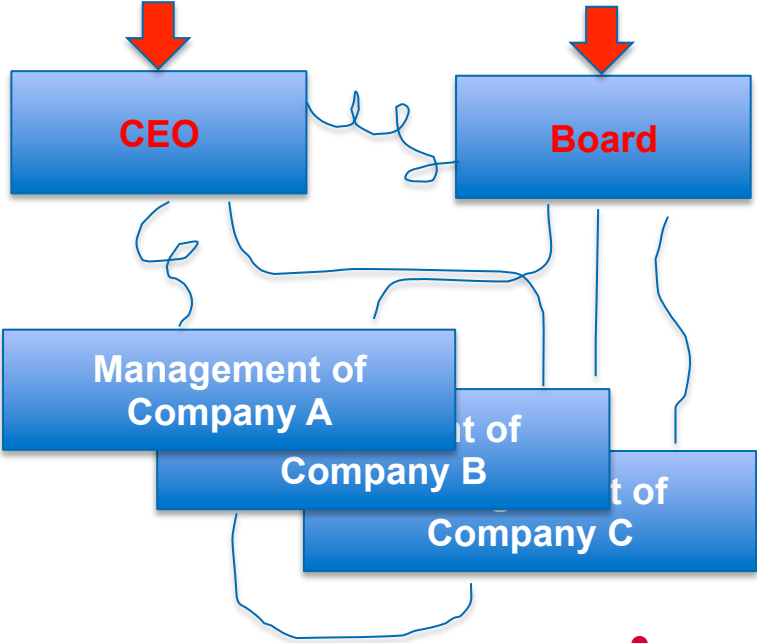
[Corporate Governance according to Commercial Law]



[In Practice]

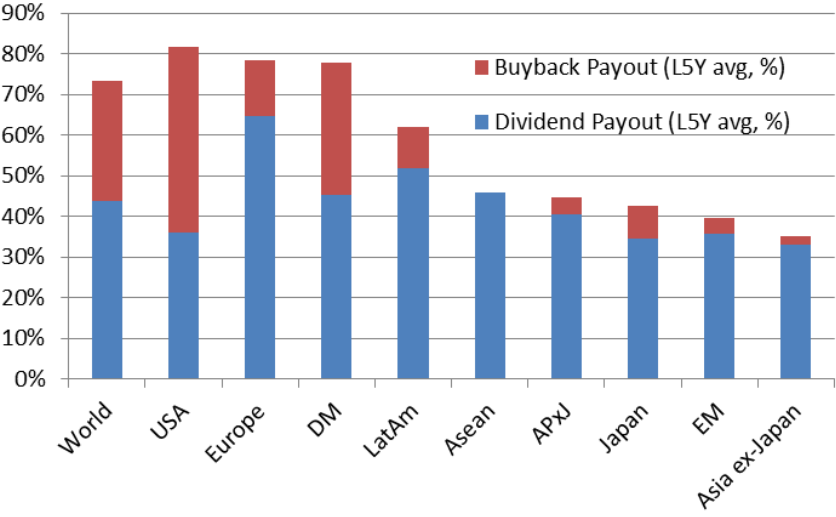


Or



PAYOUT RATIO

Dividend & Buyback Payout by Region
(Last 5 Fiscal Years Avg.)



Dividend & Buyback Payout by Market
(Last 5 Fiscal Years Avg.)

