

## **CIMB Research maintains Outperform on Tune Insurance, ups target price to RM2.54**

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KUALA UMPUR (May 27): CIMB Research has maintained Outperform on Tune Insurance Holdings Bhd at RM2.04 with a higher target price of RM2.54 (from RM2.50) and said that during a conference call on May 23, Tune Insurance's CEO outlined the company's key strategies which include airline tie-ups.

In a note May 26, the research house said Tune Insurance had already made a breakthrough by tying up with Cebu Air recently, a positive move that will provide a new source of income.

"Factoring in the tie-up with Cebu Air, we raise our growth assumptions for the travel insurance business from 15% in FY13-15 to 16% in FY13 and 18% in FY14-15. This increases our EPS projections and DDM-based target price (8.9% COE; 5% LT growth).

"We reaffirm our Outperform call on Tune given its fast expansion of travel insurance in the region, partly through M&As and new tie-ups," it said.