Applied Investment Management (AIM) Program

AIM Class of 2017 Equity Fund Reports
Spring 2017

Date**:* Friday, February 10th | ***Time: *2:30 – 3:30* p.m. | ***Location: Northwest Passage***

Student Presenter	Company Name	Ticker	Sector	Page
Matthew Ogren	World Wrestling Entertainment	WWE	Consumer Discretionary	2
Taylor Smith	Talend	TLND	International Technology	5
Dominic Delia	Diageo	DEO	International Consumer Discretionary	8

These student presentations are an important element of the applied learning experience in the AIM program. The students conduct fundamental equity research and present their recommendations in written and oral format – with the goal of adding their stock to the AIM Equity Fund. Your comments and advice add considerably to their educational experience and is greatly appreciated. Each student will spend about 5-7 minutes presenting their formal recommendation, which is then followed by about 8-10 minutes of Q & A.

David S. Krause, PhD
Director, Applied Investment Management Program
Marquette University
College of Business Administration, Department of Finance
436 Straz Hall, PO Box 1881
Milwaukee, WI 53201-1881

mailto: AIM@marquette.edu

Website: MarquetteBuz/AIM AIM Blog: AIM Program Blog
Twitter: Marquette AIM Facebook: Marquette AIM

World Wrestling Entertainment, Inc. (WWE)

February 10, 2017

Matthew J. Ogren — Domestic Consumer Discretionary

World Wrestling Entertainment, Inc. (NYSE:WWE) is an entertainment and media company. The firm is comprised of five broad segment groupings. The largest division is Media (63% of revenue), consisting of all the firm's revenues from the WWE Network and Television, along with other more minor contributors. The second largest segment is Live Events (20%). The third segment is the Consumer Products division, incorporating all licensing, venue merchandise and WWEShop sales (15%). The final two segments are smaller: WWE Studios (1.4%) and Other (0.6%). The company has built itself on innovation and by doing so, their product is now available in 180 countries. WWE has branded and cemented themselves as the premium wrestling company throughout the world. The firm is headquartered in Stamford, Connecticut.

Price ($):	19.63
Price Target ($):	25.77
52WK H-L ($):	$14.20-21.55
Market Cap (mil):	1,496
Float (%):	90.3
Short Interest (%):	21.7
Avg. Daily Vol (mil):	0.5
Dividend ($):	0.48
Yield (%):	2.5

Beta:	1.11
WACC	10.00
M-Term Rev. Gr Rate Est:	8.8%
M-Term EPS Gr Rate Est:	27.0%
Debt/Equity:	8.2
Debt/EBITDA (ttm):	0.35
ROA (%):	6.10
ROE (%):	11.63
ROIC (%):	10.64

FY: Dec	2015	2016E	2017E	2018E
Revenue (Mil)	659	715	779	848
% Growth	21.41%	8.51%	8.93%	8.87%
Gross Margin	33.01%	36.61%	37.73%	38.80%
EBITDA Margin	16.25%	17.08%	18.81%	20.46%
EPS (Cal)	$0.44	$0.46	$0.61	$0.78
FCF/Share	$0.39	$0.73	$0.95	$1.19
P/E (Cal)	44.2	42.7	32.0	25.0
EV/Sales	2.2	2.0	1.9	1.7

Recommendation

WWE is a unique global brand centered on entertainment, reaching 650+ million homes worldwide. The company is first and foremost a wrestling promoter, although as the company has evolved they have found other ways to utilize their talented personnel. The WWE empire now includes a plethora of consumer products, T.V. shows, movies and the groundbreaking WWE Network. While this transition was taking place, the company was able to grow sales at a five-year CAGR of nearly 8%; along with an impressive gross margin. It is expected that WWE will be able to continue their sales growth at 8%-9% over the coming years. Much of this growth will come from the WWE Network - this direct-to-consumer subscription service has been compared to the likes of Netflix, Amazon Video, and Hulu. The online popularity of WWE Network is mirrored by the real life celebrity of some of the company's biggest stars such as John Cena and Brock Lesnar. These two, along with other high profile stars, have ingrained the wrestling product into today's popular culture. For these reasons, it is recommended that WWE receive a buy rating, and be added to the AIM Small Cap Equity Fund at a target price of $26, representing a 31% upside.

Investment Thesis

- **Networking**: 2014 was the year that witnessed the launch of the WWE Network. Upon its introduction, the Network signified a new era for the WWE, and drastically changed its revenue structure. The Network is similar to Netflix, being a distribution channel for content consumption. The WWE Network houses the company's entire wrestling library along with new, original programming. At the beginning of 2015, WWE Network offered over 4,300 hours of content, and it is expected that over 1,300 hours of content was added in 2016 alone. Subscribers have access to all archived footage and any new content for a $9.99 monthly price. The Network has quickly been adopted and has grown in popularity with consumer research indicating over 90% subscribers are satisfied. This satisfaction level is reflected in the rate of subscription growth. By the end of Q3 2016, the company reported just under 1.5 million subscribers, compared to 816,000 subscribers at the end of 2014. In fact, at the end of 2015, WWE reported that they nearly doubled annual revenue generated by its old pay-per-view business. While exhibiting a strong profit margin, it is likely that the company will continue to have growing pains in this new venture. Although they are clearly on the right track, and at the forefront of direct-to-consumer content streaming. Expect to see continued double digit growth from the Network segment in the coming years as the company refines the network and its business plan.

- **Mainstream**: The company and its contracted talent have not been as popular as it is today since the "golden era" of the mid and late 1990s. For example, current WWE Champion John Cena is prominent in pop culture. He has acted in movies, hosted Saturday Night Live, amongst other television shows, and has appeared in a handful of product advertisements. Cena has also granted, a foundation-record, over 500 wishes for Make-A-Wish, and is still one of the most requested celebrities. As stars like Cena bring wrestling into the mainstream, the media is also embracing wrestling. During late 2015, ESPN and WWE announced that would be entering an agreement where ESPN would show WWE highlights and host WWE talent weekly. In addition, ESPN held Sportscenter at WrestleMania last April and created a WWE-specific page on its website. Other sites, such as Fox Sports, have followed suit. With this mainstream acceptance and coverage, along with the convenience of the WWE Network, it is cool and as easy as ever to be a wrestling fan.

Valuation

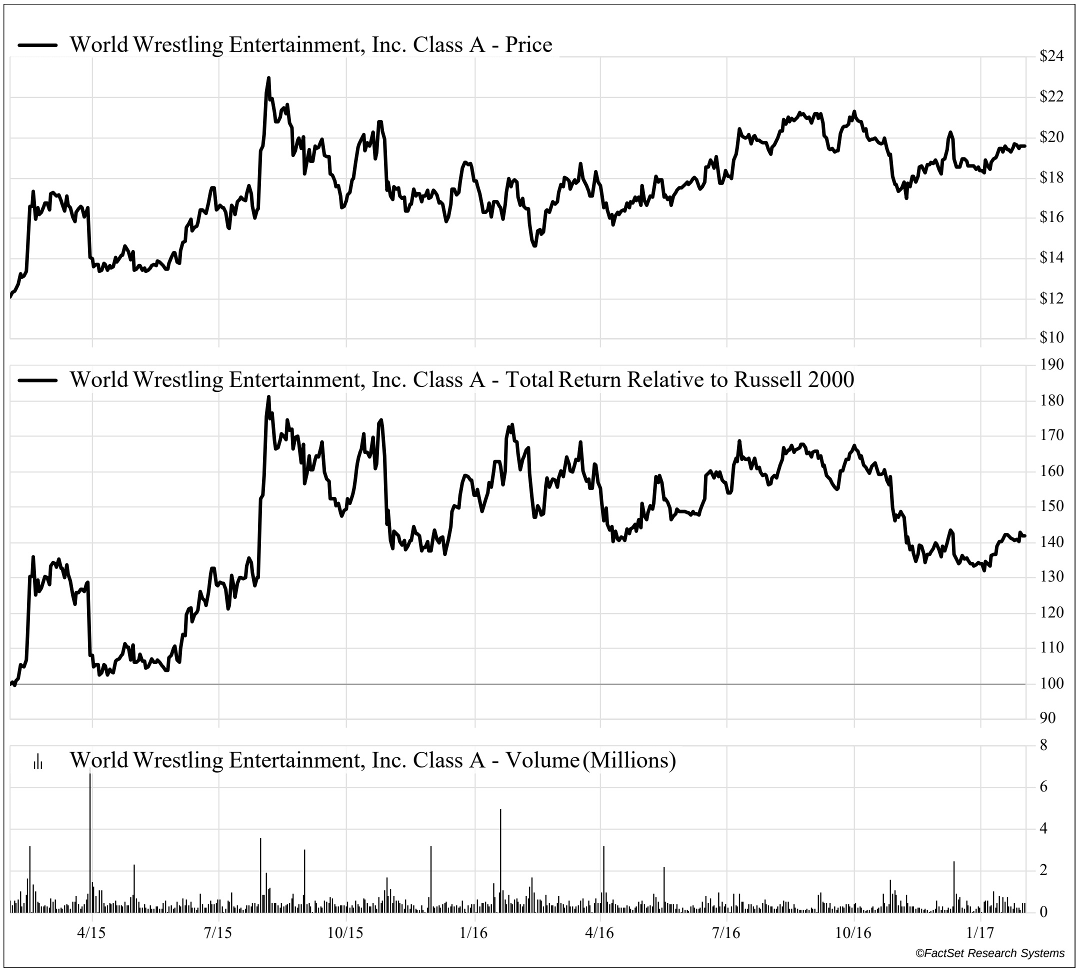
In order to reach an intrinsic value for WWE, a five year DCF model was constructed. Using a terminal growth rate of 3% and a WACC of 10%, an intrinsic value of $22.95 was reached. A sensitivity analysis on the terminal growth rate and WACC ranged from $21.85-24.18. Additionally, a P/E multiple valuation was conducted using expected 2017 EPS of $0.61, a comparables average P/E of 53.08x and WWE's FY17 P/E which resulted in a valuation of $29.46. Lastly, an EV/S multiple valuation was calculated using a comparables average of 2.81x, and WWE's FY17 estimated sales/share, resulting in a valuation of $24.90. By weighting the three valuation models 33/33/33, a price target of $25.77 was reached, which yields a 31.26% upside. WWE pays a 2.46% dividend.

Risks

- **Vincent K. McMahon:** Chairman of the Board and CEO Vince McMahon is now 71 years old and he no longer appears often on company programming. Despite his lack of presence on camera, McMahon is still heavily involved behind the scenes. The company acknowledges his importance as both an executive and head of the creative team. They also make it clear that his unexpected loss, due to any reason, would have a negative impact. Although he is not replaceable, the company will be in good hands with his two kids, Shane and Stephanie, along with son-in-law Paul Levesque.
- **Global Economic Downturn:** WWE has a beta of 1.11 and is a discretionary product. With this fact in mind, a poor economy will hurt demand. People will still go and see the company's major events, such as WrestleMania, but will be frugal when it comes to merchandise and others.

Management

Mr. Vincent K. McMahon has been in the wrestling business since 1972. After a decade of learning, McMahon purchased the company from his father in 1982. McMahon took the regional promotion and turned it into a global brand. Along the way, WWE created live events, such as WrestleMania and the weekly episodic televisions shows, Raw and Smackdown. McMahon has also passed along the family tradition to his children. His children, Shane and Stephanie, are onscreen characters, and hold executive roles with the WWE. Stephanie's husband Paul "Triple H" Levesque is also an executive within the company, and vital to talent and brand development. Together the three of them will bear the responsibility once Vince's time atop the company is over.



Ownership

% of Shares Held by All Insider Owners:	48.20%
% of Shares Held by Institutional & Mutual Fund Owners:	33.12%

Source: FactSet

Top 5 Shareholders

Holder	Shares		% Out
Vincent K. McMahon	35,533	▼	42.32
Lindsell Train Ltd.	6,218	▲	7.41
The Vanguard Group, Inc.	3,452	▼	4.11
Eminence Capital LP	3,433	▲	4.09
BlackRock Fund Advisors	3,393	▲	4.04

Source: FactSet

Peer Analysis

Name	Ticker	Market Cap (mil)	Sales (mil)	EBITDA	Dividend Yield	EV/Sales
World Wrestling Entmt A	WWE	1,495	715	122.1	2.46	2.09
Live Nation Entertainment	LYV	5,741	8,294	620.7	--	0.79
Lions Gate Entertainment	LGF.A	5,894	2,674	-58.6	--	2.56
Discovery Comm A	DISCA	10,872	6,479	2493.0	--	2.87
Netflix	NFLX	60,604	8,831	5304.8	--	5.70
Viacom Inc B	VIAB	16,999	12,488	2953.0	3.67	2.14
Peer Averages		20,022	7,753	2262.6	0.73	2.8

Talend S.A. (TLND)
February 10, 2017

Taylor Smith — International Technology

Talend (NASDAQ: TLND) is technology firm new to the NASDAQ exchange. The information technology company specializes in data integration and cloud software solutions. It leverages big data platforms and provides solutions for data migration, warehousing, synchronization, and cloud computing and process-based applications. Talend strives to help companies gain better access to higher quality data by quickly moving it to the right places for real time decision making. The company reports its revenues in the Data Integration & Cloud Software Solutions segment. Talend was founded in Suresnes, France in 2005 and is headquartered in Redwood City, CA.

				FY: Dec	2015	2016E	2017E	2018E
Price ($): (2/6/15)	22.76	Beta:	0.79					
Price Target ($):	33.98	WACC	9.0%	Revenue (Mil)	$75.87	$104.70	$138.28	$186.82
52WK H-L ($):	21.0-34.49	M-Term Rev. Gr Rate Est:	31.8%	% Growth	22.00%	38.00%	32.08%	35.10%
Market Cap (mil):	649	M-Term EPS Gr Rate Est:	34.7%	Gross Margin	75.47%	76.07%	76.88%	78.04%
Float (mil):	-	Debt/Equity:	19.3%	EBITDA Margin	-25.06%	-20.68%	-10.17%	-1.56%
Short Interest (%):	13.0%	Debt/EBITDA (ttm):	n/a	EPS (Cal)	-$0.69	-$0.76	-$0.49	-$0.10
Avg. Daily Vol (mil):	75,523	ROA:	n/a	FCF/Share	-$0.30	-$0.58	-$0.40	$0.03
Dividend ($):	0.00	ROE:	n/a	P/E (Cal)	n/a	n/a	n/a	n/a
Yield (%):	0	ROIC:	n/a	EV/EBITDA	n/a	n/a	n/a	n/a

Recommendation

To compete in nearly any industry participating in today's business world, a firm must have extensive access to data. Estimates show that the digital data universe is expected to grow from 4.4 zettabytes in 2013 to 44 zettabytes in 2020. Through this movement towards data utilization, there will be a corresponding intensification for demand of technologies that make it easier to access, manipulate, and transport massive volumes of data. Expenditures on re-platforming to big data, cloud, and modern analytics technologies is anticipated to grow by over $140 billion from 2015 to 2020. Leveraging data is becoming more and more integral to modern business. Talend is well positioned to serve these needs as it has the largest open source community focused on data integration, totaling 270,000 users. The firm utilizes yearly subscriptions to extend its solutions and services. Talend has acquired a total of 1,300 customers, including major corporate customers such as GE, Allianz, Sony, and Toyota. Since 2013, the company has grown its subscription revenue stream by a 28% CAGR, reaching $63 million in 2015. As for the market, TAM is estimated to grow from $12 billion in 2016 to $17 billion in 2020, suggesting comfortable room for growth even if market penetration is stagnant. Due to its ability to implement new technologies, faster performance, and leading TCO advantages, it is recommended that Talend (TLND) be added to the AIM International Fund with a price target of $33.98, representing a 49.30% upside.

Investment Thesis

- **Be Different.** Talend offers solutions that utilize a distinguished architecture that parts the design of the integration jobs from the actual code. This means that the platform is capable of implementing new runtime technology right after it emerges. Maintaining an ability to take advantage of brand new technologies and engines before other venders get access serves as a tremendous moat to competitors. In addition to this advantage, the company and its users also benefit from its self-servicing design principles and unified code base. These features allow Talend to edge out competition with its performance, which is reported to be up to 7 times faster than other leading solutions.
- **Ditch the Contracts.** Rather than using contracts, Talend offers its customers yearly subscriptions to its services. Companies will frequently choose to vend perpetual licenses determined by factors such as number of data connectors and units of processing power. Talend

makes it easy by licensing the majority of its products and services on a per-user annual subscription basis. This method lowers up-front costs and allows Talend to charge a much lower rate than its customers, especially as data volumes increase. TLND experiences a total cost of ownership (TCO) advantage of nearly 3-8 times in comparison with its primary competitor, Informatica. Other competitors, such as SAP and IBM, average 15% and 50% higher TCO's than Informatica. This cost advantage leads to renewed subscriptions and acts as a wedge for future market penetration.

- **When David Joins Goliath.** Often times when smaller and newer tech firms churn out superior algorithms and codes, the larger tech firms will admit to inferiority and buy out the superior smaller firm. For Talend, this could certainly be a future. With lower prices and simple to use services, it would benefit much more as a subsidiary for a large firm than a corrosive competitor. In a similar case, Sourcefire, a leader in cybersecurity solutions, was acquired by Cisco in 2013. Cisco gained an extremely comprehensive threat protection portfolio and paid a 29 percent premium on the stock, an undoubtedly major upside.

Valuation

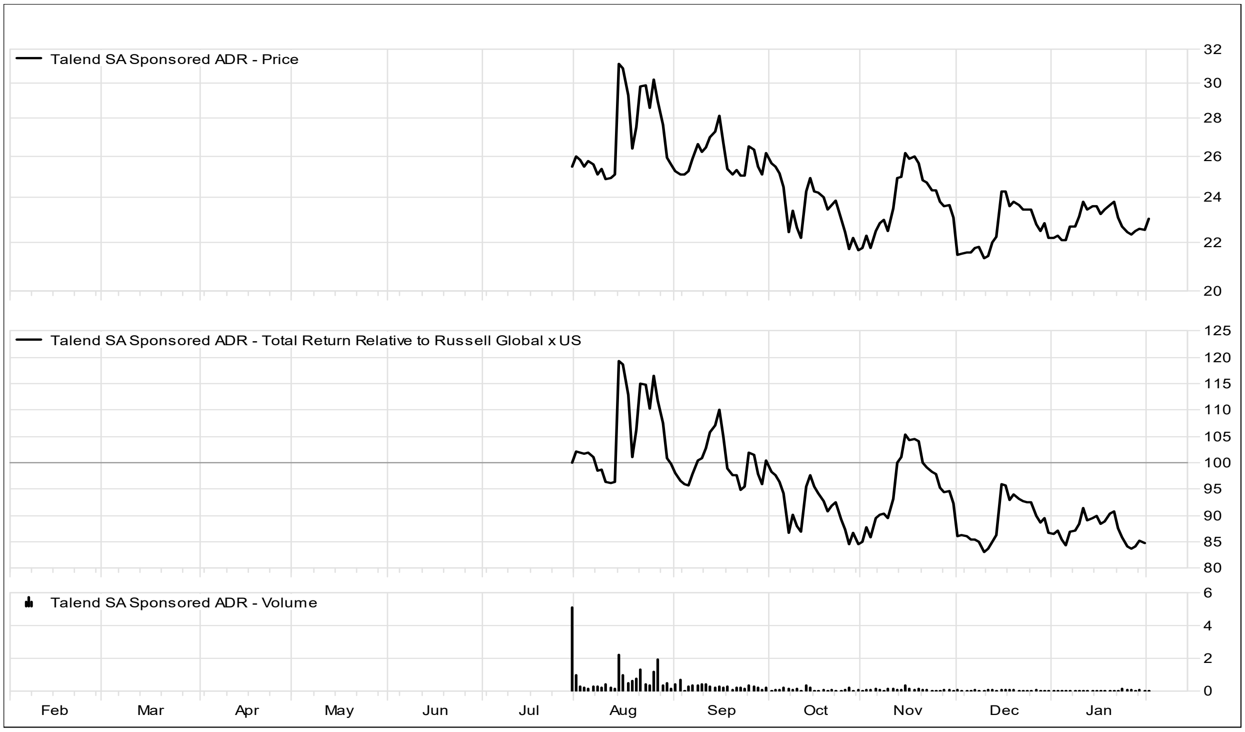
To reach an intrinsic value for Talend, a five year DCF model was assembled. By using a terminal growth rate of 2% and a WACC of 9.42%, an intrinsic value of $31.85 was reached. A ± 2% senstitivity analysis on the WACC and terminal growth rate ranged from $24.92 to $44.74. Additionally, a Price-to-Sales multiple valuation was also conducted using a 2016 revenue per share of $4.20 and a blended multiple of 10.12x to reach a price of $42.52. By weighing the two valuation models 80/20, a price target of $33.98 was achieved, representing an upside of 49.30%.

Risks

- **Cyberattacks.** Anytime data is stored on the internet, there is always risks of theft. Especially for the cloud, it is easier to attack in bulk. Since 2013, there have been roughly $3.6 billion in data records stolen or lost. Yahoo! has experienced roughly 1.5 billion in email hackings over the past 13 months. Although there are methods and technologies to prevent against attacks, hackers will always be looking to disrupt.
- **Big Brother.** There has been more stress on government intrusion and surveillance in the IT space. The recent NSA leaks, most notably Snowden, are indications that certain entities may be peaking without notice. Although the surveillance is supposedly for protection and lacks malicious intent, it still certainly represents a potential threat to companies operating in the cloud industry.

Management

Brian Tuchen joined Talend as its CEO in 2013, he previously was the CEO of Rapid7. He also has experience with Microsoft serving as the manager of the SQL Server Marketing Team. Chief Financial Officer, Thomas Tuchscherer, joined the company in 2010 and initially served as the VP of Corporate Development. His previous experiences include reputable positions at SAP, Business Objects, and Cartesis. Tuchscherer has held his current position of CFO since 2012.



Peer Analysis

Name	Ticker	Price	Sales (mil)	Net Income	EBITDA	P/S
Talend	TLND	$22.71	75.55	$ (21.9)	$ (19.9)	8.57x
Nutanix A	NTNX	$31.28	444.93	$ (168.5)	$ (138.6)	9.98x
Apptio A	APTI	$15.85	129.30	$ (41.0)	$ (33.1)	4.69x
Twilio A	TWLO	$31.69	166.90	$ (35.5)	$ (30.0)	16.51x
Coupa Software	COUP	$26.00	83.68	$ (46.2)	$ (42.5)	15.53x
Peer Averages						

Source: Factset

Ownership

% of Shares Held by All Insider Owners:	#N/A
% of Shares Held by Institutional & Mutual Fund Owners:	14.79%

Source: FactSet

Top 5 Shareholders

Holder	Shares	% Out
Capital Research & Management Co. (World Investors)	787,500	2.76
Wells Capital Management, Inc.	403,600	1.42
Carmignac Gestion SA	328,821	1.15
FIL Investment Advisors (UK) Ltd	325,411	1.14
Peregrine Capital Management LLC	317,426	1.11

Source: FactSet

Diageo plc ADR (DEO)
February 10, 2017

Dominic Delia International Consumer Staples

Diageo plc ADR (NYSE: DEO) engages in the production and distribution of alcoholic beverages. The company owns its own manufacturing production facilities and markets its products under a diverse portfolio of brands including Bailey's, Captain Morgan, Ciroc, Crown Royal, Don Julio, Guinness, Ketel One, Smirnoff, and Tanqueray. Diageo segments its operations by region: Americas (42.2% of total revenue); Europe (23.4%); Asia/Pacific (18.8%); Africa/Middle East (15.2%); and Other (0.3%). The firm also segments its revenues by individual country: United States (31.1% of total revenue); India (8.4%); United Kingdom (7.8%); Nigeria (5.5%); Mainland China (5.3%); Germany (3.9%); South Africa (3.5%); and Canada (2.9%). The company was founded in 1997 and is headquartered in London, the United Kingdom.

Price ($) (2/7/17):	$112.82
Price Target ($):	$140.33
52WK H-L ($):	117.84-99.46
Market Cap (Mil):	69,676
Float (%):	99.30%
Short Interest (%):	0.00%
Avg. Daily Vol:	4,645,982
Dividend ($):	$3.03
Yield (%):	2.69%

Beta:	0.92
WACC:	7.56%
M-Term Rev. Gr Rate Est:	6.00%
M-Term EPS Gr Rate Est:	11.40%
Debt/Equity:	110.70%
Debt/EBITDA (ttm):	2.70x
ROA:	8.22%
ROE:	26.64%
ROIC:	14.04%

FY: Dec.	2016	2017E	2018E	2019E
Revenue (Mil):	$15,415.99	$16,957.59	$18,144.62	$19,233.30
% Growth:	-9.30%	10.00%	7.00%	6.00%
Gross Margin:	44.91%	45.55%	46.05%	46.55%
Operating Margin:	27.92%	30.02%	31.48%	32.75%
Net Margin:	21.40%	21.19%	22.41%	23.55%
EPS (Cal):	$5.24	$5.71	$6.46	$7.20
FCF/Share (Cal):	$4.13	$5.82	$6.66	$7.45
P/E (Cal):	21.53	19.76	17.46	15.67

Recommendation

As the world's largest producer of spirits (~12.5% of global volume), DEO boasts an impressively diversified revenue stream with sales stemming from 180 countries and an all-star cast of brands headlined by industry behemoths, Captain Morgan, Crown Royal, Smirnoff, and Tanqueray. CEO, Ivan Menezes, has reinvigorated company culture over the past year with the appointment of chairman, Javier Ferran, who has spearheaded the charge for more transparent and targeted cost controls. While the European beverage sector is priced at the high end relative to its historical valuations (22.3x forward P/E), DEO is trading at a discount despite its superior business model and all-star management team. The sector should also experience momentum from capital inflows as upward pressure on interest rates separates the wheat from the chaff and pushes quality back into favor. Furthermore, DEO's revamped marketing initiative towards Millennials is already paying dividends as brand perception across all product segments is trending upwards (Nielsen). U.S. whiskey sales are booming with Crown Royale generating exceptionally strong momentum (10% growth in depletions) heading into 2H17 catalyzed by the addition of Regal Apple and Vanilla flavors in an attempt to target the female and shot occasion market segments. After thoroughly analyzing the rapid turnaround in corporate efficiency, the performance of the firm's flagship premium brands across numerous geographies, and the shift in consumer preference towards high end whiskey (Reserve 15.2% of net sales), it is recommended that DEO plc ADR be added to the AIM International Equity Fund with a target price of $140.33, representing a 24.39% upside.

Investment Thesis

- **Crowning a Leader in the Brown Liquor Lovefest.** DEO has adeptly positioned its portfolio to reap the benefits of burgeoning consumer demand for whiskey, cognac, rum, and scotch across multiple price points. Scotch sales jumped 6% overall in 1H17 driven by Johnnie Walker's impressive growth in domestic markets (+4% volumes, 2% pricing) as millennial preferences have shifted in favor of heritage brands over newer brands and towards associating higher price with higher quality (+9% and +11% YoY respectively). India's infatuation with Scotch (Johnnie Walker +23% YoY) has allowed DEO to weather the headwinds stirred up by demonetization (80-90% cash denominated transactions) and capitalize on its majority stake in USL, seizing market share from Pernod in the premium segment (Prestige+ organic growth 12.1% vs 8.0%). Within the broader product segment, Euromonitor projections have whiskey (+15.5% growth

2015-'20) surpassing vodka (-1% growth 2015-2020) as the world's most popular spirit in terms of market share. DEO is well positioned to benefit from this development, with Crown Royal trialing only Jack Daniels in terms of U.S. market share (7.57% vs 12.46%). Additionally, the firm has just announced its entrance into fervently growing Irish whiskey market (+19.9% in 2015), in an attempt to lure consumers away from industry leader, Jameson.

- **New Chairman Heading Productivity Initiative.** Newly appointed Chairman**,** Javier Ferran, wasted no time in testing the waters, opting instead to dive straight into an aggressive cost cutting initiative aimed at shifting DEO's focus from execution to expansion, immediately increasing market share in all of its core brands. Ferran's extensive background within the private equity and beverage industries has already paid dividends as the company announced it was ahead of schedule on its 1H17 earnings call, expanding operating margins by 39bps towards its initial goal of 100bps by FY19 via cost discipline, balance sheet utilization, and exploiting the growth potential of the business. The market is underestimating the opportunity for margin development under the new management, and Ferran's ability to methodically trim the fat off of a successful business while substantially increasing free cash flows to shareholders leaves the door open for balance sheet optionality in the form of share buybacks or an increased stake in USL.
- **Reinvigorating Brand Equity.** The new regime wasted no time redeploying its brands in a calculated attempt to bolster consumer sentiment. Savings derived from improved forecasting and enhanced cost controls are being reinvested into DEO's core products, most notably in the areas of competitive pricing and targeted marketing spend towards millennials. These budding initiatives are already paving the way for untapped top line growth according to Nielsen, as DEO's brands scored exceptionally well versus their competitors: Smirnoff led the vodka category (67% recommendation rate among millennials) and Crown Royal, Johnnie Walker, and Bulleit accounted for three of the top four in whiskey.

Valuation

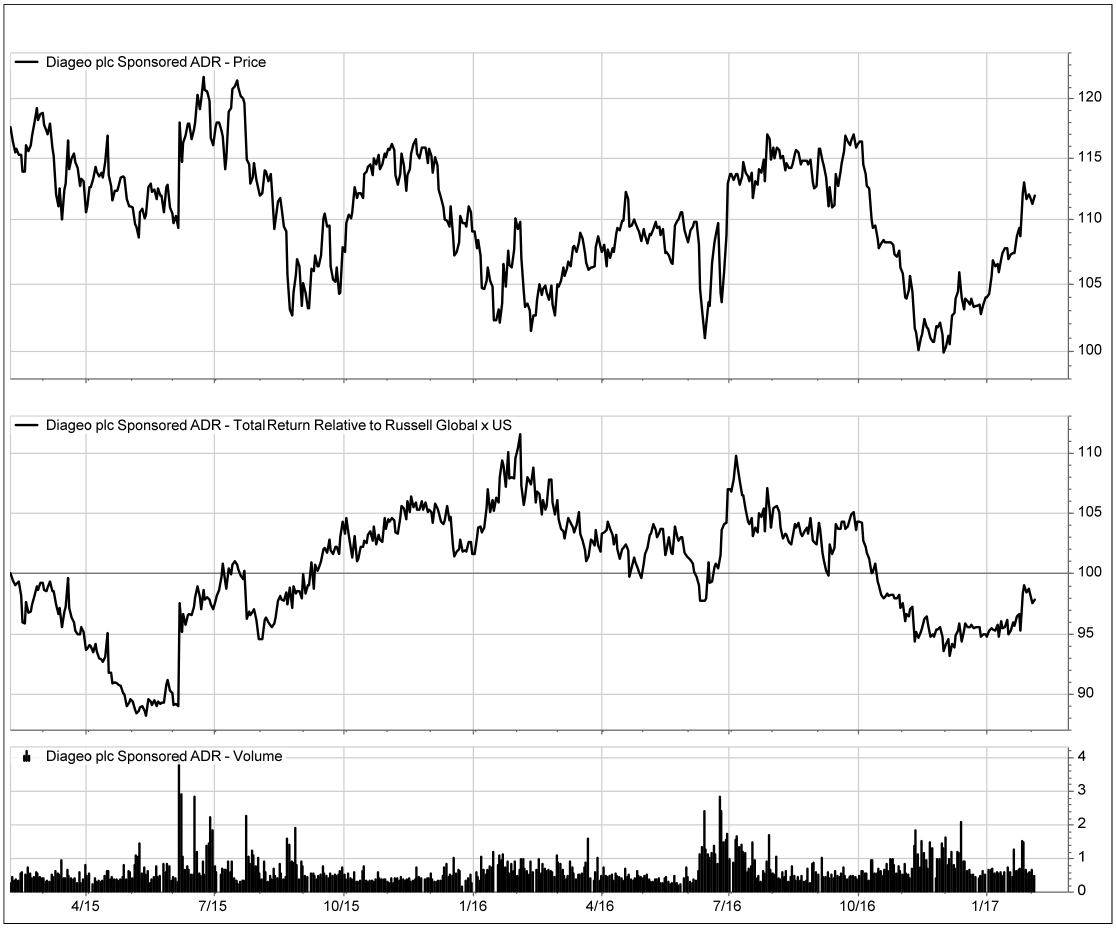
In order to reach an intrinsic value for DEO, a five year DCF model was constructed. Using a terminal growth rate of 2.0% and a WACC of 7.56%, an intrinsic value of $140.33 was reached. A sensitivity analysis on the terminal growth rate and WACC ranged from $130.85-$151.22. Additionally, a P/E multiple valuation was conducted using a comparables average P/E of 26.5x, which resulted in a valuation of $140.72. By weighting the two valuation models 60/40, a price target of $140.33 was reached, representing a 24.39% upside. DEO paid an annual dividend of $3.03 in 2016, yielding 2.69%.

Risks

- **U.S. Consumer Pullback.** While DEO has insulated its revenue stream from single event risk via its geographically and categorically diversified business model, the firm still generates ~40% of its EBIT from the United States. If economic growth stalls after the post-Trump euphoria wanes, an impending selloff in US equities could spell tough times for consumers, stripping favorable pricing from DEO and forcing cost conscious consumers to sacrifice quality for less affluent brands of liquor.
- **Problems with Populism.** DEO saw margins expand significantly in the wake of the Brexit vote stemming from the historically weak GBP, but an unexpected rally in the battered currency could spell trouble for the future earnings outlook. Accompanying this is the uncertainty in regards to U.S. trade policy moving forward. While a 20% import tariff already appears to be off the table, the implications on Canadian imports (Crown Royal) could pose a potential headwind to pricing power moving forward.

Management

Ivan Menezes, 56, has served as CEO since 2013 after previously holding roles as COO and President of North American Operations within DEO. He currently sits on the Board of Directors for both DEO and Coach Inc. In 2015, Kathy Mikells was appointed as CFO after successful stints at Xerox Corporation and United Airlines within the same role.



Ownership

% of Shares Held by All Insiders and Owners	0.66%
% of Shares Held by Institutional & Mutual Fund Owners	81.21%

Source: FactSet

Top 5 Shareholders

Holder	Shares	% Out
Massachusetts Financial Services Co.	76,020	3.0%
Capital Research & Management Co.	74,792	3.0%
Legal & General Investment Management Co.	68,645	2.7%
BlackRock Investment Management (UK) Ltd.	68,578	2.7%
The Vanguard Group, Inc.	59,427	2.4%

Source: FactSet

Peer Comparables

Name	Ticker	Market Cap (Mil)	Debt/Equity (%)	P/E (ttm)	EV/EBITDA (ttm)
Diageo plc ADR	DEO	69,676	110.70%	22.75x	17.32x
Pernod Ricard SA ADR	PDRDY	31,328	70.20%	22.73x	14.28x
Brown-Forman Corp. Class B	BF.B	17,801	175.70%	17.44x	19.96x
Remy Cointreau SA ADR	REMYY	4,581	56.10%	36.14x	21.34x
Heineken NV ADR	HEINY	44,713	116.50%	29.85x	11.85x
	Peer Averages	24,606	104.63%	26.54x	16.86x

Source: FactSet