

GLOBAL NETWORK FOR
ADVANCED MANAGEMENT



UCD Michael Smurfit
Graduate Business School

UCD Michael Smurfit Graduate Business School

The Smurfiteers

Other 4 Investment ideas

Bank of Ireland 


glanbia

 | GREEN
REIT PLC


Glenveagh
Properties PLC

Bank of Ireland – BIRG:ISE

Glanbia PLC – GLB:ISE

Green REIT PLC - GN1:ISE

Glenveagh Properties PLC – GVR:ISE

By
Quan Yuan
Shane Carberry
David Hannafin
Huijie Song
Shaozhe Liu
Kashish Verma

The Bank of Ireland

One of the traditional 'Big Four' Irish banks

Historically the premier banking organisation in Ireland, the Bank occupies a unique position in Irish banking history.

Bank of Ireland commenced releasing dividend from 2016 so that it proves that bank of Ireland has an advantageous position in cash and income, and is increasing value.

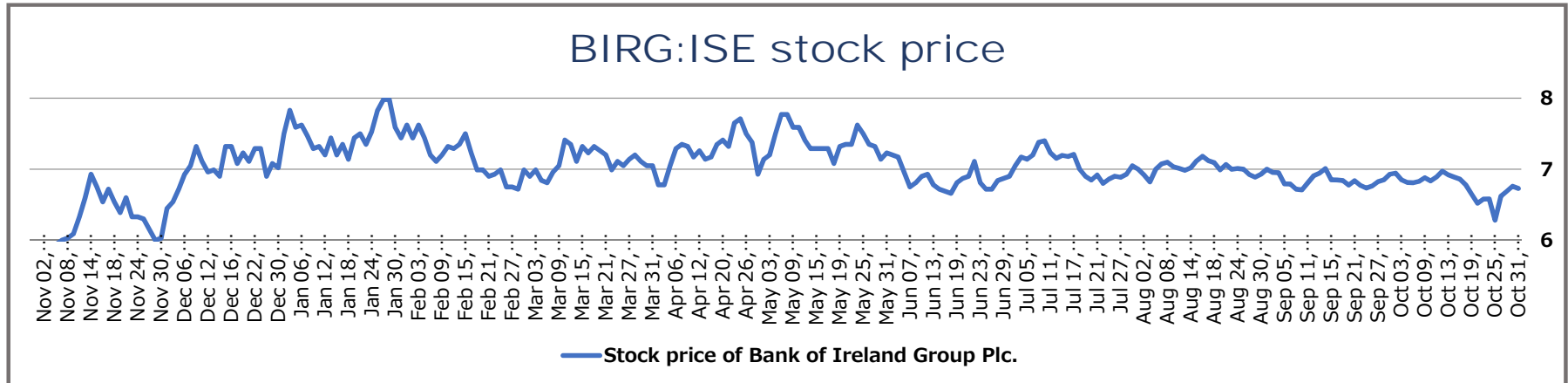
On Jul 28, 2017, Bank of Ireland Group plc reported semiannual 2017 earnings of 0.34 per share. This result exceeded last year. As results over the same period by 13.33%.

It had revenues for the full year 2016 of 4.67bn. This was an increase of 42.79% from the prior year. As results which indicates that Bank of Ireland share value is going up. Bank of Ireland hired a Swiss software company last year to replace its banking system, indicating that Bank of Ireland will improve its working efficiency and will have an increase in its share value.

	PLC	Industrial Average
ROE	10.87%	10.54%
ROA	10.87%	10.54%
P/E Ratio	10.32%	9.87%
EPS	62.65%	57.89%



Global Network for Advanced Management



Although their share price may go down a little bit when the dividend is released, after a brief time adjustment, the share price of Bank of Ireland will increase continuously. Also based on the market information, we believe that Bank of Ireland will consistently release its dividend during 2017 and 2018. The total assets of the company will have an incremental increase. And also based on the market information, we believe that bank of Ireland will consistently release its dividend during 2017 and 2018. The total assets of the company will have an incremental increase.

This led us to the conclusion that Bank of Ireland is a good investment opportunity and hence we decided to include it in our portfolio.



Global Network for Advanced Management

Glanbia PLC

A global nutrition group with operations in 32 countries

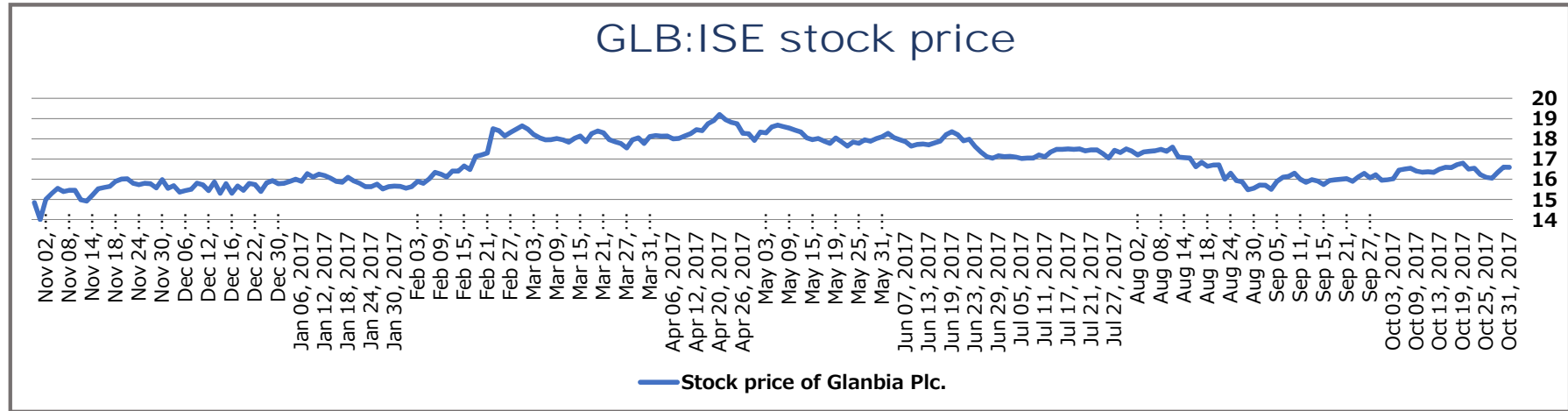
Glanbia PLC is headquartered in Kilkenny, Ireland, specialising in sports nutrition, cheese, dairy ingredients, speciality non-dairy ingredients and vitamin and mineral premixes.

It is divided into 3 business segments; Joint Ventures & Associates, Glanbia Nutritionals, & Glanbia Performance Nutrition, boasting renowned brands such as Avonmore, Optimum Nutrition and BSN Supplements.

Over the past year, the stock price of Green REIT plc has increased by 13.69% with a strong operational performance.

The EPRA earning per share increased to 4.8 cent by 29.7% and dividend per share continued to climb slightly by 8.7% this year after the big jump happened between year 2015(1.6 cent) and 2016(4.6 cent.). There are only three investment trusts in Ireland. Comparing with the average profitability of this three –company industry, Green REIT plc’s ROE and ROA were almost the same as the industrial average. In terms of earnings, the P/E and EPS ratios were better.

	Glanbia PLC	Industrial Average
P/E Ratio	17.9	16.2
PEG Ratio	2.28	1.95
ROE	18.30%	10.90%
EPS Growth	10.77%	11.40%



It is expected that Glanbia will achieve 7-10% EPS growth from continuing operations for 2017 as online and mass channels in the US continue to prosper and the future outlook is further bolstered by improved dairy markets. Glanbia's P/E and PEG ratios are more or less in line with those of the industry. However, the firm's ROE is 68% above that of its industry peers, exhibiting a return on equity of 18.3% in the most recent financial period vs 10.9% of its competition.

Based on strong fundamentals and promising future prospects, we decided to include Glanbia in our investment portfolio.

Green REIT plc An Ireland-based real estate investment trust

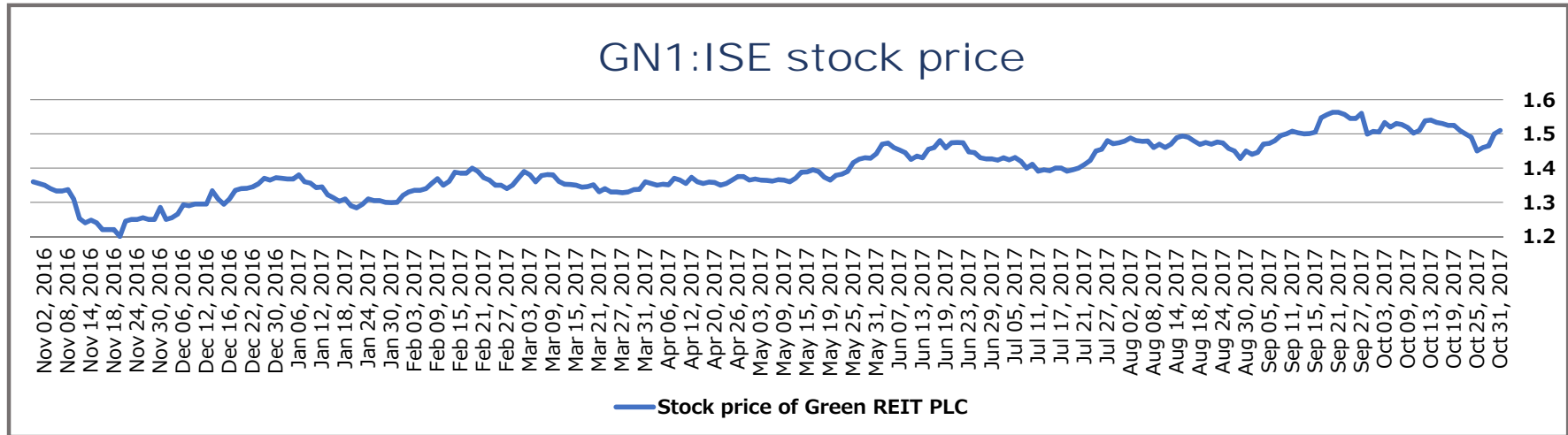
Green REIT plc has four business segments: Retail Assets, Office Assets, Industrial Assets and other Assets.

As of 2017, the total value of their portfolio is €1.38 billion, an increase of 11.3% from the previous year. 95% of its portfolio is concentrated in Dublin and with a near maximum occupancy rate of 98.5%, Green REIT Plc earned €68.9 million in contracted rent this year.

There are only three REIT's in Ireland. Green REIT Plc's ROE and ROA were almost the same as the industry average and in terms of earnings, the P/E ratio is lower and the EPS ratio is higher than that of its industry peers suggesting the company is potentially undervalued.

Over the past year, the stock price of Green REIT Plc has increased by 13.69% with strong operational performance. The EPRA earning per share has risen by 4.8 cent representing a 29.7% increase on the prior period and dividend per share climbed by 8.7% following rises of 1.6 cents and 4.6 cents in 2015 and 2016 respectively.

	Green Reit PLC	Industrial Average
ROE	11.28%	11.73%
ROA	8.92%	9.14%
P/E Ratio	7.49	9.00
EPS	0.19	0.158



With increasing demand on real estate in Ireland and the expanded development programme of the company, there is further annual rent potential of up to €11 million expected in the coming years. The weighted average period of unexpired lease terms across the portfolio reached 8 years in 2017. This record high signifies the company will have strong, secure and stable income streams in future years.

Based on strong comparative ratios and future industry prospects, we are bullish on Green REIT Plc.

Glenveagh Properties PLC

A leading housebuilder in Ireland

Glenveagh Properties PLC develops and builds starter, mid-size and executive and high-end homes (both houses and apartments) in Ireland either for itself or on behalf of third parties.

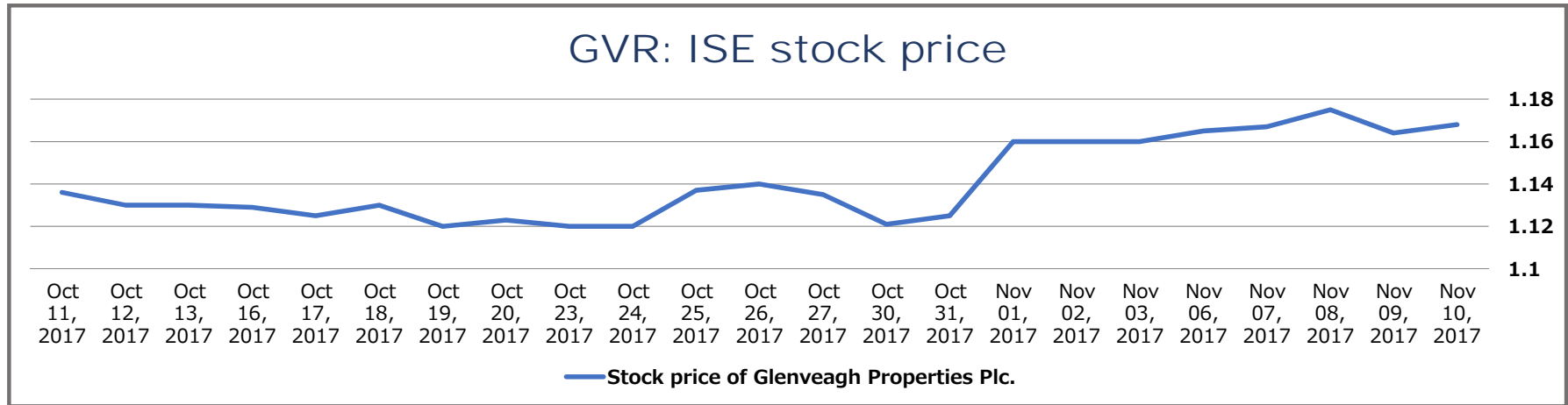
Glenveagh Properties PLC founded in 2017 seeks, through a combination of skills in sourcing, evaluating and acquiring land, site planning and development, constructing homes and marketing completed homes, to scale its operational platform and become a leading housebuilder in Ireland.

The company raised € 550 million through an IPO on 10th oct 2017. From when it was listed to today, the company has issued 667.05 million shares. As of 10th November 2017 the share price was € 1.17, which represents an increase of almost 17% since it started trading publicly.

	Glenveagh Properties PLC	Industrial Average
P/E Ratio		
Market Capitalisation (m)	7.67	
Share in issue (m)	667.05	
52 week high / low	1.18/ 1.10	



Global Network for Advanced Management



We believe that the prevailing conditions in the Irish economy and, in particular, the Irish residential property market, underpin the significant continuing opportunity for the company. The recovery in Irish residential property prices, particularly in Dublin, is ongoing due to an inadequate supply-side response to a renewal of demand for residential properties.

For these reasons we expect the share price to continue increasing and hence why we put in our portfolio.