CENTER FOR GLOBAL FINANCIAL STU	JDIES
Diamondback Energy, Inc.	Symbol: FANG
Analyst	Michael Bove
Buy below	\$114.84
Sell above	\$157.39
Probability of Price Increase	97%
Last Price	\$97.76
Intrinsic Value	\$126.41
Target Dividends	\$0.50



## Description

Diamondback Energy, Inc., an independent oil and natural gas company, focuses on the acquisition, development, exploration, and exploitation of unconventional and onshore oil and natural gas reserves in the Permian Basin in West Texas.

Sector Energy Industry Oil, Gas and Consumable Fuels Last Guidance December 11, 2018 Next earnings date NM

## People

Stice, Travis, CEO & Director

Hollis, Michael, President, COO & Director

Dick, Teresa, Chief Accounting Officer, Executive VP & Assist

Pantermuehl, Russell, Executive VP & Chief Engineer

Molnar, Paul, Executive Vice President of Exploration & Busin

Van't Hof, Kaes, CFO & Executive VP of Business Development

Top Competitors	
Parsley Energy, Inc.	Cabot Oil & Gas Corporation
WPX Energy, Inc.	=
Continental Resources, Inc.	
Cimarex Energy Co.	-
Concho Resources Inc.	-
Market Statistics	

Market Statistics	
Market Capitalization (mil)	\$16,069.94
Last Price per share	\$97.76
52 week high	\$140.78
52-week low	\$85.19
Volatility	35.54%
Daily volume (mil)	1.62
Short interest	3.29%
Days to cover short interest	2.39
Beta	1.44

# Friday, March 8, 2019

Investment Thesis

## Solid Energy Company with Incredible Growth

I am continuing coverage of Diamondback Energy with a BUY rating below \$114.84 and a \$143.04 price target. Diamondback Energy is a strong energy company that has demonstrated incredible flexibility in their operational strategy that is reaping better than expected results after completing a merger with Energen. FANG has shown particular skill in acquiring energy companies (with substantial value creation to shareholders during periods of falling crude oil prices.). FANG is a mature company that follows an aggressive philosophy of keeping spending below the  $quarterly\ cash\ flow\ and\ prioritizes\ cost\ reductions.\ As\ an\ added\ bonus, FANG\ is\ boosting\ their\ dividend\ from\ \$0.50$ 

FANG

# For the long: 1. Proven History of Successful Acquisitions:

FANG has demonstrated consistent success in providing value to shareholders. Since their IPO in 2012, they have acquired at least 6 other energy companies. Despite falling WTI crude oil prices, these investments have returned a substantial amount of value to shareholders. Their most recent acquisition of Energen is also performing well. FANG is "realizing synergies faster than expected" in cost savings and production growth for their acquisition of Energen.

2. Disciplined View of Capital and Growth:
FANG has a budget in place that is highly flexible. As an established company, they recognize the variation in WTI crude oil prices and have shown that they can readily adapt to those price changes. Weakness in WTI in the 4th quarter caused them to briefly outspend their free cash flow. They responded to this market condition by reducing activity and dropping operating wells and completion crews. Furthermore, they are trimming their capital budget while still forecasting production growth.

### 3. Our Portfolio Needs:

Based on the officers' findings in their Macro report, we need more allocation to the energy sector. FANG is a strong company with a proven history of returning value to shareholders. We currently hold a small portion of our portfolio in FANG and we are still profitable in that position despite the recent oil downturn. We should purchase even more shares of FANG and take advantage of the dip in oil prices.

1. Oil Risk:

Like all oil companies, FANG is exposed to risk if the price of WTI falls. Slowing economic growth in the world has put pressure on oil prices as WTI has fallen from a high of around \$77.00 per barrel to the current price of around \$56.00 a barrel.

2. Horizontal Drilling:
As opposed to vertical drilling, horizontal drilling is less efficient in extracting oil because of higher costs. Although this hasn't impacted FANG yet, it could be a potential pressure on margins in the future as their costs rise due to the "easy" oil having already been extracted.

## Key Catalysts for price change:

- · Intense capital discipline yielding free cash flow
- Strengthening oil prices
   Acquisitions performing better than expected.

My \$143.04 price target is derived from Discounted Unlevered Free Cash Flow estimates.

Ownership		Change in Ownership ("Input"month)
Shares outstanding (mil)	164.38	
Diluted shares outstanding (mil)	104.93	
Options and Warrants (Shares equivalent)	0.11	
% shares held by institutions	104%	0.49
% shares held by investments Managers	84%	-0.28
% shares held by hedge funds	9.84%	-0.05
% shares held by VC/PE firms	0.031%	N/A
% shares held by insiders	0.42%	15.30%
Poison Pill Type	NONE	

NTER FOR GLOBAL FINANCIAL STUDIES		FANG			Friday, March 8, 2019				
ondback Energy, Inc.			Symbol: FANG		Financials				
/st			Michael Bove		Profitabilit	ty	FANG (LTM)	FANG Historical	Peers' Median (LTM)
below			\$114.84		Return on (	Capital	4.2%	5.66%	8.29%
above			\$157.39		Adjusted E	BITDA Margin	72.1%	36.35%	66.03%
ability of Price Increas	e		97%		Return on E	Equity	6.2%	8.1%	15.5%
Price			\$97.76		Adjusted N	Net margin	38.1%	29.3%	18.2%
rinsic Value			\$126.41		Invested F	unds	FANG (LTM)	FANG Historical	Peers' Median (LTM)
get Dividends			\$0.50		Cash/Capit	al	2.1%	1.2%	1.2%
get Price			\$143.04		NWC/Capit	tal	-3.3%	-11.6%	-2.7%
						Assets/Capital	101.2%	110.9%	94.7%
uarterly Earning Surprises (Actual Vs. Median Estimates)				Goodwill/C		0.0%	0.0%	0.0%	
enue	(Nordal V3. Medial	communes			Capital Str	•	FANG (LTM)	FANG Historical	Peers' Median (LTM)
31/2017			6.26%		•		0.29	0.12	0.33
						/Market Cap.		0.12	
31/2018			9.11%			Cost of Borrowing	4.1%		5.1%
80/2018			8.89%			est/Total Debt	2.6%		4.5%
30/2018			3.36%		CGF5 Cred	-	CCC		CC
/31/2018			<u>-2.73%</u>		Credit Mod	-	bbb		bbb-
an (Standard Error)			4.98% (1.02%)		Probability	of Default	1.09%		1.31%
ITDA					Cost of Co	pital			
/31/2017			10.10%				CGFS Credit Rating	Credit Model Rating	Probability of Default
31/2018			1.71%		Implied Co	st of Borrowing (FANG)	6.5%	5.6%	7.1%
30/2018			20.26%			st of Borrowing (Peers)	7.1%	5.7%	8.2%
30/2018			-8.57%			w Debt Estimate	7.5%		
/31/2018			-19.16%			k Premium Estimate	6.0%		
an (Standard Error)			4.98% (5.03%)			uity Estimate	13.5%		
un (Standard Error)			4.96% (3.03%)		WACC Esti	•	11.7%		
DCF Valuation									
Base Year (Actual)	\$2.164.03	EBITDA Margin 72%	-\$2,206.34	WACC 839%	ROIC 4 15%	Frice Per Share		Sensitivity A	ttribution Analysis
year 1	\$4,222,20	74%	-\$2,206.34 \$408.68	11.70%	4.15% 6.83%	\$103.89			
year 2	\$5,496.90	79%	\$1,365.31	11.83%	10.16%	\$135.86	F.	Revenue	59.7%
year 3	\$6,461.90	79% 79%	\$2,041.19	11.96%	10.81%	\$153.15 \$170.53			
year 4			\$2,596.41	12.09%	10.62%	\$170.53			
veen 5	\$6,901.30 \$7,259.20		£2 Q24 57	12 20%	10.78%	£187.45		L	
year 5 year 6	\$6,901.30 \$7,259.20 \$7,603.82	81% 79%	\$2,924.57 \$2,504.54	12.20%	10.78% 9.25%	\$187.45 \$203.61	E	BITDA 2.2%	
year 6 year 7	\$7,259.20 \$7,603.82 \$7,931.44	81% 79% 77%	\$2,504.54 \$1,923.65	12.30% 12.37%	9.25% 7.92%	\$203.61 \$219.41	E	EBITDA 2.2%	
year 6 year 7 year 8	\$7,259.20 \$7,603.82 \$7,931.44 \$8,238.39	81% 79% 77% 75%	\$2,504.54 \$1,923.65 \$1,282.86	12.30% 12.37% 12.43%	9.25% 7.92% 6.72%	\$203.61 \$219.41 \$235.49	E	EBITDA 2.2%	
year 6 year 7	\$7,259.20 \$7,603.82 \$7,931.44	81% 79% 77%	\$2,504.54 \$1,923.65	12.30% 12.37%	9.25% 7.92%	\$203.61 \$219.41	E	EBITDA 2.2%  CAPEX 9.5%	
year 6 year 7 year 8 year 9 year 10 year 11	\$7.259.20 \$7.603.82 \$7.931.44 \$8.238.39 \$8.521.07 \$8.776.08 \$9,000.22	81% 79% 77% 75% 74% 72% 70%	\$2,504.54 \$1,923.65 \$1,282.86 \$587.59 -\$155.58 -\$938.95	12.30% 12.37% 12.43% 12.47% 12.50% 12.53%	9.25% 7.92% 6.72% 5.61% 4.59% 3.62%	\$203.61 \$219.41 \$235.49 \$252.66 \$271.89 \$294.35	E		
year 6 year 7 year 8 year 9 year 10 year 11 year 12	\$7.259.20 \$7.603.82 \$7.931.44 \$8.238.39 \$8.521.07 \$8.776.08 \$9,000.22 \$9,230.09	81% 79% 77% 75% 74% 72% 70% 70%	\$2,504.54 \$1,923.65 \$1,282.86 \$587.59 -\$155.58 -\$938.95 -\$967.56	12.30% 12.37% 12.43% 12.47% 12.50% 12.53% 12.55%	9.25% 7.92% 6.72% 5.61% 4.59% 3.62% 3.72%	\$203.61 \$219.41 \$235.49 \$252.66 \$271.89 \$294.35 \$321.23		CAPEX 9.5%	_
year 6 year 7 year 8 year 9 year 10 year 11	\$7.259.20 \$7.603.82 \$7.931.44 \$8.238.39 \$8.521.07 \$8.776.08 \$9,000.22	81% 79% 77% 75% 74% 72% 70%	\$2,504.54 \$1,923.65 \$1,282.86 \$587.59 -\$155.58 -\$938.95	12.30% 12.37% 12.43% 12.47% 12.50% 12.53%	9.25% 7.92% 6.72% 5.61% 4.59% 3.62%	\$203.61 \$219.41 \$235.49 \$252.66 \$271.89 \$294.35		CAPEX 9.5%	28.6%
year 6 year 7 year 8 year 9 year 10 year 11 year 12 year 13 year 14 year 15	\$7,259.20 \$7,603.82 \$7,931.44 \$8,238.39 \$8,521.07 \$8,776.08 \$9,000.22 \$9,230.09 \$9,465.83 \$9,707.59 \$9,955.52	81% 79% 77% 75% 74% 70% 70% 70% 70% 70%	\$2,504,54 \$1,923,65 \$1,282,86 \$587,59 -\$155,58 -\$938,95 -\$967,56 -\$969,93 -\$1,027,04 -\$1,057,92	12.30% 12.37% 12.43% 12.47% 12.50% 12.53% 12.55% 12.55% 12.60% 12.63%	9.25% 7.92% 6.72% 5.61% 4.59% 3.62% 3.72% 3.79% 3.85% 3.90%	\$203.61 \$219.41 \$235.49 \$252.66 \$271.89 \$294.35 \$321.23 \$353.14		CAPEX 9.5%	28.6%
year 6 year 7 year 0 year 9 year 10 year 11 year 12 year 13 year 14 year 15 Continuing Period	\$7.259.20 \$7.603.82 \$7.931.44 \$8.238.39 \$8.521.07 \$8.776.08 \$9,000.22 \$9,230.09 \$9,465.83 \$9,707.59	81% 79% 77% 75% 74% 72% 70% 70% 70%	\$2.504.54 \$1,923.65 \$1,282.86 \$587.59 -\$155.58 -\$938.95 -\$967.56 -\$996.93 -\$1,027.04	12.30% 12.37% 12.43% 12.47% 12.50% 12.53% 12.55% 12.58% 12.58%	9.25% 7.92% 6.72% 5.61% 4.59% 3.62% 3.72% 3.79% 3.85% 3.90% 12.65%	\$203.61 \$219.41 \$235.49 \$252.66 \$271.89 \$294.35 \$212.23 \$353.14 \$390.77 \$443.52		CAPEX 9.5%	28.6%
year 6 year 7 year 8 year 9 year 10 year 11 year 12 year 13 year 14 year 15	\$7,259.20 \$7,603.82 \$7,931.44 \$8,238.39 \$8,521.07 \$8,776.08 \$9,000.22 \$9,230.09 \$9,465.83 \$9,707.59 \$9,955.52 \$10,209.78	81% 79% 77% 75% 74% 72% 70% 70% 70% 70% 70% 70%	\$2,504.54 \$1,923.65 \$1,282.86 \$587.59 -\$155.58 -\$938.95 -\$967.56 -\$996.93 -\$1,027.04 -\$1,057.92 \$4,533.07	12.30% 12.37% 12.43% 12.47% 12.55% 12.55% 12.55% 12.55% 12.55% 12.60% 12.63% 12.63%	9.25% 7.92% 6.72% 5.61% 4.59% 3.62% 3.72% 3.79% 3.85% 3.90%	\$203.61 \$219.41 \$235.49 \$252.66 \$271.89 \$294.35 \$321.23 \$35314 \$390.77	D	CAPEX 9.5% siscount Rate	
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year 6 year 7 year 8 year 9 year 10 year 11 year 12 year 12 year 12 year 14 year 14 year 14 Median (Peerl) Median (Peerl) Bes	\$7,259.20 \$7,003.82 \$7,931.44 \$8,238.39 \$8,521.07 \$8,776.08 \$9,000.22 \$9,230.09 \$9,465.83 \$9,707.59 \$9,955.52 \$10,209.78 EV/Rev (FW) 47× Rowenus (NTM)	81% 79% 77% 75% 74% 72% 70% 70% 70% 70% 70% 6.3× EV/EBITDA (FW) 6.3× EBITDA (NTM)	\$2,504,54 \$1,923,65 \$1,282,86 \$587,59 -\$195,58 -\$947,56 -\$94	12.30% 12.37% 12.43% 12.43% 12.45% 12.55% 12.55% 12.55% 12.65% 12.65% 12.65% 12.65% 14.0% Net Income (NTM)	9.25% 7.92% 5.61% 4.59% 3.62% 3.72% 3.79% 3.85% 3.95% 12.65% Asset Based V. Racevery Rate Capital Intangibles	\$203.61 \$219.41 \$235.49 \$273.66 \$271.89 \$294.35 \$393.14 \$393.14 \$390.77 \$443.52 aduation 100% \$212.46.44	D	CAPEX 9.5% siscount Rate	
year 6 year 7 year 7 year 8 year 9 year 10 year 11 year 12 year 12 year 14 year 14 Year 15 Ralative Valuation Authiple Bee Bee	\$7.259.20 \$7.403.82 \$7.931.44 \$8.238.39 \$8.921.07 \$8.776.08 \$9.000.22 \$9.230.09 \$9.465.83 \$9.707.59 \$9.995.52 \$10,209.78 \$4.72 Revenue (NTM) \$4.456.19	81% 79% 77% 75% 74% 72% 70% 70% 70% 70% 70% 6.3× EXITA (NTM) \$5.35714	\$2,504.54 \$1.923.65 \$1.282.86 \$587.59 -\$155.58 -\$967.56 -\$967.56 -\$96.93 -\$1.027.04 -\$1.057.92 \$4,533.07 P/BV (TTM)	12.30% 12.37% 12.43% 12.47% 12.50% 12.55% 12.55% 12.56% 12.66% 12.63% 12.65%	9.25% 7.92% 7.92% 5.61% 4.55% 3.62% 3.72% 3.79% 3.85% 3.90% 12.65% Asset Based V. Racevery Rate Capital	\$203.61 \$219.41 \$225.49 \$225.66 \$271.89 \$294.35 \$321.23 \$353.14 \$390.77 \$443.52 eluation 100%	D	CAPEX 9.5% siscount Rate	
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year 6 year 7 year 7 year 9 year 10 year 11 year 12 year 13 year 14 year 15 Continuing Period Raistive Voluetian Multiple Seas FANG Limplied EV Total Not Claims Templied EQ	\$7.299.20 \$7.603.82 \$7.931.44 \$8.283.39 \$8.551.07 \$8,776.08 \$9.000.22 \$9.230.09 \$9.465.83 \$9.707.59 \$10.209.78 EV/Rev (FW) 47× Revenue (NTM) \$4.456.19 \$20,880.99	81% 79% 77% 75% 74% 72% 70% 70% 70% 70% 70% 6.3× EV/EBITDA (FW) 6.3× EBITDA (NTM) \$3.35719 \$2.11.68.76	\$2,504,54 \$1,923,65 \$1,282,86 \$587,59 -\$195,58 -\$947,56 -\$94	12.30% 12.37% 12.43% 12.43% 12.45% 12.55% 12.55% 12.55% 12.65% 12.65% 12.65% 12.65% 14.0% Net Income (NTM)	9.25% 7.92% 5.61% 4.59% 3.62% 3.72% 3.79% 3.85% 3.95% 12.65% Asset Based V. Racevery Rate Capital Intangibles	\$203.61 \$219.41 \$235.49 \$273.66 \$271.89 \$294.35 \$393.14 \$393.14 \$390.77 \$443.52 aduation 100% \$212.46.44	D	CAPEX 9.5% siscount Rate	
year 6 year 7 year 8 year 9 year 10 year 11 year 12 year 13 year 14 year 15 Ralette Valuation Multiple Median (Paere) Bess Total Nat Claims Implied EQ Valuation Summary	\$7.299.20 \$7.903.82 \$7.931.44 \$8.238.39 \$8.921.07 \$8.977.68 \$9.200.02 \$9.230.09 \$9.450.83 \$9.707.59 \$10.209.78 \$10.209.78 \$4.456.19 \$2.0.880.99 \$4.456.19 \$10.301.57	81% 79% 77% 77% 75% 74% 72% 70% 70% 70% 70% 70% 90% 8ESTDA (FW) 6.3× BESTDA (NTM) \$3.35719 \$21.168.76 \$4.57941 \$16.589.35	\$2.504.54 \$1.923.65 \$1.282.86 \$587.79 \$155.56 \$938.95 \$938.95 \$998.95 \$1027.04 \$1.057.04 \$4.533.07 \$78V (TTM) 1.2* Beck Value (LTM) \$13.868.86	12.90%, 12.43%, 12.43%, 12.47%, 12.50%, 12.50%, 12.50%, 12.55%, 12.55%, 12.56%, 12.60%, 12.65%, 12.65%, 12.65%, 12.65%, 13.75%, 14.00*, 14.00*, 14.10*, 15.12.308.00 14.10*, 15.12.308.00 15.12.308.00 16.10*, 17.361.24	9.25% 7.92% 5.61% 4.59% 3.62% 3.72% 3.85% 3.99% 3.85% 2.65% Asset Based V. Recevery Rate Capital Tritanglisles Claims	\$203.61 \$219.41 \$235.49 \$252.66 \$271.89 \$294.55 \$3821.23 \$3831.4 \$390.77 \$443.52 absetion 100% \$21.246.44 \$000 \$5.372.49	D	CAPEX 9.5% siscount Rate	
yes 6 yes 7 yes 7 yes 7 yes 7 yes 10 yes 11 yes 12 yes 12 yes 13 yes 14 yes 14 yes 14 Multiple Multiple Multiple Base FANG Implied EV Total Not Claims Implied EQ	\$7.299.20 \$7.903.82 \$7.931.44 \$8.238.39 \$8.921.07 \$8.776.08 \$9.000.22 \$9.230.09 \$9.465.83 \$9.707.59 \$9.955.52 \$10.209.78 BV.Rev (FW) 47× Revenus (NTM) \$4.456.19 \$20.809.99 \$4.979.41 \$16.30.157	81% 79% 77% 75% 75% 70% 70% 70% 70% 70% 8EV/EBITDA (FW) 6.3× 8BITDA (NTM) \$23.35713 \$21.68.76 \$4.57941	\$2.504.54 \$1.282.65 \$1.282.65 \$1.282.86 \$587.79 \$155.58 \$998.79 \$195.75 \$990.75 \$1027.04 \$1.057.92 \$4.033.07 P/BV (TTM) 1.2x Book Value (LTM) \$13.868.86	12.90%, 12.43%, 12.43%, 12.47%, 12.50%, 12.55%, 12.55%, 12.55%, 12.56%, 12.65%	9.25% 7.92% 6.72% 5.61% 5.61% 3.62% 3.72% 3.79% 3.85% 3.90% 12.65% 4sset Based V. Recevery Rate Capital Intangibles Claims	\$2036.1 \$219.41 \$225.49 \$222.69 \$271.89 \$2271.89 \$224.35 \$333.14 \$330.17 \$443.52 aluation 100% \$21.246.44 \$0.00 \$53.372.49	D	CAPEX 9.5% siscount Rate	
year 6 year 7 year 7 year 7 year 9 year 10 year 11 year 12 year 13 year 13 year 13 Audion 13 Audion (Pare) Base FANG Limplied EV Total Net Claims Limplied EQ Valuation Gommany Modal DCF Valuation DCF Valuation EV/Pav (FW)	\$7.299.20 \$7.903.82 \$7.931.44 \$8.238.39 \$8.521.07 \$8.776.06 \$9.000.22 \$9.230.09 \$9.465.83 \$9.707.59 \$9.965.52 \$10,209.78 EV.Rev (FW) 47× Resenue (NTM) \$4.456.19 \$20.880.98 \$4.379.41 \$10.301.57	81% 79% 77% 75% 74% 72% 70% 70% 70% 70% 70% 70% 53.357.19 \$21.168.70 \$4.57.94 \$15.589.35 wie Velue 03.89	\$2.504.54 \$1.282.65 \$1.282.65 \$1.282.86 \$587.79 \$155.58 \$998.75 \$998.75 \$197.75 \$1,027.04 \$1,057.92 \$4,059.93 \$1,027.04 \$1,057.92 \$1,057	12.30%, 12.43%, 12.43%, 12.43%, 12.50%, 12.50%, 12.50%, 12.50%, 12.50%, 12.50%, 12.50%, 12.60%	9 20% 7.92% 6.72% 5.61% 5.61% 3.62% 3.72% 3.72% 3.79% 3.85% 3.90% 12.05% Reservery Rete Capital Intragibles Claims	\$203.61 \$219.41 \$235.49 \$252.66 \$271.89 \$294.35 \$353.14 \$390.77 \$443.52 aluation 100% \$50.372.49 \$15.873.95 Weight 4000% \$50.00%	D	CAPEX 9.5% siscount Rate	
year 6 year 7 year 8 year 10 year 11 year 11 year 12 year 12 year 13 year 14 year 15 Andian (Period Ralative Valuation Mulain (Period Ralative Valuation Ralative Valuation Ralative (PW) Mulain Summary Mudail EV/Ration Summary Mudail EV/Ration Summary Mudail EV/Ration Summary Mudail EV/Ration EV/Ration (PW)	\$7.299.20 \$7.903.82 \$7.931.44 \$8.238.39 \$8.321.07 \$8.776.08 \$9.000.32 \$9.200.092 \$9.230.09 \$9.455.83 \$9.707.59 \$9.955.52 \$10.209.78 \$4.456.19 \$20.880.99 \$4.456.19 \$1.630.157 \$1.630.157	81%, 79%, 77%, 75%, 74%, 72%, 70%, 70%, 70%, 70%, 70%, 70%, 70%, 70	\$2.504.54 \$1.282.86 \$587.59 \$135.38 \$135.38 \$135.38 \$135.38 \$938.95 \$996.75 \$996.75 \$1027.04 \$1.07.04 \$4.533.07 <b>P/BV (TTM)</b> 1.2x <b>Book Value (LTM)</b> \$13.868.86	12.30%, 12.37%, 12.43%, 12.43%, 12.47%, 12.50%, 12.50%, 12.50%, 12.50%, 12.50%, 12.50%, 12.50%, 12.60%	9 20% 7 792% 6.72% 5.61% 5.61% 5.61% 5.61% 5.62% 5.72% 5.72% 5.72% 5.72% 5.72% 5.72% 5.72% 6.72%	\$203.61 \$219.41 \$235.49 \$271.89 \$271.89 \$294.85 \$381.12 \$390.77 \$44.35 \$390.77 \$44.35 \$21.246.44 \$000 \$5.372.49 \$15.873.95 \$40.00 \$0.372.49	D	CAPEX 9.5% siscount Rate	ionProbability (Upside)=97
yes 6 yes 7 yes 7 yes 7 yes 7 yes 9 yes 10 yes 11 yes 12 yes 13 yes 13 yes 14 yes 15 Authorize 1	\$7.299.20 \$7.903.82 \$7.931.44 \$8.238.39 \$8.521.07 \$8.776.08 \$9.000.22 \$9.230.09 \$9.465.63 \$9.707.59 \$9.955.52 \$10.209.78 EV/Rev (FW) 47× Revenus (NTM) \$4.456.19 \$20.880.98 \$4.579.41 \$16.301.57	81% 79% 77% 75% 75% 75% 76% 70% 70% 70% 70% 70% 70% 8EV/EBITDA (FW) 6.3× EBITDA (NTM) \$3.35719 \$21.168.76 \$4.379.41 \$516.599.35 sile Velue 03.89 551.95 551.95 57.93	\$2.504.54 \$1.282.65 \$1.282.65 \$1.282.86 \$587.79 \$155.58 \$998.99 \$997.56 \$990.93 \$1.027.04 \$1.057.92 \$4.533.07 P/BV (TTM) 1.2x Beek Value (LTM) \$13.868.86	12.30%, 12.43%, 12.43%, 12.43%, 12.50%, 12.50%, 12.50%, 12.50%, 12.50%, 12.50%, 12.50%, 12.60%	9.25% 7.92% 6.72% 5.61% 4.59% 3.62% 3.72% 3.72% 3.72% 3.85% 3.90% 3.90% 4.62%	\$203.61 \$219.41 \$235.49 \$252.66 \$271.89 \$294.35 \$303.77 \$44.35 \$303.77 \$44.35 \$10.00 \$0.372.49 \$15.873.95 Weight 40.00% \$50.00%	I,	CAPEX 9.5% Discount Rate Attrinsic Value Distribut	ionProbability (Upside)=97
yes 6 yes 7 yes 7 yes 7 yes 7 yes 10 yes 11 yes 11 yes 12 yes 12 yes 13 yes 14 yes 15 Audian (Period Ristrice Valuation Autiple Base FAND Loplind EQ Total Net Claims Loplind EQ Voluntion Bummary Model EV/RETDA (FW)	\$7.299.20 \$7.903.82 \$7.931.44 \$8.238.39 \$8.921.07 \$8.776.08 \$9.900.22 \$9.900.22 \$9.250.09 \$9.465.83 \$9.707.59 \$9.955.52 \$10.20978 \$4.456.19 \$2.0,880.99 \$4.56.19 \$10.301.57 \$11.501.57 \$11.	81%, 79%, 77%, 75%, 74%, 72%, 70%, 70%, 70%, 70%, 70%, 70%, 70%, 70	\$2,504.54 \$1,282.65 \$1,282.65 \$1,282.86 \$587.59 \$155.58 \$195.59 \$990.75 \$990.75 \$105.70 \$4,505.70 \$1,505.7	12.30%, 12.37%, 12.43%, 12.43%, 12.47%, 12.50%, 12.50%, 12.50%, 12.50%, 12.50%, 12.50%, 12.50%, 12.60%	9 20% 7 792% 6 72% 5 61% 4 59% 3 62% 3 72% 3 72% 3 79% 3 85% 3 79% 4 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8	\$203.61 \$219.41 \$235.49 \$271.89 \$271.89 \$294.85 \$381.12 \$390.77 \$44.35 \$390.77 \$44.35 \$21.246.44 \$000 \$5.372.49 \$15.873.95 \$40.00 \$0.372.49	D	CAPEX 95% Discount Rate Attrinsic Value Distribut	ionProbability (Upside)=97