



Microsoft Analyst Report

Team Stamford

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Company:	Ticker:	Sector:	Recommendation:
Target Price: \$140.66	Adjusted TTM P/E: 26.15	52 Week High: \$116.18	BUY
Current Price: \$109.57	Adjusted EPS: \$2.43	52 Week Low: \$80.70	
Market Cap: \$841.1 Billion	Dividend Yield: 1.7%		

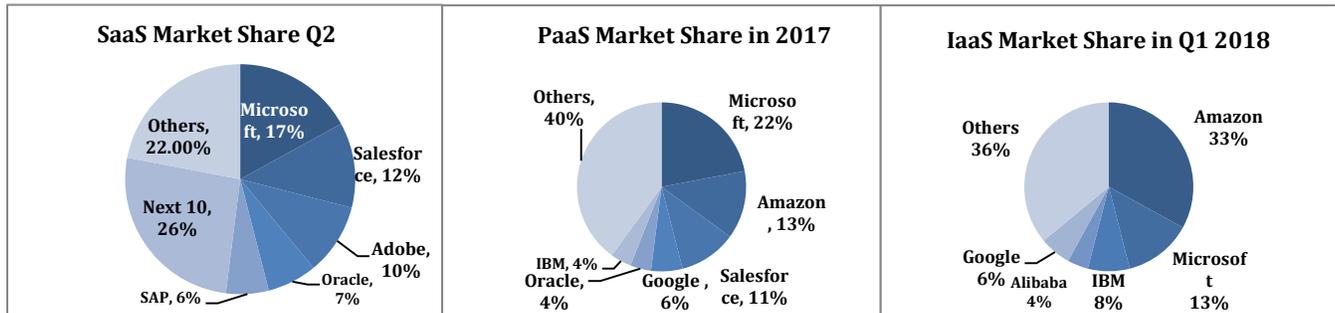
Business Description

Microsoft is the world's largest software maker. It is transforming businesses to lead in the new era of the intelligent cloud and intelligent edge. Microsoft's revenue can be divided into three parts: Intelligent Cloud (IC), Productivity and Business Processes (PBP), and More Personal Computing (MPC).

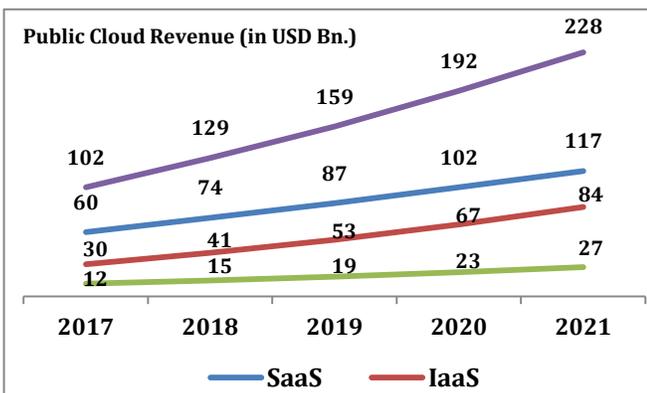
In 2018, Microsoft achieved sales of USD 110 billion, realizing 14% growth. Microsoft still has dominant market share in PC operating systems and office tools. In FY2018, 38% of the revenue constituted from personal computing, 29% from intelligent cloud, and 33% from productivity and business processes.

Industry Overview

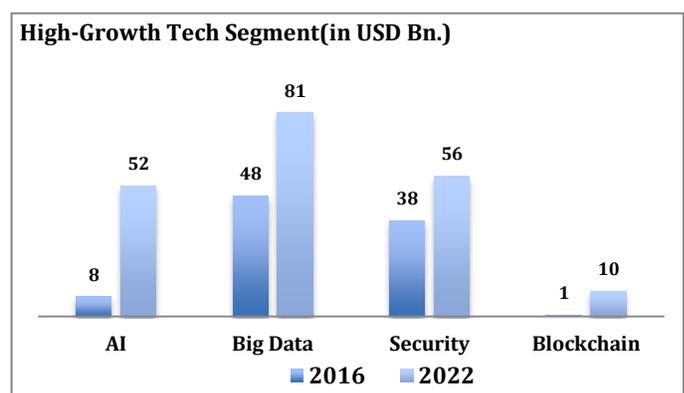
The software industry can be broken down to three main segments, namely: Software as a Service, Platform as a Service, and Infrastructure as a Service.



Microsoft is the market leader in the Software as a Service and Platform as a Service segments. These segments mainly consist of the MS Office product suites and other business software, which majority of the companies in the world have been using for decades. The infrastructure as a service is a relatively new segment which consists mainly of the Azure cloud platform and its connecting products.



Source: Gartner Report



Source: Bloomberg

Financial Analysis

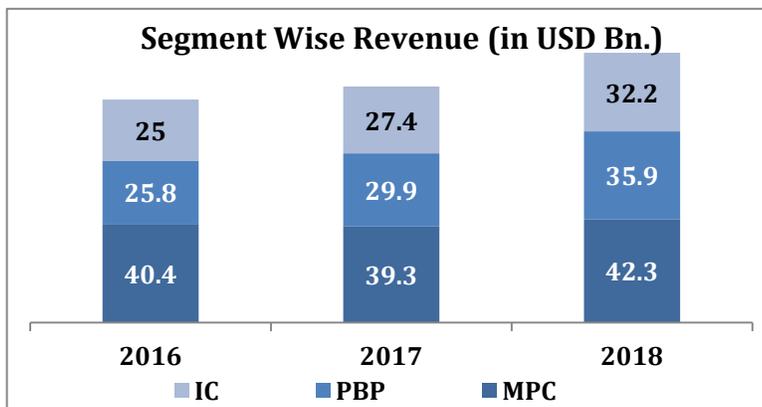
Microsoft is a financial giant with one of the most robust balance sheets in the world. Microsoft currently has around USD 133 Bn in Cash and Short Term Investments, with the total assets of about USD 258 Bn. In the last five years the company's revenue grew at around ~7.4%. This is accounting for the one time anomaly in 2016

when there was a negative revenue growth of about -2.6%. During the same period the average gross profit margin has been ~65.5%, the average operating income margin has been ~28.5%, EBITDA margin ~38%, EBIT ~30.2%.

What's driving the growth in return on equity?

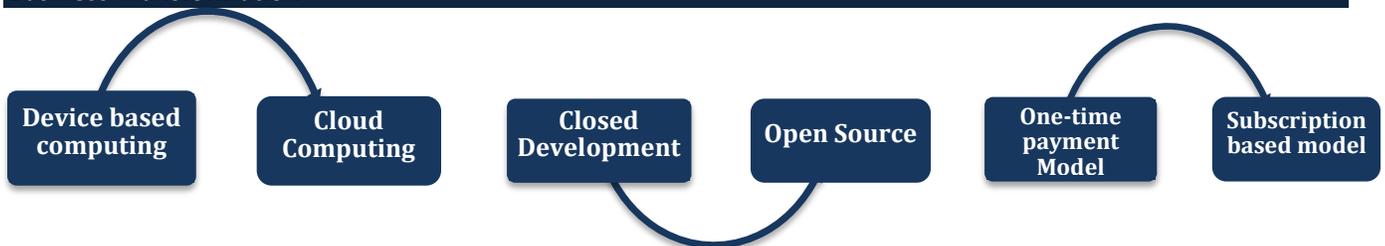
The transformation of Microsoft from an OS (Windows) and Office software company to one of the cloud behemoths radically changed Microsoft's fortunes. At the start of the decade, Microsoft was seen as 'has been company' with resistance to changes resulting in lagging growth rates. This all changed with the change in CEO. The new CEO, Mr. Satya Nadella, adopted transforming the culture and embracing newer options to increase business moats.

Once known as the face of Windows OS (MPC) and Microsoft Office (PBP), the company has added Azure (IC) as the third big brand name to its portfolio. Though Azure came out in 2010, it was under Nadella that Microsoft started aggressively expanding in the IC and PBP businesses. Microsoft has been radically modifying its offerings so that its new and existing products can have a seamless transition to its Azure cloud platform. Even Office and Windows products can now be availed or are in the process of being offered on cloud. Led by Azure and Office 365, the IC and PBP businesses are expanding aggressively.



Today Microsoft can be viewed as an exciting startup which has the backing of Microsoft.

Business Transformation



Highlights for 2018	
<ul style="list-style-type: none"> Commercial cloud; Office 365, Azure, Dynamics 365, revenue increased 56% to \$23.2 Bn. 	<ul style="list-style-type: none"> Windows OEM revenue increased 5%, driven by OEM Pro revenue growth of 11%.
<ul style="list-style-type: none"> Office Commercial and Consumer revenue increased 11%, driven by Office 365 	<ul style="list-style-type: none"> Windows Commercial revenue increased 12%, driven by an increased volume of multi-year agreements.
<ul style="list-style-type: none"> LinkedIn contributed revenue of \$5.3 billion. 	<ul style="list-style-type: none"> Gaming revenue increased 14%, driven by Xbox software and services revenue growth of 20%.
<ul style="list-style-type: none"> Dynamics revenue increased 13%, driven by Dynamics 365. 	<ul style="list-style-type: none"> Microsoft Surface revenue increased 16%.
<ul style="list-style-type: none"> Enterprise Services revenue increased 5%. 	<ul style="list-style-type: none"> Search advertising revenue increased 16%.

Intelligent Cloud

- Revenue increased \$4.8 billion or 18%
- Operating income increased \$2.4 billion or 26%
- Operating expenses increased \$683 million or 7%

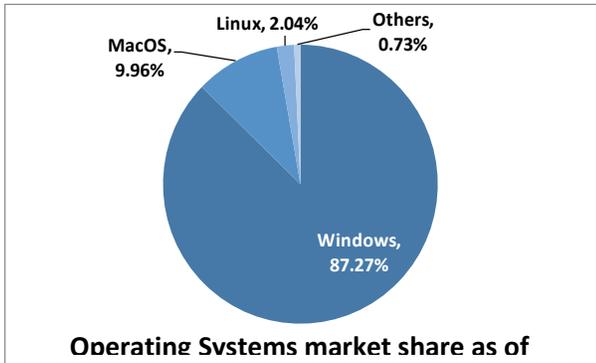
Productivity and Business Processes

- Revenue increased \$6.0 billion or 20%
- Operating income increased \$1.5 billion or 13%
- Operating expenses increased \$2.9 billion or 25%

More Personal Computing

- Revenue increased \$3.0 billion or by 8%
- Operating income increased \$1.8 billion or 20%
- Operating expenses increased \$391 million or 3%

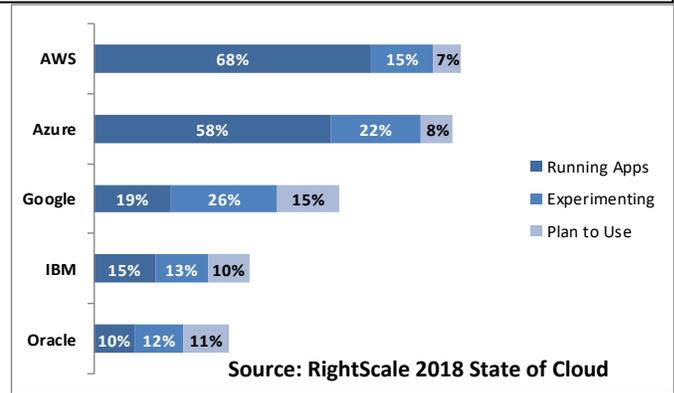
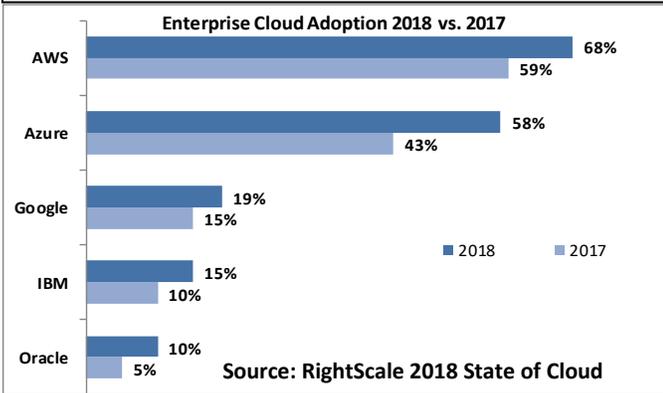
Financial Snapshot FY



Source: Net Market

The MPC business is a stable and mature unit growing at a modest growth (as compared to other units). The company started out with the Windows OS and still has the lion's share in the OS market. As seen here, Windows is still the most used OS worldwide. The IC units and the PBP units are growing aggressively. As seen in the graphs, companies are quickly adopting to Azure. Microsoft is growing at a faster speed than its biggest rival in the cloud business, AWS, its biggest rival in the space. AWS may have the largest market share in the space, but Azure has a much faster growth rate making it the biggest force to reckon with. Both Amazon and Google are its major competitor in the cloud space. However, unlike them, Microsoft has been in the business of office software since its inception. Most companies have their systems and data in Microsoft's office environment and therefore it's much feasible for them to shift to the Azure platform. Azure has presence in 54 regions; more than any cloud provider. 90% of Fortune 500 companies trust azure.

IC Business Growth



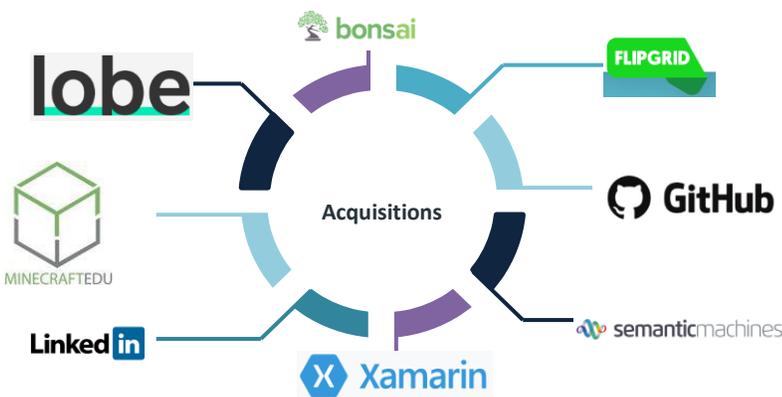
Intelligent Cloud

Productivity and Business Process

More Personal Computing

Acquisitions Spree

In the last three years, Microsoft has acquired around 30 companies in varied fields. Couple that with strategic alliances and partnerships, Microsoft has diversified its portfolio in cloud, AI, Machine Learning, Gaming, Networking, Open Source Development, Infrastructure, Healthcare, Retail, and many more fields.

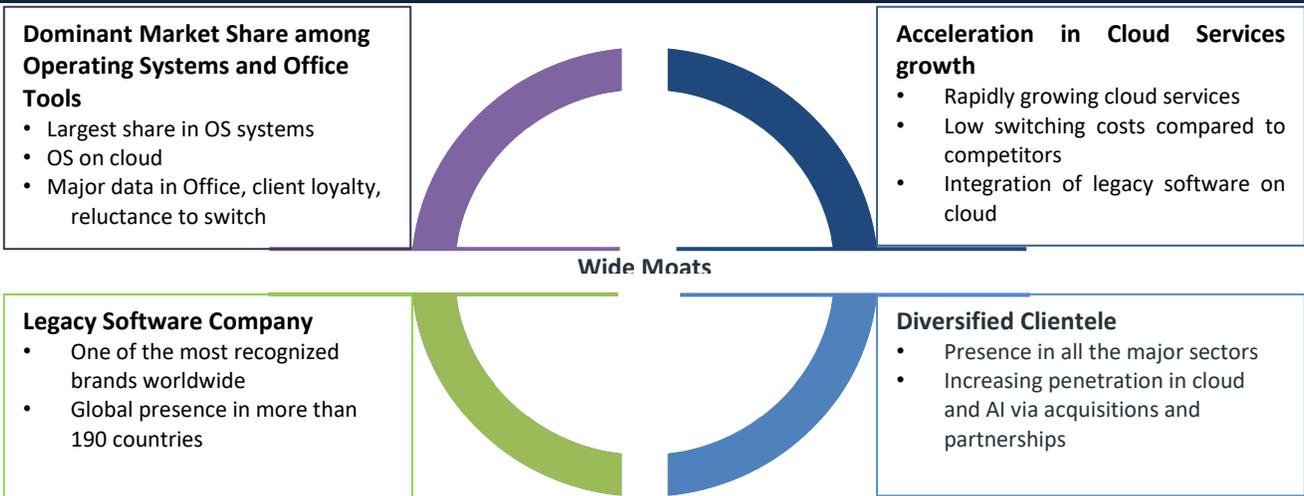


Two of its biggest acquisitions in the recent years have been LinkedIn and GitHub. The GitHub acquisition was for around USD 7.5 Bn and Microsoft paid more than 30X GitHub's revenue. For LinkedIn it paid more than 7X LinkedIn's revenue. With GitHub, it created a software database which it can leverage to improve its product community. If GitHub is managed in a right way, the goodwill from development community will increase tremendously.

Partnerships Spree

Walmart	<ul style="list-style-type: none"> • Five-year agreement to leverage a broad base of cloud, AI and IoT solutions for enterprise-wide use. • Walmart will transform thousands internal applications on Microsoft's cloud services; namely Azure. • Formed a special team named 4.co dedicated to improve customer and supplier engagements.
GE	<ul style="list-style-type: none"> • GE and Microsoft are teaming up to offer Industrial IoT services together. • GE will integrate and standardize its Predix platform on Azure. GE will also tap into Microsoft's technology stack for its monitoring and diagnostics centers, internal manufacturing and services.
Adobe & SAP	<ul style="list-style-type: none"> • Announced the Open Data Initiative to mitigate the problems of data silos. • Will create a platform to share data across different applications to better analyze customer demographics. • Seamless data transfer will enhance customer experience.
Xiaomi	<ul style="list-style-type: none"> • Signed an MoU with Xiaomi to build AI driven electronics. • Provide cloud computing products to develop upgraded phones, laptops, and smart devices • Microsoft gains exposure to the Asian markets
GAP	<ul style="list-style-type: none"> • Migrating hundreds of applications on Microsoft's cloud. • Will build and centralize its data platform Azure. • Also deploying Microsoft 365 for its employees

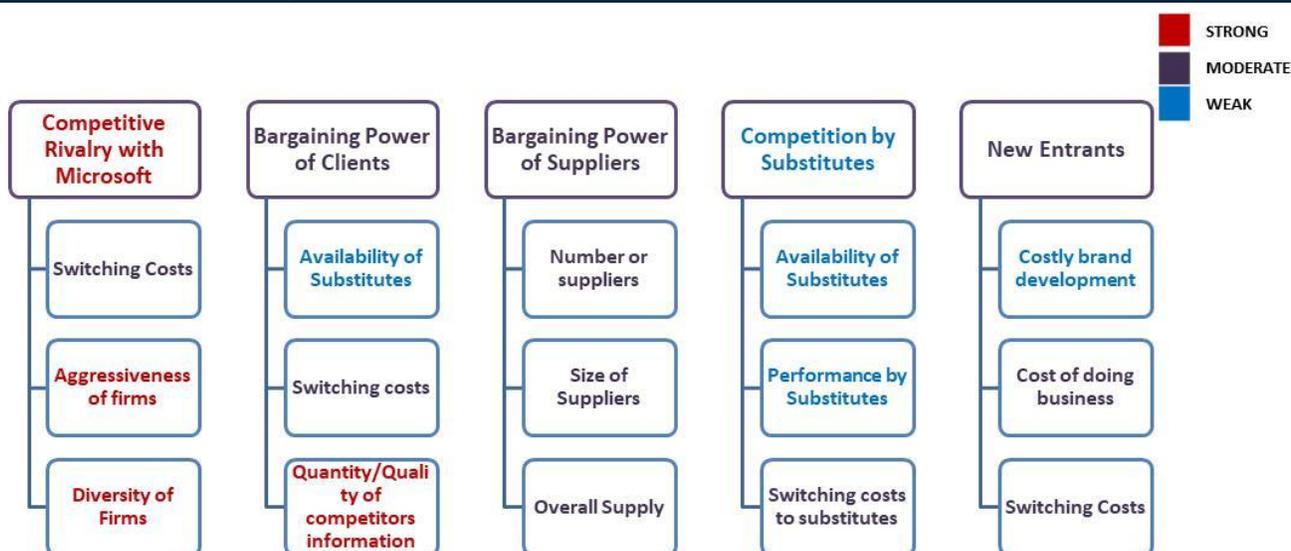
Wide Moats



SWOT Analysis

Strength	Weakness
<ul style="list-style-type: none"> • Legacy Software Company • Global Presence • Large Product/Services portfolio • Growing Cloud Business • Dominant PC Market • Focus on Innovation • Brand Image 	<ul style="list-style-type: none"> • Declining PC Market • Dependence on hardware manufacture for Windows OS • Smaller advertising market share
Microsoft SWOT Analysis	
Opportunities	Threats
<ul style="list-style-type: none"> • Innovation in AI • Cloud Based Services • Acquisitions and Partnerships • Affordable Services • Mobile Advertising 	<ul style="list-style-type: none"> • Legal and Regulatory Environment • Cyber Attacks • Competitors • Changing consumer needs

PORTER 5 Forces Analysis



Quarterly Earnings Analysis and FY19 Expectations

Quarterly Analysis														
Revenue (in \$Bn)	Sep	Dec	Mar	June	EPS	Sep	Dec	Mar	June	Dividends	Sep	Dec	Mar	June
2016	21.6	25.5	22.2	22.6	2016	0.7	0.77	0.63	0.69	2016	0.31	0.31	0.31	0.36
2017	22.3	26.1	23.6	24.7	2017	0.76	0.83	0.73	0.75	2017	0.36	0.36	0.39	0.39
2018	24.6	29	26.9	30.1	2018	0.84	0.96	0.95	1.13	2018	0.39	0.39	0.42	0.42
Growth Rate YoY														
2017	3.2%	2.4%	6.3%	9.3%	2017	8.6%	7.8%	15.9%	8.7%	2017	16.1%	16.1%	25.8%	8.3%
2018	10.3%	11.1%	14.0%	21.9%	2018	10.5%	15.7%	30.1%	50.7%	2018	8.3%	8.3%	7.7%	7.7%

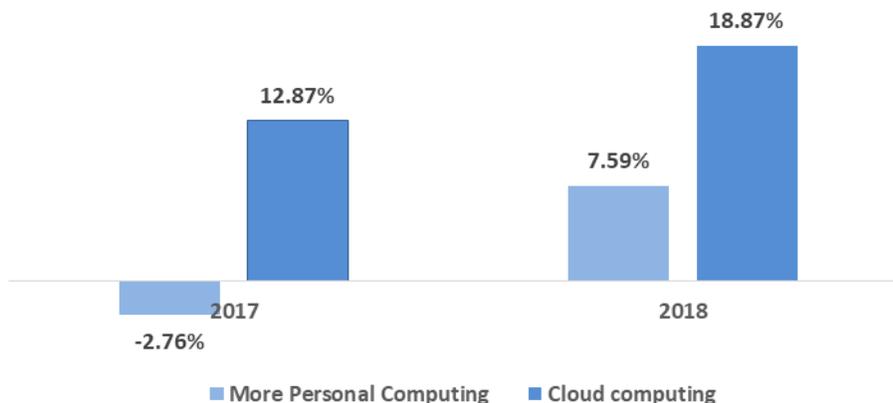
Q1 2019 Financials	YoY Growth
Revenues:	\$ 29.08Bn 18.5%
Productivity and Business Process	\$ 9.77Bn 18.6%
Intelligent Cloud	\$ 8.57Bn 23.8%
More Personal Computing	\$ 10.75Bn 14.6%
EPS	\$ 1.14 35.7%

Microsoft has been showing consistent growth in revenue and earnings, quarter on quarter. Azure is expected to grow at ~50% for FY 2019 and ~60% for FY 2020. The margins for commercial cloud are expected to be ~65% for both FY19 and FY20.

Sales and Profitability Analysis

	Gross margin	EBITDA margin	Operating Margin
2018	65.2%	44.8%	31.7%
2017	64.5%	42.3%	30%

Sales Growth Rate



Industry Comparison

Company	TEV/Total Revenue	Trailing P/E	EV/EBITDA
Microsoft	6.9	45.1	16.6
Oracle	4.8	53.4	11.8
Alphabet	4.9	40.4	16.3
Adobe	13.6	42.1	37.7

Microsoft Earnings Analysis and Forecast

In Millions(USD)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues	93,580	91,154	96,571	1,10,360	1,24,933	1,40,341	1,55,972	1,71,115	1,84,975	1,96,073
%YoY Growth	7.77%	-2.59%	5.94%	14.28%	13.21%	12.33%	11.14%	9.71%	8.10%	6.00%
EBITDA	25,245	33,446	40,893	49,468	56,008	63,237	71,430	80,573	88,098	95,724
% of revenue	27.0%	36.7%	42.3%	44.8%	44.8%	45.1%	45.8%	47.1%	47.6%	48.8%
Free cash Flows	11,134	19,654	27,887	10,181	32,306	35,281	40,146	45,305	50,917	56,425
% of Revenue	11.9%	21.6%	28.9%	9.2%	25.9%	25.1%	25.7%	26.5%	27.5%	28.8%
EBIT	19,288	26,882	32,123	39,207	43,890	49,203	55,833	62,506	67,751	74,156
% of Revenue	20.6%	29.5%	33.3%	35.5%	35.1%	35.1%	35.8%	36.6%	36.6%	37.8%
EBT	18,507	25,639	29,901	36,474	41,513	46,956	53,585	60,573	65,718	72,056
% of Revenue	19.8%	28.1%	31.0%	33.1%	33.2%	33.5%	34.4%	35.4%	35.5%	36.7%
PAT	12,193	20,539	25,489	16,571	34,769	39,321	44,835	50,682	54,963	60,223
% of Revenue	13.0%	22.5%	26.4%	15.0%	27.8%	28.0%	28.7%	29.6%	29.7%	30.7%

The earnings and cashflows from 2019 onwards are estimated figures based on revenue estimates as provided in the appendix

Microsoft Earnings Analysis and Forecast

Scenario	Probabilities	DCF	EBITDA	Value
Bullish	25%	127.62	168.94	148.28
Base case	50%	121.55	161.79	141.67
Bearish	25%	111.58	150.47	131.03
Intrinsic Value				140.66
Margin of Safety				28.38%

As per the estimates we estimate the stock has an intrinsic value of USD 140.66. There is an upside potential of about 28.38%. We have given a 50/50 weightage to EBITDA Multiple and DCF Valuation methods.

Expected Returns on Investment

Year	EPS	Dividends	DPR	D Yield	Growth Rate	Cost of Equity	9.10%
2015	1.48	1.24	83.78%	2.60%		Dividend Growth Rate	7.60%
2016	2.56	1.44	56.25%	2.50%	16.13%	Dividend for Next Year	1.84
2017	3.25	1.56	48.00%	2.10%	8.33%	DPR	41.74%
2018	3.88	1.68	43.30%	1.70%	7.69%		
CAGR	37.89%	10.65%					

	2019	2020	2021	2022	2023
EPS (Est)	4.41	5.03	5.76	6.50	7.03
Growth Rate	13.62%	14.14%	14.43%	12.89%	8.11%

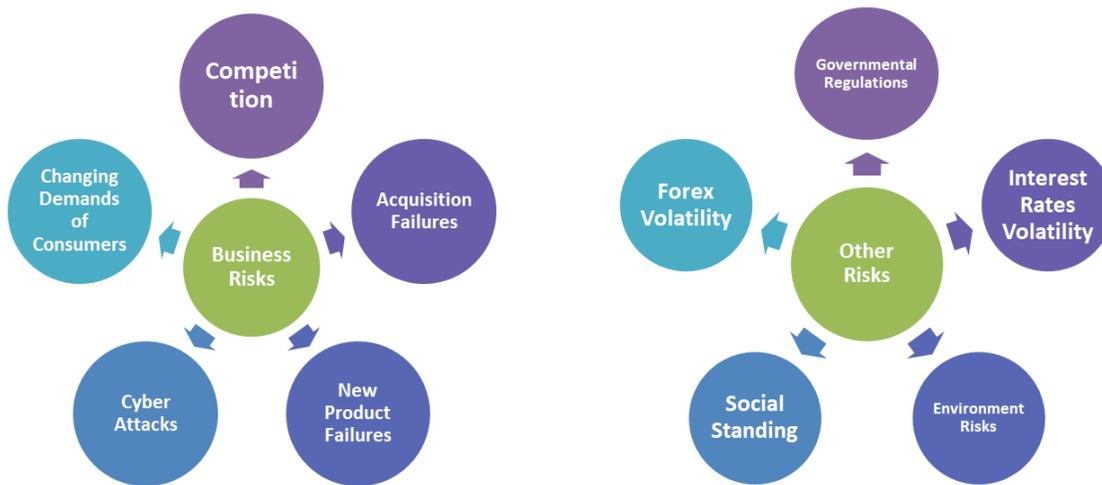
	TTM P/E	Forward P/E	Justified P/E
Microsoft	28.2	24.9	27.8

Expected Dividend Yield	Change in P/E	EPS Growth Rate
1.50%	-0.37%	12.61%

Expected Return on Equity: 13.74%

Risk Analysis

Microsoft has both systematic and unsystematic risks. The main systematic risks are Forex risks and Interest rates risks. Microsoft has ~50% of its revenues coming from international markets. Therefore Forex and Interest Rate Volatility can pose significant threat in adverse circumstances. For 2018, hypothetical implications of ~10% reduction in forex rates would have negatively impacted Microsoft's revenues by about USD 2.1Bn, whereas a 100 basis points hypothetical increase in US Treasury interest rates would have a negative impact of about USD 2.7 Bn. These two risks are the main threats of systematic risks for Microsoft. Coming to unsystematic risks, higher weightage in risk contributions can be attributed to the potential un-realization/loss in value for the recently made acquisitions; led by LinkedIn and GitHub, and other newer partnerships with the companies mentioned above. Another threat to the revenues comes from the internal oppositions the company faces for different government contracts.



ESG and CSR

Ranking Digital Rights Corporate Accountability Index

- In 2018, Microsoft ranked second overall on the Ranking Digital Rights Corporate Accountability Index.

FTSE Russell (FTSE4Good Index)

- In 2018, Microsoft was included in the FTSE4Good Index, an equity index series designed to facilitate investment in companies that meet globally recognized corporate responsibility standards.

Vigeo-Eiris (Euronext Index)

- In 2018, Vigeo Eiris included Microsoft in the Euronext World 120 and Euronext US 50 indexes. Vigeo Eiris measures the risks and performances of companies in 41 sectors on 38 ESG issues.

ISS Environmental and Social QualityScore

- In 2018, Microsoft received a #1 rating for both Environment and Social scores within the ISS E&S QualityScore which measures corporate performance on over 200 factors.

CDP (Carbon Disclosure Project)

- For the fourth year in a row, the Carbon Disclosure Project included Microsoft in its Climate A List for climate performance leadership.

MSCI ESG Ratings

- In 2017, MSCI Ratings awarded Microsoft a AAA rating—the highest rating available to organization. MSCI Ratings provides institutional investors with a more comprehensive ESG integration solution.

Other Activities

- In 2018, all Surface computers achieved EPEAT Gold environmental performance ratings in the US for their environmentally friendly design.
- 61 technology companies joined Microsoft in signing Cybersecurity Tech Accord
- 12 million young people provided with computer science learning experience
- \$3 billion was spent for minority, disabled, and veterans in FY18
- \$1.4 billion in software and service was donated to nonprofits around the world
- Signed a 315 MW project in Virginia to purchase clean energy
- Microsoft cloud services are up to 93 percent more energy efficient and up to 98 percent more carbon efficient than their on-premises offerings
- Microsoft converted 200 million images into a national land cover map to protect land and watersheds, enable better disaster prediction and response, and fight deforestation.
- Reduced the weight of product packaging by 20 percent, and decreased packaging related greenhouse gas emissions by 29 percent.

Appendix D

Discounted Cash Flows Calculations

(Figures in USD Millions)	2015	2016	2017	2018	2019 E	2020 E	2021 E	2022 E	2023 E	2024 E
Revenue (Estimate Comparable)	93,580	91,154	96,571	1,10,360	1,24,933	1,40,341	1,55,972	1,71,115	1,84,975	1,96,073
% YoY Growth	7.77%	-2.59%	5.94%	14.28%	13.21%	12.33%	11.14%	9.71%	8.10%	6.00%
(-) Cost of Revenue	33,038	32,780	34,261	38,353	44,664	50,523	55,370	59,890	64,371	67,645
% of Revenue	35.30%	35.64%	35.45%	35.45%	35.75%	36.00%	35.50%	35.00%	34.80%	34.50%
(=) Gross Profit	60,542	58,374	62,310	72,007	80,270	89,818	1,00,602	1,11,224	1,20,603	1,28,428
% Margin	64.70%	64.04%	64.52%	65.25%	64.25%	64.00%	64.50%	65.00%	65.20%	65.50%
(-) Operating Expenses/Income	42,381	32,296	33,285	36,949	40,603	44,909	49,131	53,045	57,342	58,822
% of Revenue	45.29%	35.43%	34.47%	33.48%	32.50%	32.00%	31.50%	31.00%	31.00%	30.00%
(=) Operating Income	18,161.00	26,078.00	29,025.00	35,058.00	39,666.27	44,909.09	51,470.87	58,178.93	63,261.30	69,605.92
% Margin	19.41%	28.61%	30.06%	31.77%	31.75%	32.00%	33.00%	34.00%	34.20%	35.50%
(-) Tax	6,314.00	5,100.00	4,412.00	19,903.00	6,743.27	7,634.55	8,750.05	9,890.42	10,754.42	11,833.01
% Tax Rate	34.77%	19.56%	15.20%	56.77%	17.00%	17.00%	17.00%	17.00%	17.00%	17.00%
(=) NOPAT	11,847.00	20,978.00	24,613.00	15,155.00	32,923.00	37,274.55	42,720.82	48,288.51	52,506.88	57,772.92
% Margin	12.66%	23.01%	25.49%	13.73%	26.35%	26.56%	27.39%	28.22%	28.39%	29.47%
(+) Depreciation & Amortization	5,957.00	6,563.75	8,770.19	10,261.00	12,118.51	14,034.09	15,597.23	17,967.02	20,347.20	21,568.03
% of Revenue	6.37%	7.20%	9.08%	9.30%	9.70%	10.00%	10.00%	10.50%	11.00%	11.00%
(-) Capital Expenditure	5,944.00	8,269.61	8,121.77	11,632.00	14,237.11	16,111.77	18,526.22	20,073.48	22,512.10	25,106.48
% of Revenue	6.35%	9.07%	8.41%	10.54%	11.40%	11.48%	11.88%	11.73%	12.17%	12.80%
(-) Changes in Net Working Capit	(804.00)	4,601.16	(3,233.12)	(2,711.00)	(1,875.34)	(874.88)	(898.78)	(1,711.15)	(3,699.49)	(3,921.46)
% of Revenue	-0.86%	5.05%	-3.35%	-2.46%	-1.50%	-0.62%	-0.58%	-1.00%	-2.00%	-2.00%
(+) Changes in Net Long Term De	(1,530.00)	4,982.78	(607.46)	(6,314.00)	(373.87)	(791.02)	(544.93)	(2,588.13)	(3,124.61)	(1,730.93)
% of Revenue	-1.63%	5.47%	-0.63%	-5.72%	-0.30%	-0.56%	-0.35%	-1.51%	-1.69%	-0.88%
(=) Free Cash Flow	11,134.00	19,653.75	27,887.08	10,181.00	32,305.88	35,280.73	40,145.68	45,305.07	50,916.86	56,425.00
% Margin	11.90%	21.56%	28.88%	9.23%	25.86%	25.14%	25.74%	26.48%	27.53%	28.78%
% of the Free Cash Flow to be discounted					66.58%	100.00%	100.00%	100.00%	100.00%	33.42%
Period for Discount Factor (Mid-Year Convention)					0.33	1.17	2.17	3.17	4.17	4.83
Discount Factor @ 8.58% WACC					0.97	0.91	0.84	0.77	0.71	0.67
Present Value of Free Cash Flow (5 Years)					20,926.41	32,052.51	33,590.27	34,911.75	36,135.71	12,669.63
8.58%										

Appendix E

Perpetual Growth Method vs Terminal EBITDA Method

Perpetuity Growth Method - Value per Share		Terminal EBITDA Method	
Free Cash Flow at Year 5	52,757.93	Terminal EBITDA at Year 5	90,647.08
WACC	8.58%	WACC	8.58%
Perpetuity Growth Rate	3.50%	Exit Enterprise Value / EBITDA	17.00
Perpetuity Value at End of Year 5	10,74,890.98	Terminal Value at End of Year 5	15,41,000.39
Present Value of Perpetuity (@ 8.58% WACC)	7,12,221.75	Present Value of Terminal Value (@ 8.58% WACC)	10,21,065.40
(+) Present Value of Free Cash Flows (@ 8.58% WACC)	1,70,286.28	(+) Present Value of Free Cash Flows (@ 8.58% WACC)	1,70,286.28
(=) Current Enterprise Value	8,82,508.03	(=) Current Enterprise Value	11,91,351.68
Short Term Debt	5,397	Short Term Debt	5,397
(+) Long Term Debt	77,810	(+) Long Term Debt	77,810
(-) Cash and Marketable Securities	1,33,768	(-) Cash and Marketable Securities	1,33,768
(-) Current Net Debt	(50,561)	(-) Current Net Debt	(50,561)
(-) Current Preferred and Minority Interest	-	(-) Current Preferred and Minority Interest	-
(=) Equity Value	9,33,069.03	(=) Equity Value	12,41,912.68
Shares outstanding	7,676	Shares outstanding	7,676
Estimated Value per Share (USD)	121.55	Estimated Value per Share (USD)	161.79
Current Price (USD)	109.57	Current Price (USD)	109.57
Estimated Upside	11%	Estimated Upside	48%

Appendix F

Sensitivity Analysis

WACC	Terminal Growth				
	2.50%	3.00%	3.50%	4.00%	4.50%
121.55					
7.58%	125.01	136.03	149.76	167.33	190.60
8.08%	114.38	123.26	134.08	147.56	164.80
8.58%	105.54	112.83	121.55	132.18	145.41
9.08%	98.10	104.17	111.32	119.88	130.32
9.58%	91.75	96.86	102.82	109.84	118.25

WACC	EBITDA Multiple				
	15.00	16.00	17.00	18.00	19.00
161.79					
7.58%	151.70	159.89	168.09	176.28	184.48
8.08%	148.88	156.89	164.89	172.90	180.91
8.58%	146.14	153.96	161.79	169.61	177.44
9.08%	143.47	151.12	158.77	166.41	174.06
9.58%	140.88	148.35	155.83	163.30	170.78

EPS	26	27	28	29	30
	4.41	114.62	119.03	123.44	127.85
5.03	130.83	135.86	140.89	145.92	150.95
5.76	149.70	155.46	161.22	166.98	172.73
6.50	169.00	175.50	182.00	188.50	195.00
7.03	182.71	189.74	196.77	203.79	210.82

Appendix G

GAAP Reporting

EPS (Quarterly)	Q1 2019	Q4 2018	Q3 2018	Q2 2018
GAAP Reported	1.15	1.14	0.96	-0.82
Adjusted	1.15	1.13	0.95	0.96
PE(ttm) (GAAP Reported)		45.1		
PE(ttm) (Adjusted)		26.2		

EPS (Quarterly)	Q4 2018	Q3 2018	Q2 2018	Q1 2018
GAAP Reported	1.14	0.96	-0.82	0.84
Adjusted	1.13	0.95	0.96	0.84
PE(FY 2018) (GAAP Reported)		51.7		
PE(FY 2018) (Adjusted)		28.2		

Appendix H

Justified PE Calculation

Justified PE has been a dependable model to determine the intrinsic value of the stock. Derived from the Gordon Growth model, Justified PE comes in particularly useful for companies, which have a consistent dividend history.

$$\text{Justified PE} = \frac{\text{DP}_{t+1}}{(k_e - g)}$$

(OR)

Dividend Payout Ratio for next year
(Cost of Equity – Dividend Growth Rate)

Appendix I

Product Pricing Chart

Product	Price (in USD)	Time Frame/Measuring Unit
Office 365 Home	99.99/9.99	Yearly/Monthly
Office 365 Personal	69.99	Year
Office 365 Business	8.25	Month
Office 365 Business Premium	12.5	Month
Office 365 Business Essentials	5	Month
Azure		
App Service	0.013	Hour
Virtual Machines	0.008	Hour
Azure SQL Database	0.021	Hour
Blob Storage	0.002	GB
Azure Kubernetes Service	0.008	Hour
Functions	0.2	Million Executions