Zacks Small-Cap Research

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Zecotek Photonics (V.ZMS)

V.ZMS: $21M Crystals Contract With Shanghai-Based EBO Optoelectronics

We model revenue to grow from $1.5M in 2016 to about $45M in 2025. Our DCF model, which uses an 8% discount rate and 2% terminal growth rate, values the shares at approximately $1.25.

Current Price (04/05/2017)	$0.27
Valuation	**$1.25**

OUTLOOK

As we have noted previously, we think the drawn out process of recognizing the Hamamatsu-related deferred revenue (i.e. previous orders which Hamamatsu has yet to take possession of) relates mostly to dragging feet of Hamamatsu. And ZMS has more recently begun to spread its wings with more than just anecdotal evidence that the company is making a more determined effort to branch out to other customer channels. And while complete speculation on our part, the drawn-out delay with Hamamatsu and ZMS's additional sales and marketing efforts, to the likes of Chinese PET manufacturers, UC Davis, U.S.-based medical imaging manufacturers, U.S. homeland security and more recently "a world leader in the area of level, switching and pressure measurement for the process industry", among others, may be related. While we expect Hamamatsu to remain an important customer channel, LFS crystals orders from non-Hamamatsu customers is what we expect to be driving an eventual inflection in revenue.

SUMMARY DATA

52-Week High	**$0.34**
52-Week Low	**$0.22**
One-Year Return (%)	**0**
Beta	**0.82**
Average Daily Volume (sh)	**255,471**
Shares Outstanding (mil)	**132**
Market Capitalization ($mil)	**36**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**N/A**
Insider Ownership (%)	**N/A**
Annual Cash Dividend	**N/A**
Dividend Yield (%)	**N/A**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2017 Estimate	**N/A**
P/E using 2018 Estimate	**N/A**
Zacks Rank	**N/A**

Risk Level	**N/A**
Type of Stock	**Small-Growth**
Industry	**Med Products**

ZACKS ESTIMATES

Revenue
(in '000 of $)

	Q1 (Oct)	Q2 (Jan)	Q3 (Apr)	Q4 (Jul)	Year (Jul)
2016	150 A	697 A	278 A	363 A	1488 A
2017	208 A	6 A	274 E	685 E	1173 E
2018					4893 E
2019					8378 E

Earnings per Share

	Q1 (Oct)	Q2 (Jan)	Q3 (Apr)	Q4 (Jul)	Year (Jul)
2016	-$0.01 A	-$0.02 A	-$0.00 A	-$0.01 A	-$0.05 A
2017	-$0.01 E	$0.00 A	-$0.01 E	-$0.01 E	-$0.03 E
2018					-$0.03 E
2019					-$0.02 E

Zacks Projected EPS Growth Rate - Next 5 Years % **N/A**

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Fiscal Q2 2017, Operational Update….

Zecotek reported financial results for their fiscal 2017 second quarter ending January 31, 2017. Revenue was just $6k for the quarter and $214k through the first six months of the year – down 99% and 75% from the respective prior-year comparable periods. While disappointing, highly variable revenue has been and will likely continue to be the norm for Zecotek for at least the near-term. On the more positive front, the company has been able to diversify (to an extent) sources of revenue and currently carries more than $2.2M in customer deposits that should eventually be booked as revenue. Relative to Hamamatsu, almost $1.6M of LFS crystals orders has still yet to be fulfilled.

As we have noted previously, we think the drawn out process of recognizing the Hamamatsu-related deferred revenue (i.e. previous orders which Hamamatsu has yet to take possession of) relates mostly to dragging feet of Hamamatsu. And ZMS has more recently begun to spread its wings with more than just anecdotal evidence that the company is making a more determined effort to branch out to other customer channels. And while complete speculation on our part, the drawn-out delay with Hamamatsu and ZMS's additional sales and marketing efforts, to the likes of Chinese PET manufacturers, UC Davis, U.S.-based medical imaging manufacturers, U.S. homeland security and more recently "a world leader in the area of level, switching and pressure measurement for the process industry", among others, may be related. While we expect Hamamatsu to remain an important customer channel, LFS crystals orders from non-Hamamatsu customers is what we expect to be driving an eventual inflection in revenue.

And despite the yoy dive in revenue, operating loss actually improved as operating expenses came down as compared to 2016. Operating loss was $1.3M and $2.5M in the three and six months ending January 31, 2017, compared to $1.9M and $3.0M in the comparable year-earlier periods.

Meanwhile, cash used in operating activities was $1.1M and $2.2M in Q2 and 1H 2017, compared to $1.7M and $2.1M in the prior year periods. ZMS exited fiscal Q2 with $420k in cash and equivalents. Subsequent to Q2 quarter-end, the company raised an additional $377k (gross) via the sale of 1.255M common shares (@ $0.30/share) with 100% warrant coverage. Additional financing could possibly become available from the recently announced potential equity investments in the Imaging and Display segments as well as, possibly, from grant funding (which we discuss in more detail below).

Operational Update…

The recent highlight on the operational front relates to an agreement with Shanghai EBO Optoelectronics Company whereby **ZMS will supply the Shanghai-based company with "over $21M worth of scintillation crystals** over the next three years." The supply agreement will continue after the initial three year term on a yearly basis. Per ZMS's press releases, EBO is the largest crystal array producer and supplier in China. EBO will sell ZMS's crystals particularly to meet growing demand of the Chinese PET scanner market. The agreement further stipulates that EBO will be the exclusive distributor for the LFS crystals for the Chinese PET market and will only use LFS crystals in arrays for that application.

While ZMS will use its existing facilities for the initial supply under this agreement, they indicated that they will look to expand capabilities in the future in order to increase their operational and production capacity. Crystals supplied to EBO will be used meet the company's obligations under the previously announced MOU with a Chinese OEM PET manufacturer. As a reminder, that MOU (when executed) calls for supplying crystals/arrays for up to 200 PET scanners over the next five years. While there was no timetable offered on when this supply agreement is expected to ramp or when meaningful related revenue will begin to be generated, ZMS did note in their March 21 press release that the Chinese OEM has resumed purchasing LFS crystals in array form through EBO and that ZMS and EBO are working on a schedule to meet the Chinese OEM's production plan.

Another recent development relates to the company's **Display Systems** division. While Imaging Systems (i.e. related to the LFS crystals) has and will likely continue to represent the majority of the potential upside value of the company, the Display Systems business has shown growing promise as an additional value driver. Much of this promise relates to the 3D display program. It appears that at least some investors have taken notice based on the March 2017 announcement of a potential $10M financing (on a 'best-efforts' basis) in return for an equity stake in Zecotek Display Systems.

As a reminder, the Display Systems division has had several projects in late stages including development of a working prototype of a 32-inch 3D display which does not require the use of 3D glasses. The display is protected

by both U.S. and Australian patents. It can simultaneously project high resolution 3D and 2D images on the same screen with separate views for multiple users. Zecotek has previously noted that they were in discussions with certain major electronics companies to co-develop an OLED/LED (organic light emitting diode) based, flat screen, glasses-free, true 3D HD television.

More recently, the Display Systems segment has been working with automotive manufacturers in the design on novel **heads-up display (HUD)** technologies. HUD projects an image (graphic below is an example with no relation to ZMS' technology) on, in front of or around the windshield, eliminating the need for the driver to remove his eyes from the road to check the speedometer, navigation and other information. In December 2016 ZMS announced that they are working with a major (unnamed) European automobile manufacturer to integrate their 3D display technology into a HUD and entertainment console. Then in March 2017 the company announced another European auto manufacturer expressed interest in their technology.

Generic Example of HUD (no relation to ZMS)



Zecotek notes that the auto manufacturers' interest in their technology relates to the fact that, unlike other HUD systems, their 3D display does not require eye tracking and allows for more views than traditional HUD technology. Drawbacks of eye tracking include additional costs and potentially lower reliability. While ZMS' press releases announcing the arrangements with the European auto manufacturers did not provide specifics in terms of near-term milestones, the December '16 press release did note that initial testing of the technology showed it "is well suited for the application in the automobile industry". Additionally, ZMS noted that any news on a possible agreement will be released in early 2017. Zecotek noted that a proposed $10M equity financing (announced in March, discussed below) into Display Systems (if consummated) will be used to complete integration of their 3D technology for automotive applications – while we are unsure if this means there has been additional progress related to the agreement with the initial European auto manufacturer since it was announced in December, it certainly suggests that that may be the case. As such, we will be interested to hear any updates on this program.

Equity Investments in Imaging and Display Segments (on best-efforts basis)…
Additional liquidity could materialize upon close of a recently announced agreement with Shanghai Creation Investment Management Company (SCI). In October '16 ZMS announced SCI was initially expected to invest $5M in return for an equity stake (10% maximum) in Zecotek Imaging Systems (i.e. division developing LFS crystals, MAPT and other imaging-related products and components). Zecotek's October 20th press release announcing the agreement noted that final valuation was contingent upon execution of the MOU with the Chinese PET OEM. As a reminder, terms of that agreement call for the MOU to convert into a contract upon installation of the first PET scanner incorporating Zecotek's LFS crystals in a hospital in Shanghai.

While Zecotek has yet to disclose whether the MOU has been executed, in mid-March 2017 they announced that the proposed $5M investment has since been increased to $15M. While it is unclear if the maximum equity stake remains at 10%, the implication is that that may still be the case as ZMS mentions that the increase in financing is due to improved valuation of the Imaging Systems division and growing demand for the LFS crystals by the Chinese PET OEM industry.

The March press release further mentions a (as we alluded to above) $10M financing for an equity stake (% was not disclosed) in Zecotek Display Systems – funds for which will be used to complete the integration of their 3D technology for automotive applications.

If and when finalized and closed (the financings are being done on a 'best-efforts' basis), Zecotek expects to use proceeds from the Imaging Systems investment towards building requisite operational infrastructure, including adding China-based representatives, to facilitate execution of the Chinese PET OEM contract, which calls for as many as 200 systems to be built with ZMS's crystals over the next five years.

Zecotek also notes that SCI ("one of the most active investment funds and IPO consulting companies in China"), upon consummation of the agreement and initial investment, will be directly involved in initiating operations in China. And finally, SCI is also expected to be involved in helping ZMS apply for grant funding from the local Chinese government authority. ZMS expects to seek up to $3M to be used in establishing a manufacturing facility to grow LFS crystals – providing the benefits of a local supply to the Chinese OEM as well as additional capacity to BOET, ZMS's current supplier.

Interestingly, SCI highlights China Aotai Medical on its website as one of its success stories (link… http://bit.ly/2gZ3DnA and use Google Translate). Chengdu, China based Aotai is billed as designing and developing "the world's most advanced MRI systems". As such, it appears, SCI has direct experience with working with Chinese-based advanced imaging organizations which may suggest they could be an ideal partner for ZMS and their China PET programs.

Other Operational Updates: ZMS has made operational progress on several fronts, increasing their shots on goal and opportunity to steepen their revenue curve.

- **Hamamatsu:** As of the end of fiscal Q2 '17 (January 2017) $1.58M remained yet to be booked under the initial Hamamatsu supply agreements. This is the same amount that remained at the end of Q1 (October 2016), reflecting the insignificant revenue ($6k) booked in fiscal Q2. However, ZMS notes in their most recent regulatory filings that they continue to ship LFS crystals to Hamamatsu on a monthly basis for integration into PET-related IDM modules (single assembly containing crystals, MAPD/MAPT photo detectors and readout system). Apparently at least some of the delay in recognizing more revenue from Hamamatsu has been that the end customers (i.e. PET OEMs) are still in process of finalizing the required specifications for their specific modules which dictates how the LFS crystals will be cut. ZMS notes that Hamamatsu is working with their PET OEM customers in an effort to expedite the process. As such, it may be that Hamamatsu related revenue will soon be more substantial. Nonetheless, ZMS's efforts in broadening the scope of its customer base is becoming more apparent with a greater amount of revenue recently coming from other sources. So while we expect Hamamatsu to remain an important customer channel, LFS crystals orders from non-Hamamatsu customers is what we expect to be driving an eventual inflection in revenue.

- **Major Chines PET OEM:** In March 2016 ZMS announced that an (unnamed) "major medical OEM based in China" had chosen their LFS crystals for a new line of high resolution PET imaging devices. As a reminder, a memorandum of understanding that the parties entered into stipulated that upon delivery by ZMS of LFS crystals and subsequent installation of the initial PET scanner incorporating the crystals in a hospital in Shanghai, that the MOU would convert into a contract. Under the contract, per the March '16 press release, "the OEM is projecting the installation of 200 LFS based PET scanners in hospitals and clinics across China over the next five years."

  While the initial installation has yet to happen, language in recent press releases suggest continued progress with fulfilling this contract. This includes announcements that the Chinese company placed an order for a third PET machine (Oct 13, 2016). But while an October 10, 2016 noted that five PET scanners were expected to be installed by the end of 2016, clearly that did not happen. In fact, the first scanner installation, which acts as the trigger for the MOU to convert to a contract, has yet to happen. ZMS had previously noted that "the first device cannot be installed until the PET scanning areas at the hospital are refurbished for the new high performance PET device." Zecotek did not offer a projected timeline for completion of the refurbishment, only noting that, "The logistics for the installation of the first device are well managed and we do not anticipate any further delay. We are pleased that the overall project is moving ahead and look to finalize the MOU in due course."

  Then in January and March 2017 press releases ZMS announced a slight change to the contract – instead of selling direct to the Chinese PET OEM, the proposed agreement calls for ZMS to supply Shanghai EBO Optoelectronics Company with "over $21M worth of scintillation crystals over the next three years." The supply agreement will continue after the initial three year term on a yearly basis. Per ZMS's press releases, EBO is the largest crystal array producer and supplier in China. EBO will sell ZMS's crystals particularly to meet growing demand of the Chinese PET scanner market. The agreement further stipulates that EBO will

be the exclusive distributor for the LFS crystals for the Chinese PET market and will only use LFS crystals in arrays for that application.

While ZMS will use its existing facilities for the initial supply under this agreement, they indicated that they will look to expand capabilities in the future in order to increase their operational and production capacity. Crystals supplied to EBO will be used meet the company's obligations under the MOU with the Chinese OEM PET manufacturer. While there was no timetable offered on when this supply agreement is expected to ramp or when meaningful related revenue will begin to be generated, ZMS did note in their March 21, 2017 press release that the Chinese OEM has resumed purchasing LFS crystals in array form through EBO and that ZMS and EBO are working on a schedule to meet the Chinese OEM's production plan.

- **Israel Distribution and Related Revenue**: In September 2016 the company announced that it penned a distribution agreement for its imaging products (including the LFS crystals, MAPD/T photo detectors and more) in that country with RAM N.S. Technologies. The P.R. noted that RAM would begin marketing ZMS' imaging products immediately and that their customer base includes "several world renowned PET integrators operating within Israel." Zecotek noted at the time that they expected this relationship to result in revenue "in the very near future."

- **NeuroPET**: ZMS has had an ongoing relationship with the University of Washington including a collaboration involving designs for a PET/MRI scanner using Zecotek's MAPD's. But, most recently they have been working together on "NeuroPET", a project is focused on development of a high resolution PET scanner for use in neurological diseases such as Alzheimer's.

- **Next-Gen Crystals and MAPT Photo Detectors**: Zecotek notes that initial samples of their new LFS-8 crystals have outperformed the current LFS-3 crystals in testing, including a doubling of speed. The company also recently noted that they have made substantial progress on development of their new generation of photo MAPT detectors, which have demonstrated significant leaps in performance over legacy technology. The company had recently noted that they had expected that full production would commence in the near-term – although this schedule may need to coincide and be coordinated with PET OEM end-customers (via Hamamatsu, as referenced above). We note that while ZMS's LFS crystals have been the headline-grabber given their superior performance to all other scintillation crystals as well as being the most near-term revenue source for the company, MAPT could eventually be a more significant product for the company. Zecotek's MAPT (micro-pixel avalanche photo transistors) has shown to have much faster response time and higher resolution to alternative technologies. Zecotek's MAPD/MAPT have been developed to replace photo multiplier tubes, which remain the most commonly used photo detectors in PET scanners and gamma cameras. Photo multiplier tubes are very sensitive detectors of light with high gain, low noise and very fast response, which has made them ideal for applications such as in advanced medical imaging cameras. But they have some drawbacks, including being relatively large, expensive, and require very high voltage. As such PET manufacturers could be highly receptive to a more practical alternative and could offer the next wave of growth for ZMS.

- **Radiation Monitoring**: In April 2016 ZMS announced that they received preliminary LFS crystals orders from "major OEMs developing radiation monitoring and detection devices" for testing in devices used for homeland security and border protection purposes. More specifically, the crystals were tested in "a device for large cargo screening at land crossings such as border crossings, airports, and harbors". Then in June 2016 ZMS announced that they received a second order from this customer which will be tested for "screening applications for luggage, bags, packages, for high security locations including government buildings, sports stadiums, conventions centers and other crowded venues". ZMS further indicated that this relationship could eventually into a long-term supply agreement, noting, "We are working closely with the device manufacturer to develop detection devices for various applications and look to develop these crystal orders into long term, high volume contracts."

- **CERN**: In April 2016 ZMS announced that the European Organization for Nuclear Physics (CERN) ordered LFS crystals for their PET program.

- **UC Davis, PET/MR Applications**: In September 2015 researchers at the University of California, Davis, following testing of the LFS crystals for PET applications commented that, "What we find most attractive about Zecotek's LFS crystals is the fast decay time. UC Davis has multiple high-end projects ongoing using the LFS crystals which includes potentially incorporating them in high performance PET detector designs as well as possible collaboration with ZMS on crystal arrays. The UC Davis team is lead by Dr. Simon Cherry, who is extensively published in molecular imaging and a renowned expert in the field. So validation of the

LFS crystals by Dr. Cherry and his team is a meaningful vote of confidence. **In July of this year, ZMS announced that UC Davis ordered additional LFS crystals for a novel PET/MR module.** Potentially noteworthy is that in October 2015 UC Davis was awarded a five-year, $15.5M grant by the National Institutes of Health/National Cancer Institute to fund their EXPLORER project. The goal of EXPLORER, being co-led by Dr. Cherry, is to (per the EXPLORER website .http://explorer.ucdavis.edu/) design, develop and construct the world s highest sensitivity PET scanner. This scanner is projected to have a sensitivity that is 40 times higher than current PET scanners and have the ability to scan the entire body at once. And while we still are not connecting any dots between the LFS crystals and the EXPLORER project (although we are not ruling out a potential connection), at the very least we think the fact the Dr. Cherry is leading this project speaks to his credibility as an expert in the field. And the fact that an expert of his status is impressed with the performance of the LFS crystals and recently placed another order is of significance.

- **Silo and Container Measurement**: In mid-August 2016 Zecotek announced "a world leader in the area of level, switching and pressure measurement for the process industry" placed an order for LFS crystals "for a leading edge approach to the measurement of silos and large containers. The device is able to detect the level of liquids, pastes, powders and bulk solids in silos and large containers and is to be widely deployed in industries such as oil and gas, chemical, and waste management."

Outlook

Revenue has been challenging to accurately forecast. While we think revenue may continue to be variable over the near-term, the recent customer engagements, continued broadening of the customer base and what we think is a more deliberate spreading of ZMS's wings towards opportunities outside of Hamamatsu has us encouraged that sales will trend towards more consistency. More importantly, however, will be if ZMS can steepen the revenue curve. As the customer base grows, so do the potential shots on goal and opportunities to grow revenue.

The Chinese PET OEM relationship could be home run but we think it is prudent to forego modeling any significant related contribution until, at least, the MOU turns into a formal contract (if it ever does). And if it reaches that point and with additional clarity on potential scheduling of follow-on orders, there may be an opportunity to make an informed estimate related to potential future sales through this channel. The recent agreement with SCI, including an initial equity investment as well as having an active role in establishing ZMS's commercialization (and additional manufacturing) infrastructure in China, is also encouraging. This also suggests that Zecotek's Chinese-related operations, and specifically as it relates to the PET OEM agreement, could ramp fairly rapidly if and when these agreements are fully triggered (i.e. the initial installation happens). As such and given that we have yet to incorporate meaningful revenue related to this relationship, our model could prove highly conservative. We will be eagerly awaiting updates on progress of refurbishment of the scanning areas at the hospitals which has been implicated as the bottleneck.

Near-term could see recognition of more of the outstanding Hamamatsu orders, some of which may be dependent on finalization of module specifications from PET OEM customers. And ZMS could see additional interest for their LFS crystals from manufacturers of small and next-gen Time-of-Flight PET scanners as well as in applications such as pre-clinical pharmaceutical research for drug development as well as in neurological diseases such as Alzheimer's. Israel, via ZMS's recently penned distribution agreement with RAM N.S. Technologies, adds another potential near-term shot on goal. And while a formal supply relationship with Philips has yet to be penned, that possibility remains open and, if it happens, could be a needle-mover for ZMS. And other more recent opportunities could be in homeland security, radiation and other measurement applications.

We model 2017 revenue of $1.2M but, as noted, we have not incorporated contribution related to supplying crystals to the China PET OEM contract. If this is triggered, our model will likely prove conservative and possibly highly conservative. Our model is subject to updating. Model revisions could also affect our price target. As it is now, our DCF-generated price target is $1.25/share.

FINANCIAL MODEL

Zecotek Photonics Inc.

	2016 A	Q1 A	Q2 A	Q3 E	Q4 E	2017 E	2018 E	2019 E	2020 E
Total Revenues	$1,487.5	$207.6	$6.0	$274.1	$685.3	$1,173.1	$4,892.9	$8,377.7	$15,311.8
YOY Growth	*229.3%*	*38.8%*	*-99.1%*	*-1.4%*	*89.0%*	*-21.1%*	*317.1%*	*71.2%*	*82.8%*
Cost of Goods Sold	$1,229.2	$177.5	$3.2	$216.6	$520.8	$918.1	$3,180.4	$4,523.9	$6,890.3
Gross Income	$258.3	$30.2	$2.8	$57.6	$164.5	$255.0	$1,712.5	$3,853.7	$8,421.5
Gross Margin	*17.4%*	*14.5%*	*46.6%*	*21.0%*	*24.0%*	*35.0%*	*35.0%*	*46.0%*	*55.0%*
SG&A	$4,011.0	$862.2	$1,023.1	$917.0	$1,287.0	$4,089.3	$4,697.2	$5,613.0	$7,349.7
% SG&A	*269.6%*	*415.2%*	*16969.7%*	*334.5%*	*187.8%*	*127.0%*	*96.0%*	*67.0%*	*48.0%*
R&D	$1,489.5	$341.7	$313.3	$287.0	$390.0	$1,332.0	$1,657.0	$1,710.0	$1,802.0
% R&D	*100.1%*	*164.6%*	*5196.8%*	*104.7%*	*56.9%*	*113.5%*	*33.9%*	*20.4%*	*11.8%*
Operating Income	($5,242.2)	($1,173.7)	($1,333.6)	($1,146.4)	($1,512.5)	($5,166.3)	($4,641.7)	($3,469.3)	($730.2)
Operating Margin	*-352.4%*	*-565.3%*	*-22119.9%*	*-418.2%*	*-220.7%*	*-440.4%*	*-94.9%*	*-41.4%*	*-4.8%*
Total Other Income (Expense)	($95.6)	$101.3	$1,691.2	$0.0	$0.0	$1,792.5	$0.0	$0.0	$0.0
Pre-Tax Income	($5,337.8)	($1,072.5)	$357.6	($1,146.4)	($1,512.5)	($3,373.8)	($4,641.7)	($3,469.3)	($730.2)
Tax expense (benefit)	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Tax Rate	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Net Income	($5,337.8)	($1,072.5)	$357.6	($1,146.4)	($1,512.5)	($3,373.8)	($4,641.7)	($3,469.3)	($730.2)
YOY Growth	*-28.4%*	*2.7%*	*-116.3%*	*150.4%*	*-7.9%*	*-36.8%*	*37.6%*	*-25.3%*	*-79.0%*
Net Margin	*-358.8%*	*-516.5%*	*5931.2%*	*-418.2%*	*-220.7%*	*-287.6%*	*-94.9%*	*-41.4%*	*-4.8%*
EPS	($0.05)	($0.01)	$0.00	($0.01)	($0.01)	($0.03)	($0.03)	($0.02)	($0.00)
YOY Growth	*-33.9%*	*-9.3%*	*-114.8%*	*125.5%*	*-16.6%*	*-43.2%*	*28.4%*	*-28.3%*	*-79.4%*
Diluted Shares O/S	117,419	127,105	128,430	132,000	135,000	130,634	140,000	146,000	149,000

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