

CREDIT OPINION

7 January 2022

 Rate this Research

RATINGS

Longhurst Group Ltd

Domicile	United Kingdom
Long Term Rating	A3
Type	LT Issuer Rating - Dom Curr
Outlook	Stable

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

Contacts

Zoe Jankel +44.20.7772.1031
 VP-Senior Analyst
 zoe.jankel@moodys.com

Sam McDonald +44.20.7772.1401
 Associate Analyst
 sam.mcdonald@moodys.com

Sebastien Hay +34.91.768.8222
 Senior Vice President/Manager
 sebastien.hay@moodys.com

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

Longhurst Group Limited (United Kingdom)

Update to credit analysis

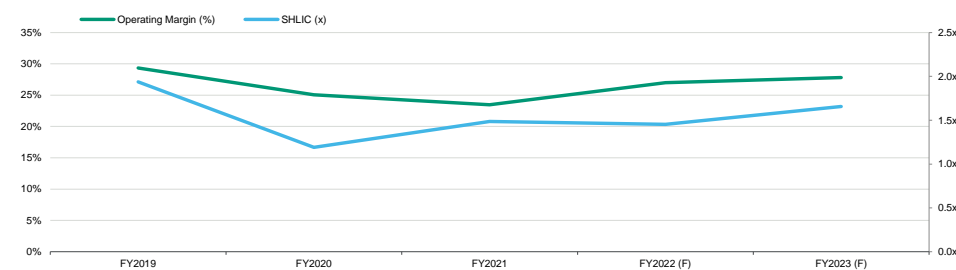
Summary

The credit profile of [Longhurst Group Limited](#) (Longhurst, A3 stable) reflects its moderate risk appetite and strong performance on its social housing business, balanced by relatively weak operating margins and debt metrics. Longhurst benefits from the strong regulatory framework governing English housing associations (HAs) and our assessment of a strong likelihood that the government of the [United Kingdom](#) (UK, Aa3 stable) would intervene in the event that Longhurst faced acute liquidity stress.

Exhibit 1

Longhurst's operating margin and social housing lettings interest cover (SHLIC) have weakened over the past three years

Operating margin (%) (LHS) and SHLIC (x) (RHS), FY2019-FY2023 (F)



F: Indicates forecast

Source: Longhurst, Moody's Investors Service

Credit strengths

- » Strong performance on social housing business
- » Moderate risk appetite and simple group structure
- » Supportive institutional framework in England

Credit challenges

- » Weakened operating margin and interest coverage due to care and supported housing business
- » Relatively weak debt metrics expected to weaken moderately

Rating Outlook

The stable outlook on Longhurst reflects our view that its debt metrics will remain stable and that the strong profitability on its core social housing business will continue.

Factors that Could Lead to an Upgrade

An upgrade to Longhurst's rating could result from one or a combination of the following: operating margins sustained at or above 30%; social housing letting interest coverage at above 1.5x; sustained deleveraging.

Factors that Could Lead to a Downgrade

A downgrade to Longhurst's rating could result from further deterioration of its operating margin to below 20%, a ramp up in market risk and a sustained increase in debt metrics, a weaker regulatory framework or a dilution of the overall level of support from the UK government.

Key Indicators

Exhibit 2

Longhurst Group	31-Mar-17	31-Mar-18	31-Mar-19	31-Mar-20	31-Mar-21	31-Mar-22 (F)	31-Mar-23 (F)
Units under management (no.)	19,164	22,422	23,155	23,462	23,838	22,163	22,843
Operating margin, before interest (%)	36.4	31.4	29.3	25.1	23.5	27.0	27.8
Net capital expenditure as % turnover	25.4	18.1	14.6	30.4	19.7	43.5	69.1
Social housing letting interest coverage (x times)	1.5	1.6	1.5	1.2	1.1	1.2	1.3
Cash flow volatility interest coverage (x times)	1.3	1.8	1.9	1.2	1.5	1.5	1.7
Debt to revenues (x times)	4.2	3.7	3.5	4.6	4.5	4.3	4.6
Debt to assets at cost (%)	60.0	57.7	57.5	57.4	57.3	57.5	60.9

F: Indicates forecast

Source: Longhurst, Moody's Investors Service

Detailed Rating Considerations

The credit profile of Longhurst, as expressed in an A3 stable rating, reflects a baseline credit assessment (BCA) of baa1 and a strong likelihood of extraordinary support coming from the UK government in the event that the entity faced acute liquidity stress.

Baseline Credit Assessment

Strong performance on social housing business

Longhurst's core social housing business, which represented 70% of its turnover in FY2021, has strong operating performance, with an average margin of 38% over the past four years. We expect Longhurst to maintain good profitability on its core business, benefitting from the CPI+1% increase in social rents and the fact that it is relatively insulated from the fire and building safety costs affecting much of the sector, due to the majority of its stock being single-family and low-rise units. However, there are some other challenges in its social housing business that Longhurst will need to tackle over the next year - although the pandemic has not led to higher arrears, it has indirectly led to increased voids in general needs properties. This is due to labour shortages in their repairs service which means there has been a lag in being able to re-let properties due to outstanding repairs and maintenance work. However, we do not expect this to reduce turnover by a material amount - at present voids levels represent less than 1% of its total units under management and therefore credit impacts remain minimal.

Moderate risk appetite and simple group structure

Longhurst has a moderate risk appetite. The majority of its business is focused on social rent and care and supported housing. The latter is capped at 20% of turnover. Its market sales development is mainly focused on shared ownership - market sales represented 15% of turnover in FY2021, with 4% from outright sales and 11% from first tranche shared ownership (FTSO), a moderate level of exposure. We expect Longhurst to maintain its moderate exposure to market sales with these tenures accounting for an average of 16% of turnover to FY2024. Longhurst's development programme includes building 3,750 units over the next five years, with the

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moody's.com for the most updated credit rating action information and rating history.

majority of this delivered under its strategic partnership with Homes England. Around 60% of its this programme is for social rent, with the remainder FTSO. Net capex will ramp up from an average of 22% over the past three years to 50% over the next three years - somewhat higher than the expected A3 peer median of 43% over the same period.

Longhurst's group structure is simple - it has a single organisation - Longhurst Group - which was consolidated from four former member companies in July 2019. This is the registered provider and owns the social housing assets. In addition, it has two treasury special purpose vehicles (SPVs) - Libra Treasury (Longhurst Group) plc and Libra Treasury No 2 (Longhurst Group) plc, and Keystone Developments Limited which develops properties for sale. Through Keystone, Longhurst is involved in a JV with Countryside Developments for a large site of 400 homes in Humberston. Longhurst recognised a large impairment of £2.7 million in FY2020 on its share of the JV based on the current carrying value of the land, however as it looks to densify the site it is likely that this impairment will be unwound over the course of the scheme build-out and sale, to result in an overall profit.

Longhurst is also involved in a cross-sector joint venture - Evera Homes. Longhurst holds a 25% equity stake in this JV, with JV partners Cross Keys Homes, [Flagship](#) (A2 stable) and Hyde. The aim for this JV is to develop 2,000 homes over 5 years within the Cambridgeshire and Peterborough Combined Authority area. Each JV partner has a capped capital contribution at £10 million each - for Longhurst this represents around 7% of its annual turnover in FY2021 which we consider to be a moderate level of risk exposure.

Longhurst has a Group Board which manages the risk within the group as a whole. It also a board for Keystone Group which sits underneath the Group Board and manages the risk within this business.

Supportive institutional framework in England

The sector's credit quality will continue to benefit from the strong regulatory framework governing English HAs. The regulator maintains strong oversight through quarterly returns, long-term business plans, annual reviews, and by undertaking biennial In-Depth Assessments (IDAs) for large and complex HAs. In response to the pandemic, the regulator adapted some aspects of its oversight temporarily, for example, extending its liquidity monitoring, briefly pausing the programme of IDAs and delaying regulatory submissions to reduce the operational burden on HAs. The regulator has a strong track record of intervention in cases of mismanagement or financial stress with powers to provide financial assistance and/or make manager appointments where there has been a breach of regulatory standards.

The operating environment for English HAs has improved under more supportive policies for social rent increases and capital grant. Following four years of social rent reductions, HAs now benefit from a return to inflation-linked rent increases from April 2020 for five years. In addition, the government has committed to increased capital grant on more flexible terms for new social housing.

Counterbalancing the improvements, we expect policy to drive increased borrowing and development risk in the sector as it responds to the government's objective to deliver a significant increase in the construction of new homes.

Weakened operating margin and interest coverage due to reduction in margins on market sales and care and supported housing business

Longhurst's overall operating margin has weakened to 23% in FY2021 from 25% in FY2020 and 29% in FY2019, predominantly driven by weaker performance in its care and supported housing business and slimmer margins on market sales. Its social housing lettings interest coverage (SHLIC) metric has also weakened marginally to 1.1x in FY2021 from 1.2x in FY2020, compared with an A3 peer median of 1.3x in FY2021. We expect its operating margin and SHLIC to improve over time, as the benefits of inflation-linked turnover improve its social housing lettings margin.

The care and supported housing business delivered £8.5 million in turnover in FY2021, with a surplus of just £0.3 million or 3% which is low, but more or less in line with results from other HAs - care and supported housing is often core to HAs' social purpose but run on a break-even basis. Its market sales business generated £24 million or 15% of turnover, with a margin of 21% on FTSO and 9% on outright sales in FY2021.

Underperformance in its care business is driven by a lack of referrals by local authorities, leading to high levels of voids within the units it operates. Although Longhurst has a variety of different contracts with local authorities, some are paid per person, so if

occupancy reduces that leads to a direct loss of revenue. Longhurst aims to improve its margin on its care business through exiting some unprofitable contracts however challenges in the sector are likely to remain.

Profitability on its market sales business has decreased due to a higher proportion of FTSO coming from land-led schemes vs. Section 106. The latter are purchased at a significant discount to market value, with the upfront discount effectively representing the grant funding, resulting in a high margin on sale, and the former amortising the grant element over time, resulting in a lower upfront margin.

Relatively weak debt metrics, with gearing expected to weaken moderately

Longhurst's total debt was £688 million as of FYE2021 and it also has additional liquidity in the form of £243 million additional undrawn facilities. We expect Longhurst's total debt level to reach £940 million by FY2024, representing a gearing level of 62%, compared with 57% in FY2021. This is higher than the A3 peer median of 53% in FY2021. Longhurst's gearing level has been higher than the peer median for many years due to its legacy as a large scale voluntary transfer (LSVT).

The vast majority of its debt is fixed, or swapped to fixed rates. Its swap portfolio had a negative mark to market value of £18 million as of September 2021, which is sufficiently covered by its unsecured threshold of £10 million and £8 million posted collateral in housing assets and cash. It has some refinancing needs - with around £180 million of revolving credit facilities (RCFs) maturing in the next five years. However, the housing association sector benefits from strong access to finance, and its clear ESG credentials mean that this is very likely to continue, limiting any refinancing risk in the sector.

As of September 2021, Longhurst had access to 1.4x its two-year net cash needs in cash and immediately available facilities. This represents a good level of liquidity, in line with peers in the sector. Longhurst's liquidity position is supported by its treasury policy, which stipulates that the group will maintain sufficient financing to meet obligations contractually committed within a period of eighteen months. As such, we expect that management would ensure that financing is in place when Longhurst's capital expenditure targets become contractual commitments. Moreover, Longhurst's liquidity position is supplemented by a pool of unencumbered assets that are sufficient to support an additional £120 million of borrowing capacity as of September 2021, based on EUV valuations.

Extraordinary Support Considerations

The strong level of extraordinary support factored into the rating reflects the wide-ranging powers of redress available to the regulator in cases of financial distress, with the possibility of a facilitated merger or a transfer of engagements. Recent history has shown that the UK government is willing to support the sector, as housing remains a politically and economically sensitive issue. The strong support assumption also factors increasing exposure to non-core social housing activities in the sector, that add complexity to HA operations, and the weakening of the sovereign's financial resilience, making an extraordinary intervention slightly more challenging. In addition, our assessment that there is a very high default dependence between Longhurst and the UK government reflects their strong financial and operational linkages.

ESG Considerations

How environmental, social and governance risks inform our credit analysis of Longhurst

Moody's takes account of the impact of environmental (E), social (S) and governance (G) factors when assessing sub-sovereign issuers' economic and financial strength. In the case of Longhurst, the materiality of ESG to its credit profile is as follows:

Environmental considerations are material to Longhurst's credit profile. Although the impact of physical climate risks such as water shortages and flood risk are unlikely to be material to HAS' credit profiles as they are managed by government authorities, energy efficiency and decarbonisation more broadly are becoming an increasingly acute priority for HAs with a target of all homes obtaining an energy performance certificate (EPC) of C or above by 2030 in England. We expect this to require material levels of capital expenditure for the sector - which would either divert cash flows away from development programmes or increase debt levels.

Social risks are material to HAS' credit profiles. In particular, the sector is exposed to risks stemming from socially-driven policy agendas affecting social rents, benefits and capital grants in addition to the impact of demographic trends on demand which are captured in our assessment of the operating environment. HAs are also affected by customer relations and product quality. The Fire Safety Act, passed in 2021, tightens fire safety regulations for HAs and has already led to higher expenditure on building safety - we expect this to increase

once the new regulations come into force. Longhurst has limited fire safety related expenditure as most of its stock is single-unit and low-rise housing.

Governance considerations are also material to HAs' credit profiles and are captured in our assessment of governance and management. In general, housing association governance is strong with multi-year strategies supported by detailed forecasts, conservative liquidity policies, and robust risk management including stress testing.

Further details are provided in the "Baseline credit assessment" section above. Our approach to ESG is explained in our cross-sector methodology [General Principles for Assessing ESG Risks](#).

Rating Methodology and Scorecard Factors

The assigned Baseline Credit Assessment (BCA) of baa1 is the same as the scorecard-indicated outcome.

The methodologies used in this rating were [European Social Housing Providers](#), published in April 2018, and [Government Related Issuers](#), published in February 2020.

Exhibit 3

Longhurst's 2021 scorecard

Longhurst Group			
Baseline Credit Assessment	Sub-factor Weighting	Value	Score
Factor 1: Institutional Framework			
Operating Environment	10%	a	a
Regulatory Framework	10%	a	a
Factor 2: Market Position			
Units Under Management	10%	23,838	a
Factor 3: Financial Performance			
Operating Margin	5%	23.5%	baa
Social Housing Letting Interest Coverage	10%	1.1x	baa
Cash-Flow Volatility Interest Coverage	10%	1.5x	baa
Factor 4: Debt and Liquidity			
Debt to Revenue	5%	4.5x	ba
Debt to Assets	10%	57.3%	b
Liquidity Coverage	10%	1.4x	a
Factor 5: Management and Governance			
Financial Management	10%	baa	baa
Investment and Debt Management	10%	baa	baa
Suggested BCA			baa1

Source: Longhurst, Moody's Investors Service

Ratings

Exhibit 4

<u>Category</u>	<u>Moody's Rating</u>
LONGHURST GROUP LTD	
Outlook	Stable
Issuer Rating -Dom Curr	A3
LIBRA (LONGHURST GROUP) TREASURY NO 2 PLC	
Outlook	Stable
Senior Secured -Dom Curr	A3
LIBRA (LONGHURST GROUP) TREASURY PLC	
Outlook	Stable
Senior Secured -Dom Curr	A3

Source: Moody's Investors Service

© 2022 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED BY MOODY'S (COLLECTIVELY, "PUBLICATIONS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLISHED FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES ITS PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the rating process or in preparing its Publications.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay to Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it fees ranging from \$1,000 to approximately \$5,000,000. MCO and Moody's Investors Service also maintain policies and procedures to address the independence of Moody's Investors Service credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at www.moodys.com under the heading "Investor Relations — Corporate Governance — Director and Shareholder Affiliation Policy."

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of Moody's Group Japan G.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's SF Japan K.K. ("MSFJ") is a wholly-owned credit rating agency subsidiary of MJKK. MSFJ is not a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJKK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.

MJKK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJKK or MSFJ (as applicable) have, prior to assignment of any credit rating, agreed to pay to MJKK or MSFJ (as applicable) for credit ratings opinions and services rendered by it fees ranging from JPY100,000 to approximately JPY50,000,000.

MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454