Retail Assets on Strong Footing in Oahu; Tourism the Key Driver

Honolulu Tours & Meetings w/AAT, GGP, TCO, WPG

Summary

The Honolulu MSA continues to thrive, supported by a vibrant tourism industry that is undisturbed by the recent currency fluctuations that have slowed other US tourist destinations (i.e., NYC, SoFL). More flights to Asia (and Europe) bode well for the MSA and the prospects of the retail assets we visited.

Company	Symbol	Price (10/10)	Rating Prior	Rating Curr	PT
American Assets Trust, Inc.	AAT	$40.94	–	Neutral	$48.00
General Growth Properties, Inc.	GGP	$26.14	–	Buy	$36.00
Taubman Centers, Inc.	TCO	$71.12	–	Buy	$89.00

Source: Bloomberg and Mizuho Securities USA

Key Points

Honolulu Retail Tours. Aloha! We recently spent time in Honolulu (Oahu) with AAT senior management and toured several retail REIT properties. For our coverage, key takeaways include AAT's solid positioning in Honolulu, which supports our favorable view on its n/t growth prospects; favorable l/t prospects for TCO's International Market Place project, given superior location, though lease up has been a bit slower than expected (making 2018 the "impact" year); and GGP's Ala Moana, the island's powerhouse, continues to perform strongly and should benefit most from a rail-line slated for completion by 2021.

AAT Positioned for Above-Average Growth through 2017-18. We have long been fans of the AAT story – a high quality, West Coast / Hawaii owner and operator of retail, office and apartment assets trading at a discount to peers, despite a stronger n/t earnings growth profile and supported by a liquid, flexible b/s. We downgraded AAT in July on valuation.

We Like TCO's International Market Place's (IMP) Future. TCO's recently opened mall faces stiff competition on Waikiki from existing street retail, as well as from GGP's Ala Moana asset (two miles away). That said, we came away incrementally positive on IMP's prospects, due to its superior location and a strong, tourism-fueled local economy. Currently 50% occupied / 80% leased, we are looking for full occupancy by 1H17, suggesting 2018 is the "impact year".

GGP's Ala Moana the Undisputed Powerhouse…with Upside. With 2.4M sq ft of retail and inline sales ~$1300-1400 psf, Ala Moana is the most productive retail asset in Hawaii and most valuable mall in the US. Strong tourism is a key driver, but not the only driver - 54% of shoppers are tourists or p/t residents. Looking ahead, a new rail line from west side of the island will terminate in front of Ala Moana, driving more traffic to the mall; rail line expected to be complete by 2021. Lastly, condo sales are coming along well, with sales psf >$2k. ***See inside for more details from our AAT meetings and retail REIT property tours.***

Haendel St. Juste
Managing Director
+1 212-205-7860
Haendel.St.Juste@us.mizuho-sc.com

Jieren Huang
212-205-7862
jieren.huang@us.mizuho-sc.com

I. Overview of our Honolulu Retail Tours

We recently spent time in Honolulu with AAT senior management, touring its Waikiki Beach Walk and Waikele retail assets, its Embassy Suites hotel asset and participated in a lunch Q&A session with management, discussing the near-term outlook for its Hawaii assets and its overall business. We also toured several additional retail REIT properties, including, GGP's Ala Moana, TCO's International Market Place and WPG's Pearlridge assets.

For our coverage, key positive takeaways include AAT's solid positioning (quality and location) in Honolulu, which we believe supports our favorable view on the REIT's growth going forward; favorable longer-term prospects for TCO's International Market Place project, given the site's superior location on Kalakaua Ave, Hawaii's Miracle Mile, though lease up has been a bit slower than expected, making 2018 the impact year; and GGP's Ala Moana, the island's powerhouse, continues to perform strongly and stands to benefit most from a rail-line slated for completion by 2021.

Below, we outline our macro assessment of the Honolulu economy and retail operating environment, as well as commentary from a Q&A session with AAT management over lunch and notes from our retail property tours with AAT, GGP, TCO and WPG.

II. Honolulu Macro and Retail Overview

A. Strong Local Economy, Supported by a Healthy Tourism Industry

Honolulu's Waikiki retail market remains a prime international location for retailers and restauranteurs, Unsurprisingly, tourism is a key underpinning of the Honolulu retail landscape and has remained vibrant in recent years, with upside potential going forward as more flights are added to Asia (Japan and Korea first, then eventually more China) in coming years. Per CBRE, total Hawaii visitor spending was approximately $2.7B in 1H16, with 6M visitors (+2.7% YOY) through end of June, per Hawaii Tourism Board officials we met with. Coupled with new supply (~2M sf; see Exhibit 3), this has helped maintain steady occupancy stood at 98.6% as of 2Q16 (per CBRE), flat YOY, as rents have also held steady YOY.

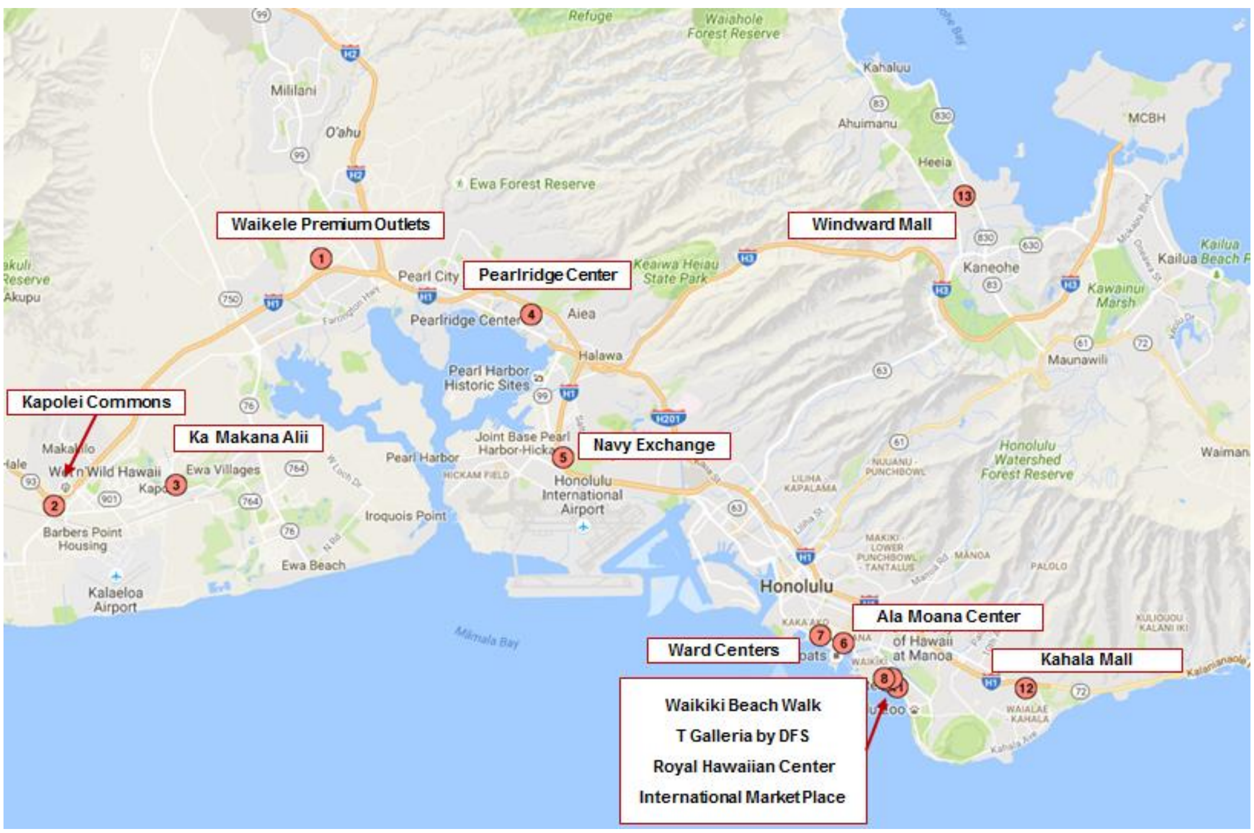
Looking ahead, the recent opening of International Market Place (360k sq ft open-air mall that opened in August), may pressure near-term market occupancy, as TCO leases up the mall (50% occupied / 80% leased), though TCO cites strong demand for space in its center; see Section IV – "Taubman Centers (TCO)'s International Market Place - We Like the IMP's Chances (Starting in 2018)" for more discussion. Interestingly, local operators cited a lower internet / Amazon" threat" given the costlier and longer shipping involved (takes 3 days for Amazon prime to deliver here), as well as less "cultural demand" for same day / next day shipping.

Exhibit 1: List of Properties Toured: Waikiki Beach Walk (AAT), Wailea (AAT) International Market Place (IMP), Ala Moana (GGP), Pearlridge (WPG)

Ticker	Property	Location	Rentable Square Feet	Sales Per SF	ABR Per SF	Leased	Year Acquired /Developed
AAT	Waikiki Beach Walk	Beach Walk, Honolulu, HI	96,707	$1,078	$113.46	98.3%	2006
	Waikele Center	94-849 Lumiaina Street, Waipahu, HI	537,637	NM	$32.07	100.0%	2008
TCO	International Market Place	2330 Kalakaua Avenue, Honolulu, HI	345,000	NM	NM	80.0%	2016
GGP	Ala Moana Center	1450 Ala Moana Blvd, Honolulu, HI	1,173,949	$1,300 - $1,400	NM	90.8%	2015
WPG	Pearlridge Center	98-1005 Moanalua Rd., Aiea, HI	1,139,329	~$500	~$40	95.7%	2011

Source: Company Data and Mizuho Securities USA Research.

Exhibit 2: Oahu (Honolulu MSA) Retail Landscape



Source: Company Data and Mizuho Securities USA Research.

Exhibit 3: Oahu (Honolulu MSA) Retail Landscape

Retail Properties on Waikiki	Square Feet
International Marketplace (TCO)	360,000
Royal Hawaiian Center	310,000
Outrigger Enterprises Group	279,000
Waikiki Shpping Plaza	205,000
DFS Galleria	182,000
Hilton Hawaiian Village	140,000
Waikiki Beach Walk (AAT)	97,000
2100 Kakakaua Avenue	95,000
Hyatt Regency Waikiki	81,000
Sheraton Hotels	77,000
King Kalakaua Plaza	77,000
The Center of Waikiki	30,000
280 Beachwalk	30,000
	1,963,000

Source: Company Data and Mizuho Securities USA Research.

III. Takeaways from Q&A with Management: We Think AAT is Positioned for Above-Average Growth through 2017-18.

We have long been fans of the AAT story – a high quality, West Coast / Hawaii owner and operator of retail, office and apartment asset trading at a discount to NAV, despite a stronger near-term growth profile and supported by a liquid, flexible balance sheet.

- AAT has multiple levers of growth, particularly a sizeable re/development pipeline ($52.5M total with yields ranging from 7.6% – 8.6%), which has been a key underpinning of management's 7% cash NOI CAGR from 2011 through YE2017 and supports high single-digit / low double digit near-term FFO/sh growth. We forecast 13% YOY FFO growth for 2017, compared to 7.2% for shopping center and 6.4% for overall REIT sector average.
- Torrey Point, AAT's office development in San Diego, is on schedule to open in 1Q17, should add ~6c to 2017 FFO/sh.
- Hassalo, AAT's newest apartment development (657 units, $182M development cost, ~6% expected yield) in downtown Portland, is 93% leased (as of 10/1/16), leasing up ahead expectations, and is expected to add ~7c to 2016 FFO/sh and another 15-17c in 2017, suggesting potential upside for our 2017 estimate (to be refined when AAT reports 3Q16 earnings).
- AAT has received approval and will build a 320k sq ft office town (aka Oregon Square) and is close to finalizing an agreement with a large tenant that will take ~200k sq ft at rents likely to be in the mid-$30s psf, well above prior expectations of $15-20 psf; we expect AAT to lease the

rest of the office space (~100k sq ft) at similar pricing. No color on phase 3 yet (start date, cost or yield expectations)

- On the balance sheet, AAT's l/t debt / EBITDA target is 5.5x. AAT expects leverage to be ~5.9x by YE16, through EBITDA growth alone (no asset sales assumed). Filling Sports Authority box alone will generate additional NOI to drive leverage lower to 5.6x.
- We think AAT has sufficient liquidity / capital availability for near-term funding requirements, with sources including $53M cash on hand, full availability on its $250M line of credit and ~$65M annual FCF; equity is not an option today, in our view, given sizeable discount to NAV.
- On the uses side, remaining capital requirements for Torrey Point totals ~$15m, while Hassalo apartment development is fully funded. Management is not yet sure what its new Oregon Square office development will cost. AAT also needs to spend capital on its Waikele retail asset, with a plan to sub-divide a now empty Kmart box (though Kmart will pay rent until 2018) and some capital to retrofit and re-lease the also vacant Sports Authority box. While AAT is not yet sure of the cost estimate, management is confident that any additional investment would be "accretive". Lastly, AAT projects near-term annual operational cap ex of ~$30M.

Below we outline our notes / thoughts following our tour of several of AAT's retail assets on Oahu. While our comments below are retail-exclusive, given our retail-focused coverage universe and ability to compare to other retail REIT assets (owned by GGP, TCO and WPG), we wanted to acknowledge as well that AAT's Embassy Suites hotel on Waikiki continues to thrive with full occupancy and strong REVPAR growth (6% in 2Q16 YOY) and clearly also supported by Hawaii's thriving tourism industry.

A. Waikiki Beach Walk:

- A diverse collection of open-air, high quality, street retail and restaurant stores (97k total sf) in a well-trafficked corridor (pedestrian count of 15k – 35k per day and 10k hotel rooms within ¼ mile) between Honolulu's high-end shopping district (Kalakaua Street) and the beaches of Waikiki. "Anchored" by restaurants including Roy's (#1 in chain), Ruth's Chris (#2 in chain) and Yard House (#2 in chain).
- Asset opened in 20117 (AAT acquired it in approx. 2004; high 7% cap rate); AAT's total investment $535M; $115M renovation in 2009, another renovation planned in 2018-19 (no cost estimates provided).
- JLL broker estimates asset to be valued in the high-3% / low-4% cap rate range. The Shops at Wailea, a high quality asset in a less ideal location, was bought by Heitman in July at ~4% cap and the Royal Hawaiian (on a ground lease) was recently traded at a sub-4% cap rate.

AAT owns the asset fee simple and not on a long-term lease basis that is more prevalent in Hawaii.

- Local resident demographics solid as well with 111k households within three miles and average household income of $64k.
- As of 8/31/16, asset was 98.3% occupancy / leased with ABR of $113.46 (as of 6/30/16) and 2016 YTD annualized sales psf of $1,078 (retail $1,002, -3.6% YOY / restaurant $1,149, +2.5%); lowest CAM on Waikiki.
- Property website: http://www.americanassetstrust.com/retail/hawaii/waikikibeachwalk

B. Waikele Center:

- A well-located, neighborhood shopping center with a large nearby civilian and military customer base (>100k households w/in 5 mile radius), located across the street from SPG's Waikele Premium Outlet, which helps drive additional tourist traffic to the center
- AAT bought Waikele in 2004 (AAT's first asset in Hawaii) for $201M (6.6% cap rate); JLL broker cap rate estimate - low 5%s. AAT owns the asset on a fee simple basis.
- Two large box vacancies post more headline risk than asset risk, in our view. In late stage negotiations to replace Kmart (closing this Dec. 11, but will pay rent thru June 2018) with a Nordstrom's Rack or equivalent and will subdivide the Sports Authority box (now vacant) and has already lined up a "large national grocer".
- Kmart was paying rent in the mid to upper $30s (higher than average as it was a build to suit). AAT expects to achieve similar rents with new tenant by 2018, so don't expect much, if any, lost income. Kmart did about $20m of sales, but is closing the location because the occupancy cost for them was too high (>20%). Sports Authority is closing as part of its bankruptcy earlier this year.
- As of 6/30/16, asset was 100% leased with 2016 YTD annualized base rent psf of $32.07 (up 3% YOY).
- Property website: http://www.americanassetstrust.com/retail/hawaii/waikelecenter

IV. Taubman Centers (TCO)'s International Market Place - We Like the IMP's Chances (Starting in 2018)

Despite (valid) concern over low initial yields (2-3% in 2017, trending to 7% stabilized), the function of thrice-lowered yields, and stiff competition on

Waikiki from existing street retail, as well as from GGP's Ala Moana asset only 2mi away, we believe TCO's new mall - International Market Place - can thrive long-term due to its superior location and a strong, tourism-fueled local economy.

- Newly-built (opened Aug 25), well-located street retail / open air, lifestyle mall asset (with 10 restaurants on top level) located on Honolulu's high traffic Kalakaua Ave totaling 100 stores / 360k sq ft and Hawaii's only Saks Fifth Avenue (80k sq ft). Total construction cost of $470mm, 7% stabilized yield expectations.
- 50% current occupancy / 80% leased (2-3%-ish yield in 2017) with strong demand for remaining 20%, suggesting mid-2017 full occupancy and making 2018 the "impact" year. That said, slower than expected lease up, store mix and conversations with brokers indicate lease up has been challenging.
- We think the asset can thrive long-term, despite its relative proximity (~2 miles) to GGP's super-mall Ala Moana, as the Waikiki strip is the 5th most productive retail area the US with heavy foot traffic (~80k hotel rooms within walking distance and 90k visitors daily).
- 10 restaurants on third floor – 3 currently open and doing well above initial projections. Projected line-up includes - Stripsteak, Baku, Kona Grill, Herringbone, Goma Tei, Eating House and a Michael Mina-designed, food truck-inspired food court (will open in spring 2017).
- JLL broker estimates International Market Place at a low-4% cap (~50bps discount due to land lease). Built on land (long term land lease) owned by Queen Emma Trust, designed to financially support Hawaii's hospital system.
- Property website: http://www.taubman.com/taubman-properties/international-market-place/

V. General Growth Properties' (GGP) Ala Moana Center – The Dominant Mall on the Island & Poised to Gain Share

With 2.4M sq ft of retail and inline sales ~$1300-1400 psf, per brokers, Ala Moana is the most productive retail asset on Hawaii and most valuable mall in the US (high $4B / low $5B range). Strong tourism is a key driver, but not the only driver - 54% of shoppers are tourists or are not full-time residents. Looking ahead, a new rail line from west side of the island will terminate in front of Ala Moana, making it easier for more locals and tourists to get to the mall; rail line expected to be complete by 2021. Lastly, condo sales are coming along well, with sales psf >$2k.

- 2.4M sq ft of retail (340 stores) with inline sales ~$1300-1400 psf, per brokers, and current occupancy of 90.8% (upside opportunity); also has

360k sq ft of office. By most accounts, Ala Moana is the most valuable mall in the US with a total value of >$5B.

- GGP acquired the mall for $810M in 1999; we estimate the mall to be worth in the high-$4 / low-$5B range today. Original center opened in 1959, second phase opened in 1966; since then, the center has had "about six or seven expansions", most recently in Nov 2015 when it added 640k sq ft of gla (including a Bloomingdales).
- Strong tourism a key driver, but not the only driver - 54% of shoppers are tourists or are not full-time residents. A new rail line (under construction) from the west side of the island will terminate in front of Ala Moana, making it easier for more locals and tourists to get to the mall; rail line expected to be complete by 2021.
- JLL estimates cap rate for Ala Moana to be in the high 3%s / low 4% cap rate; GGP sold a 25% slug to Australia Superfund for $1.4B (high-3% cap rate) and 12.5 % stake to TIAA-CREF for $454M in 2Q15. GGP owns the asset on a fee simple basis.
- New condo phase (Park Lane) has 215 units (80% sold) in phase 1; pricing is about $2400 psf; delivery in 1H17.
- Saks Off 5th will take up half of former Nordstrom space (bottom level); no announcement yet on who will take other half. Nordstrom's relocated to another location in the mall.
- 60% of retailers here also have a store in Waikiki, but have larger stores here.
- Property website: http://www.ggp.com/properties/mall-properties/ala-moana-center

VI. Washington Prime Group's (WPG) Pearlridge Center – An Insulated 'B' Mall Catering to Locals and the Military.

We think Pearlridge Center has favorable near-term growth prospects given its 'B' mall "appeal" that caters well to a surrounding blue collar resident base and sizeable military presence. Further, we expect that a planned train stop at Pearlridge (set for 2021 completion) can help as well. Sales psf has hovered ~$500psf in recent years, occupancy is 95.7%; Macy's and Sears are co-anchors.

- Originally built in 1972, Glimcher acquired the asset in 2011 for $245M from Northwestern Mutual, who had owned the mall for the 40 prior years; WPG acquired Glimcher in 2014. Asset totals 1M sf of retail gla (170 stores), including adjacent strip center retail, and sits on 54 acres / 1.1m gla (including strip center space and 100k sq ft office @ $40s psf).

- Located ~10 miles outside of Honolulu in Aeia, HI, the center is located within 2 miles of Pearl Harbor's large military base (20% of customers are military) with 21k active duty, another 29k active duty family, 19k civilians and 9900 retirees. Within the mall's five- mile radius, there are 221k households with $68,500 avg household income. Also adjacent to the largest hospital in the state, which helps draw traffic.
- JLL estimates Pearlridge at ~6.5-7% cap (~50bps discount due to land lease). Pearlridge is on a long-term land lease; land lease fees go to Kimehameha School District (funding education for Hawaiian children).
- Mall has two wings: "Uptown" wing gla is 540k (Macy's wing); built in 1972, renovated in mid 90s, and with sales psf of ~10% better than "downtown" wing. Downtown is 420k sq ft (Sears wing): built in 1974; downtown wing has never renovated, but WPG is evaluating a plan to renovate the wing, though not guaranteed and no cost estimate yet.
- A new DeBartolo mall that just opened (open air mall also with a Macy's anchor, though smaller at 70k sq ft vs 150k sq ft at Pearlridge) is a perceived threat. However, Pearlridge Center's management believes its "variety and local draw" vs DeBartolo's more upscale-oriented feel, as well as a planned train stop at Pearlridge (on rail line scheduled for 2021 completion that will not stop at the DeBartolo mall) will help support the mall's near-term growth prospects.
- Property website: http://washingtonprime.com/map/profile.dT/pearlridge-center/

Price Target Calculation and Key Risks

American Assets Trust, Inc.

Our price target of $48.00/sh equates to our NAV estimate of $48.00 (with an applied 0% premium / discount due to superior asset quality and higher probability of M&A offset by smaller size and liquidity). Risks to our views include increased fears of a near-term U.S. recession, widening CMBS spreads and slowing retail sales, all of which are disproportionately negative for lower productivity landlords.

General Growth Properties, Inc.

Our price target of $36.00/sh equates to our NAV estimate of $36 with no premium/ discount applied due to unfavorable leverage, complexity and liquidity attributes partially offset by high quality portfolio and M&A potential. Risks to our views include increased fears of a near-term U.S. recession, widening CMBS spreads and slowing retail sales, all of which are disproportionately negative for lower productivity landlords.

Taubman Centers, Inc.

Our price target of $89.00/sh equates to our NAV estimate of $103.00 with a 15% discount, given company specific risks including take-over proof corporate by-laws, rising leverage ahead and further Asia development starts. Macro risks to our views include potential U.S. recession, widening CMBS spreads and slowing retail sales, all of which are disproportionately negative for lower productivity landlords.

IMPORTANT DISCLOSURES

The disclosures for the subject companies of this report as well as the disclosures for Mizuho Securities USA Inc. entire coverage universe can be found at https://msusa.bluematrix.com/sellside/Disclosures.action or obtained by contacting EQSupervisoryAnalystUS@us.mizuho-sc.com or via postal mail at Equity Research Editorial Department, Mizuho Securities USA Inc., 320 Park Avenue, 12th Floor, New York NY, 10022.

Ownership Disclosures and Material Conflicts of Interest or Position as Officer or Director

None

Receipt of Compensation

Mizuho Securities USA Inc. and or its affiliates makes a market in the following securities: General Growth Properties, Inc. and Taubman Centers, Inc. The compensation of the research analyst writing this report, in whole or part, is based on MSUSA's annual revenue and earnings and is not directly related to any specific investment banking compensation. MSUSA's internal policies and procedures prohibit research analysts from receiving compensation from companies covered in the research reports.

Regulation Analyst Certification (AC)

I, Haendel St. Juste, hereby certify that the views expressed in this research report accurately reflect my personal views about any and all the subject companies. No part of my compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in this research report.

Rating Definitions

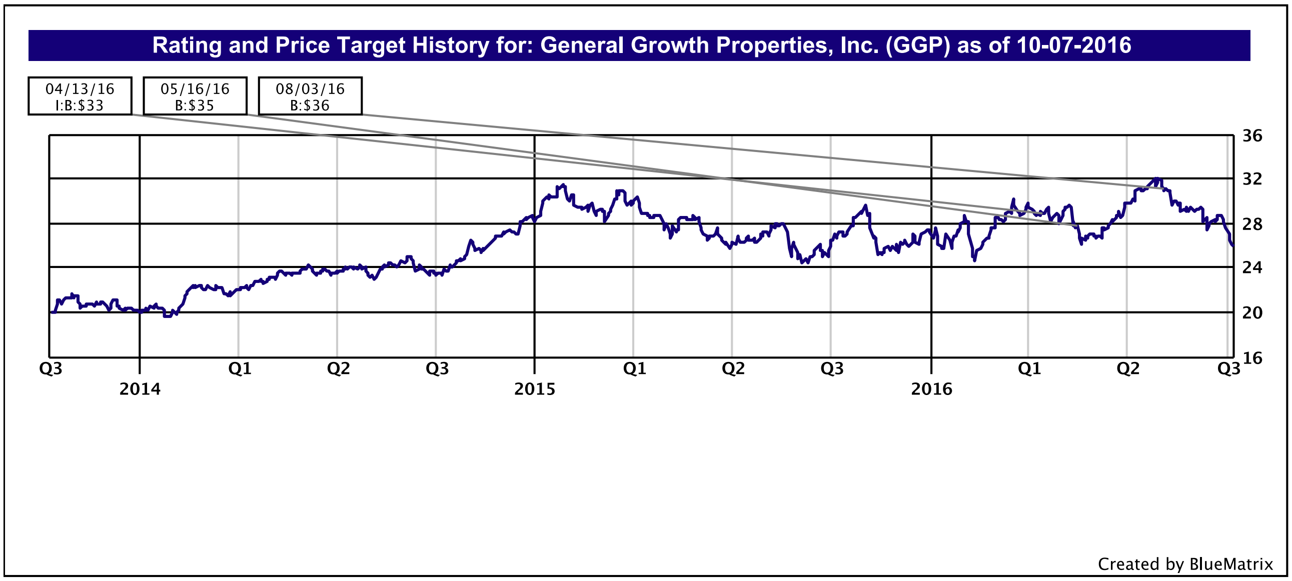
Mizuho Securities USA investment ratings are based on the following definitions. Anticipated share price change is based on a 6- to 12-month time frame. Return expectation excludes dividends.

Buy: Stocks for which the anticipated share price appreciation exceeds 10%.
Neutral: Stocks for which the anticipated share price appreciation is within 10% of the share price.
Underperform: Stocks for which the anticipated share price falls by 10% or more.
RS: Rating Suspended - rating and price objective temporarily suspended.
NR: No Rating - not covered, and therefore not assigned a rating.

Rating Distribution

(As of 10/10)	% of coverage	IB service past 12 mo
Buy (Buy)	42.86%	46.85%
Hold (Neutral)	54.83%	28.17%
Sell (Underperform)	2.32%	33.33%

For disclosure purposes only (NYSE and FINRA ratings distribution requirements), our Buy, Neutral and Underperform ratings are displayed as Buy, Hold and Sell, respectively.



For additional information: Please log on to http://www.mizuhosecurities.com/us or write to Mizuho Securities USA Inc. 320 Park Ave, 12th FL, New York, NY 10020.

Disclaimers

This report has been prepared by Mizuho Securities USA Inc. ("MSUSA"), a subsidiary of Mizuho Americas LLC, solely for the purpose of supplying information to the clients of MSUSA and/or its affiliates to whom it is distributed. This report is not, and should not be construed as, a solicitation or offer to buy or sell any securities or related financial products.

This report has been prepared by MSUSA solely from publicly available information. The information contained herein is believed to be reliable but has not been independently verified. MSUSA makes no guarantee, representation or warranty, and MSUSA, MHSC and/or their affiliates, directors, employees or agents accept no responsibility or liability whatsoever as to the accuracy, completeness or appropriateness of such information or for any loss or damage arising from the use or further communication of this report or any part of it. Information contained herein may not be current due to, among other things, changes in the financial markets or economic environment. Opinions reflected in this report are subject to change without notice.

This report does not constitute, and should not be used as a substitute for, tax, legal or investment advice. The report has been prepared without regard to the individual financial circumstances, needs or objectives of persons who receive it. The securities and investments related to the securities discussed in this report may not be suitable for all investors, and the report is intended for distribution to Institutional Investors. Readers should independently evaluate particular investments and strategies, and seek the advice of a financial adviser before making any investment or entering into any transaction in relation to the securities mentioned in this report.

MSUSA has no legal responsibility to any investor who directly or indirectly receives this material. Investment decisions are to be made by and remain as the sole responsibility of the investor. Investment involves risks. The price of securities may go down as well as up, and under certain circumstances investors may sustain total loss of investment. Past performance should not be taken as an indication or guarantee of future performance. Unless otherwise attributed, forecasts of future performance represent analysts' estimates based on factors they consider relevant. Actual performance may vary. Consequently, no express or implied warranty can be made regarding future performance.

Any references in this report to Mizuho Financial Group, Inc. ("MHFG"), MHSC and/or its affiliates are based only on publicly available information. The authors of this report are prohibited from using or even obtaining any insider information. As a direct subsidiary of Mizuho Americas LLC and indirect subsidiary of MHFG, MSUSA does not, as a matter of corporate policy, cover MHFG or MHSC for investment recommendation purposes.

MSUSA or other companies affiliated with MHFG, Mizuho Americas LLC or MHSC, together with their respective directors and officers, may have or take positions in the securities mentioned in this report, or derivatives of such securities or other securities issued by companies mentioned in this report, for their own account or the accounts of others, or enter into transactions contrary to any recommendations contained herein, and also may perform or seek to perform broking and other investment or securities related services for the companies mentioned in this report as well as other parties generally.

Restrictions on Distribution

This report is not directed to, or intended for distribution to or use by, any person who is a citizen or resident of, or entity located in, any locality, territory, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to or restricted by law or regulation. Persons or entities into whose possession this report comes should inform themselves about and observe such restrictions.

United States: Mizuho Securities USA Inc., a subsidiary of Mizuho Americas LLC, 320 Park Avenue, 12th Floor, New York, NY 10022, USA, contact number +1-212-209-9300, distributes or approves the distribution of this report in the United States and takes responsibility for it. Any transaction by a US investor resulting from the information contained in this report may be effected only through MSUSA. Interested US investors should contact their MSUSA sales representative.

United Kingdom/European Economic Area: This report is distributed or has been approved for issue and distribution in the UK by Mizuho International plc ("MHI"), Mizuho House, 30 Old Bailey, London EC4M 7AU, a member of the MHSC Group. MHI is authorized and regulated by the Financial Services Authority and is a member of the London Stock Exchange. For the avoidance of doubt this report is not intended for retail clients. This report may be distributed in other member states of the European Union.

Japan: This report is distributed in Japan by Mizuho Securities Co., Ltd. ("MHSC"), Otemachi First Square Otemachi 1-chome, Chiyoda-ku, Tokyo 100-0004, Japan. Registered Financial Instruments Firm, No. 94 (Kinsho), issued by the Director, Kanto Local Finance Bureau. MHSC is a member of the Japan Securities Dealers Association, the Japan Securities Investment Advisers Association and the Financial Futures Association of Japan, and the Type II Financial Instruments Firms Association.

Singapore: This report is distributed or has been approved for distribution in Singapore by Mizuho Securities (Singapore) Pte. Ltd. ("MHSS"), a member of the MHSC Group, which is regulated by the Monetary Authority of Singapore. Any research report produced by a foreign Mizuho entity, analyst or affiliate is distributed in Singapore only to "Institutional Investors," "Expert Investors" or "Accredited Investors" as defined in the Securities and Futures Act, Chap. 289 of Singapore. Any matters arising from, or in connection with this material, should be brought to the attention of MHSS.

Hong Kong: This report is being distributed in Hong Kong by Mizuho Securities Asia Limited ("MHSA"), a member of the MHSC Group, which is licensed and regulated by the Hong Kong Securities and Futures Commission.

Australia: This report is being distributed in Australia by MHSA, which is exempted from the requirement to hold an Australian financial services license under the Corporation Act 2001 ("CA") in respect of the financial services provided to the recipients. MHSA is regulated by the Securities and Futures Commission under the laws of Hong Kong, which differ from Australian laws. Distribution of this report is intended only for recipients who are "wholesale clients" within the meaning of the CA.

If you do not wish to receive our reports in the future, please contact your sales person and request to be removed from receiving this distribution.