

Company Update

Consumer Staples & Discretionary

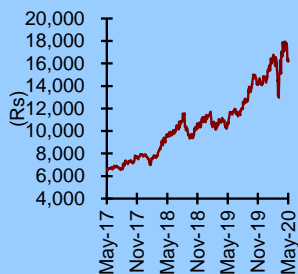
Target price Rs17,500

Shareholding pattern

	Sep '19	Dec '19	Mar '20
Promoters	62.8	62.8	62.8
Institutional investors	21.1	20.9	20.9
MFs and others	3.8	4.1	4.2
Banks, FI's, Insurance co	4.5	4.6	4.7
FII's	12.8	12.2	12.0
Others	16.1	16.3	16.3

Source: BSE

Price chart



Nestle India

HOLD

Maintained

Rs16,989

Annual Report Analysis

Story through keywords: The keywords in the annual report were innovations, delighting consumers, thrive not survive, harnessing cluster opportunities, micro targeting, capacity expansion, penetration-led volume and mix growth, consumer trust, volumes averaging c10% since 1QCY17, improvement in brand equity index, building new capabilities in organic products, asknestle.in, focusing on gender balance and retention and importantly corporate social responsibility including sustainability.

CY2019 performance showcased Nestlé's bias for action and continued benefits of "strengthening the core" actions taken by Suresh Narayanan, CMD. Notable focus areas / enablers are – (1) cluster-based approach (drive penetration), (2) premiumisation through innovations (3.4% contribution to domestic sales), (3) marked improvement in sales and merchandising and (4) a sharp turnaround in Chocolates (segment revenue grew 17% with 16% volume growth). Although 7% volume growth in CY2019 was skewed towards Chocolates and Prepared dishes, we expect FY20 performance to be broad based – infant foods (turnaround in South India), beverages and chocolates (more in-home consumption, indulgences) and prepared dishes (consumers spending more time at home). Deflation in dairy prices in CY20 provides another leg to earnings growth. Our relative positive view on Nestlé's financial performance is intact; HOLD reflects the requirement of lower multiples to turn more constructive.

New launches / relaunched / brand rejuvenations

- ▶ MAGGI Nutrilicious Atta Noodles
- ▶ CERELAC Ragi variant
- ▶ LACTOGEN 1
- ▶ Pre-NAN
- ▶ KITKAT DESSERT DELIGHT

Segmental performance: Chocolates & Confectionary segment was the outperformer (+17% sales, +16% volume) with Prepared Dishes & Cooking Aid a close second (+13% sales, +10% volume). We expect moderation in Chocolates growth given out-of-home consumption getting impacted but at the same time Prepared Dishes to likely benefit from this. Growth construct for milk products & nutrition changed in CY2019; +9% growth was primarily price-led (+8%). We believe that this was to negate rising input costs and expect the segment to return to a more balanced volume-price construct. Beverages performance was a negative surprise – revenue declined 1% (-2% volume). However, we believe that consumers spending more time at home provide a great growth opportunity for the segment.

Market Cap	Rs1637bn/US\$21.6bn	Year to Dec	CY19	CY20E	CY21E	CY22E
Reuters/Bloomberg	NEST.BO/NEST IN	Revenue (Rs mn)	122,953	132,965	154,478	179,603
Shares Outstanding (mn)	96.4	Adj. Net Profit (Rs mn)	19,696	22,285	27,367	33,250
52-week Range (Rs)	18300/11000	Dil. Rec. EPS (Rs)	204.3	231.1	283.8	344.8
Free Float (%)	37.2	% Chg YoY	22.6	13.1	22.8	21.5
FII (%)	12.0	P/E (x)	83.2	73.5	59.9	49.3
Daily Volume (US\$'000)	27,600	CEPS (Rs)	237.1	264.9	319.5	383.1
Absolute Return 3m (%)	7.7	EV/EBITDA (x)	57.0	50.8	42.5	35.9
Absolute Return 12m (%)	55.4	Dividend Yield (%)	0.9	1.1	1.4	1.6
Sensex Return 3m (%)	(15.7)	RoCE (%)	33.0	39.6	39.5	38.2
Sensex Return 12m (%)	(18.1)	RoE (%)	70.3	97.9	89.1	81.6

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- ▶ **Cost efficiencies:** The continuation of high ad-spends (6.4%; -10bps YoY) is a key requirement for the heightened new product development activities, in our opinion. Cost savings in CY19 (opex down 100bps YoY) helped Nestle mitigate inflationary input cost pressures.
- ▶ **Balance Sheet and cash flow highlights:** (1) Improved net working capital by 4 days of sales to negative 102 days led by improvement in payables (by 4 days) and despite increase in inventory (by 7 days), (2) RoE improved to 70% in CY19 from 45% in CY18 primarily driven by payment of special dividend (Rs180/share), (3) FCF grew 10% YoY to Rs 21 bn aided by 9% YoY jump in OCF, modest improvement in working capital and lower capex intensity (down 20bps YoY to 1.3% of sales). FCF conversion (% of EBITDA) inched up to 74% versus last three years average of 70%.
- ▶ **New manufacturing facility:** Nestle has commenced construction of a new factory in Sanand (Gujarat) and expects an initial investment of Rs 7 bn over two years. We believe that this factory can potentially drive faster growth (Maggi) in Western region (which is under-indexed at 18% of overall revenue).
- ▶ **Valuation and risks:** Our earnings estimates are largely unchanged; modelling revenue / EBITDA / PAT CAGR of 12 / 16 / 18 (%) over CY19-21E. Maintain HOLD rating with DCF-based target price unchanged at Rs17,500. Key downside risks are potential regulatory disruption (if any) in infant nutrition and hyperinflation in inputs.

Segments

- ▶ **Prepared Dishes and Cooking Aids:** Segment revenue grew 13% driven by 10% volume growth and 3% price growth. Maggi noodles reported strong double-digit volume growth primarily driven by a cluster based approach with focus on media, on-ground activation leading to penetration growth and distribution ramp-up. The segment witnessed various new launches in core Noodles (Nutrilicious Atta Noodles, Fusian Noodles) and expansion of the ready-to-eat offering with the launch of Maggi Upma and Maggi Poha. Breakfast Cereals under the Nesplus brand grew well in Modern Trade (MT) and e-commerce, backed by material on-ground activation. Management highlighted that the breakfast cereal offering is likely to see meaningful innovation, renovation and new launches.
- ▶ **Milk Products and Nutrition:** 9% revenue growth in the segment is primarily price-led (+8%), with volumes growing only 1% in CY2019. This change in pricing strategy, versus 3% average price realisation growth over the past four years, is primarily driven by inflationary commodity, in our opinion. Innovation and new launches in the segment included cocoa malt beverage under MILO brand and Nestle a+ Banglar Mishti Doi inspired by the regional delicacy of West Bengal. In Infant Formula, Nestle saw some relaunches of key brands / variants with enhanced formulation – Lactogen 1 with L.reuteri and Pre-NAN with DHA and ARA. New product launches continued in Baby Foods as well – Ragi variant launched in CERELAC and range of organic cereal launched under CERELAC and CEREGROW.

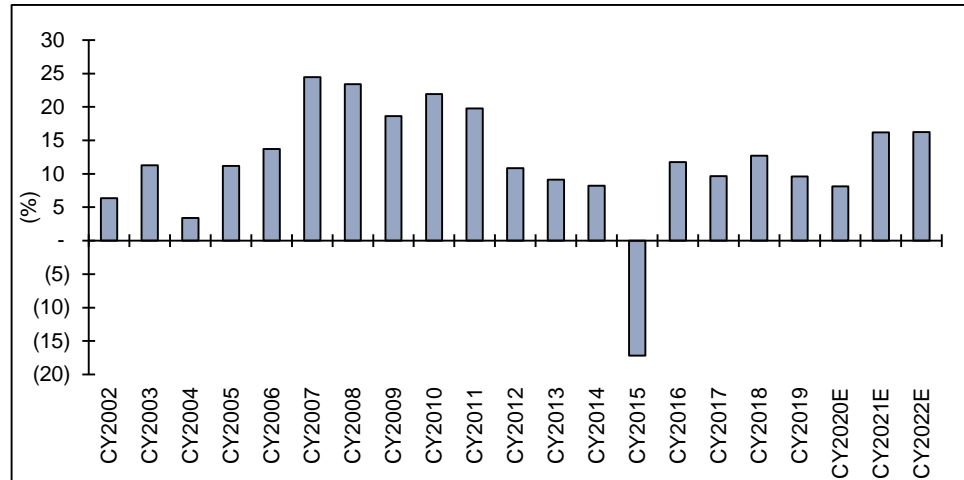
- ▶ **Coffee and Beverages:** Segment was the biggest underperformer in CY2019, with revenue declining 1% (-2% volume and +1% realisation). Nestle focused on market development activities – media campaigns and on-ground activations (sampling and college festivals) under NESCAFE CLASSIC brand. Focus on premiumisation in coffee was driven by NESCAFE GOLD and NESCAFE E – increasing penetration through stores and e-commerce. Nestle continued to maintain excitement around coffee, launching packs (with trendy accessories) in the e-commerce channel and gifting packs during festivals.
- ▶ **Chocolates and Confectionary:** Segment revenue grew 17% primarily driven by volume growth (+16%). Realisation growth was just 1%. This strong growth and market share gains was aided by rapid acceleration on the premium segment and continued momentum in the core mainstream segment with increase in availability – cluster-based approach. Another key initiative driving the strong segment performance was focus on portionability with packs / format (limiting calorie. Intake per serve). New launches in the segment focused on driving premiumisation across brands – KitKat Dessert Delight, Munch Crisp Pop, and Milkybar Moosha Cocoa Crispies.
- ▶ **Exports:** Overall exports declined 10% YoY due to lower coffee exports to Turkey. Otherwise, exports to South Asia (Nepal, Bhutan, Bangladesh and Sri Lanka) registered a double-digit growth primarily driven by categories such as, Milk Products, Instant Coffee, Instant Noodles and Infant Nutrition. Other markets like UK, US & Canada and East Asia (Malaysia & Thailand) also delivered strong growth.

Figure 1: Nestle continues to focus on volume led growth

	CY2001-11	CY2012-14	CY2015	CY2016-19
	Volume led growth	Price led growth	Maggi crisis	Volume led growth
Revenue growth	14.9	9.7	(16.8)	9.3
Volume growth	10.9	0.7	(36.3)	9.6
Realisation growth	3.6	8.9	30.7	(0.3)
Segment performance				
Revenue growth				
Milk products and nutrition	15.2	10.9	2.1	6.8
Beverages	6.6	7.8	(0.3)	5.3
Prepared dishes and cooking aids	22.8	11.2	(55.6)	14.7
Chocolate and confectionery	15.3	4.5	(11.4)	12.0
Volume growth				
Milk products and nutrition	7.2	(2.9)	(2.7)	2.6
Beverages	(0.2)	(2.6)	(10.3)	6.1
Prepared dishes and cooking aids	18.6	5.1	(59.5)	14.3
Chocolate and confectionery	11.7	(8.0)	(19.5)	11.6
Realisation growth				
Milk products and nutrition	7.4	14.2	4.9	4.2
Beverages	6.9	10.7	11.2	(0.7)
Prepared dishes and cooking aids	3.6	5.8	9.5	0.4
Chocolate and confectionery	3.2	13.5	10.1	0.3

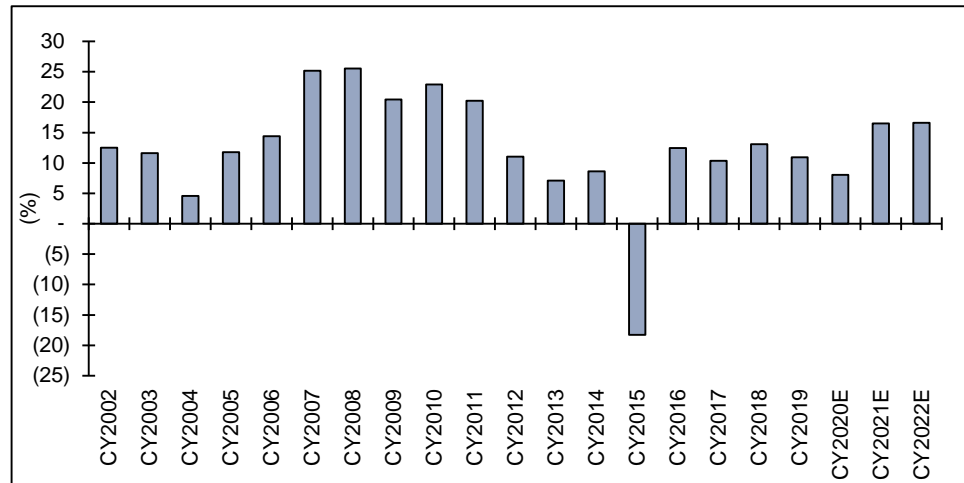
Source: Company data, I-Sec research

Figure 2: Net revenue growth



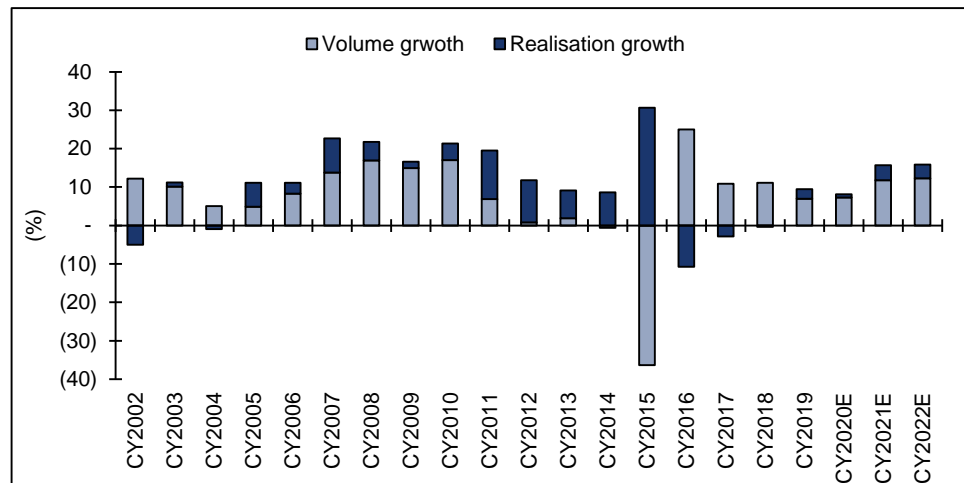
Source: Company data, I-Sec research

Figure 3: Domestic revenue growth



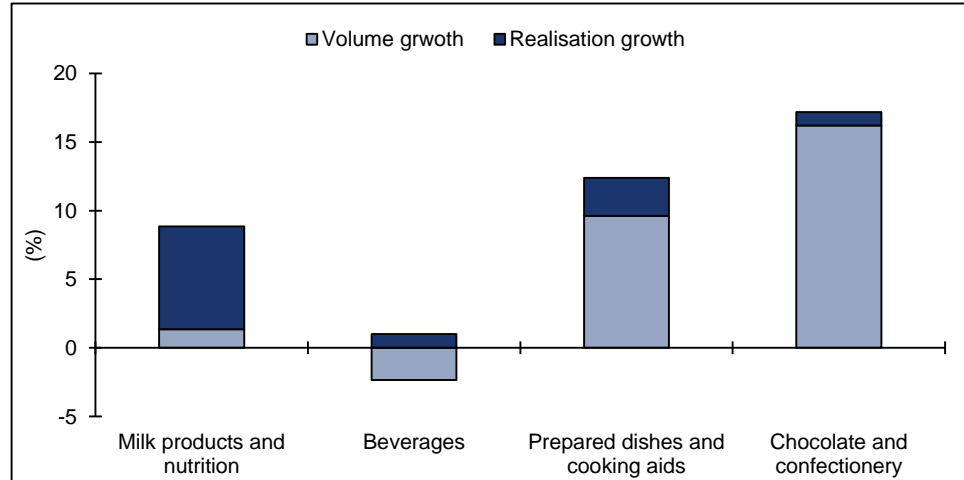
Source: Company data, I-Sec research

Figure 4: Volume and realisation growth



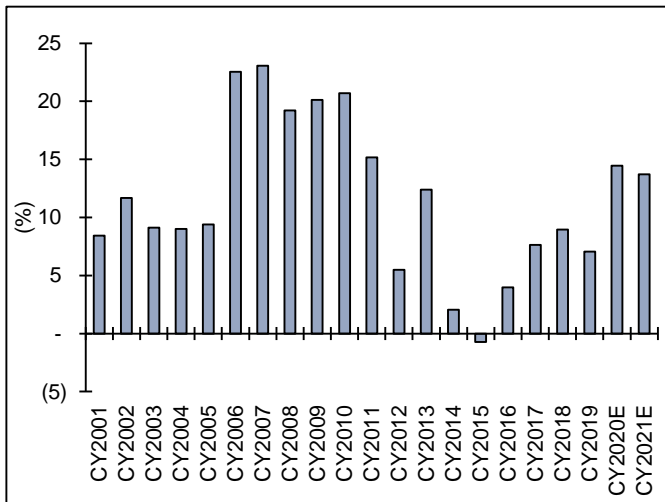
Source: Company data, I-Sec research

Figure 5: Category wise volume and realisation growth (CY19)



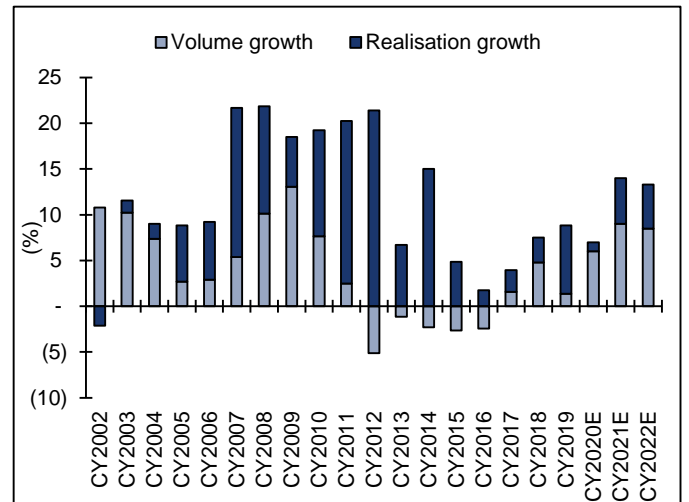
Source: Company data, I-Sec research

Figure 6: Milk products and nutrition – Value growth



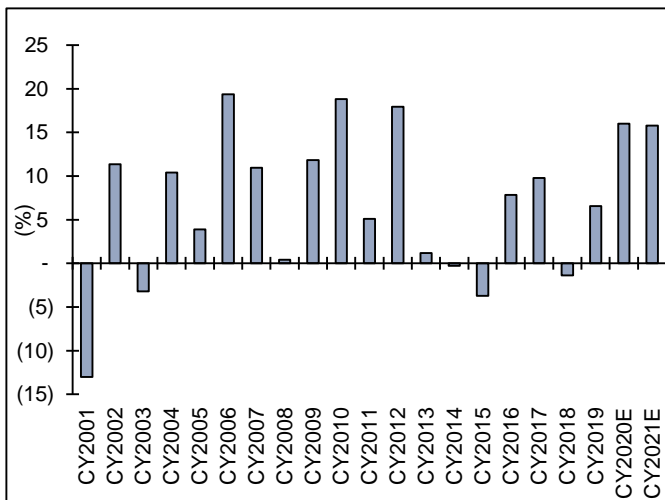
Source: Company data, I-Sec research

Figure 7: Milk products and nutrition – Volume and realisation growth



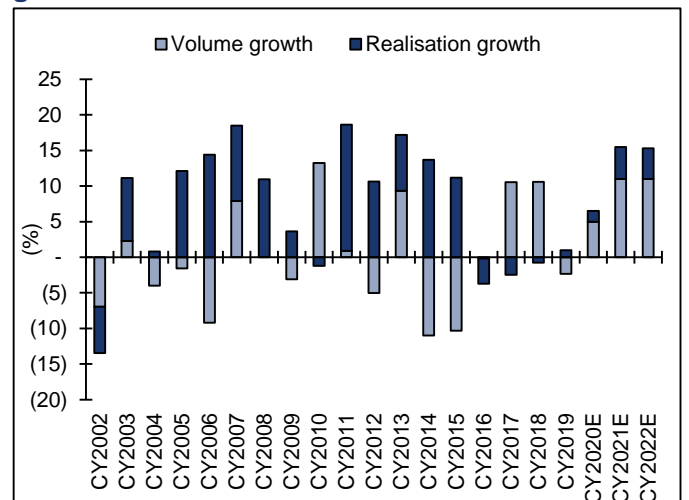
Source: Company data, I-Sec research

Figure 8: Beverages – Value growth



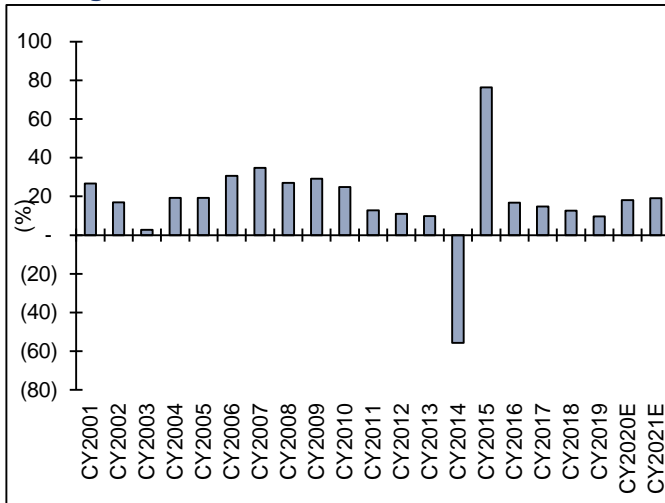
Source: Company data, I-Sec research

Figure 9: Beverages – Volume and realisation growth



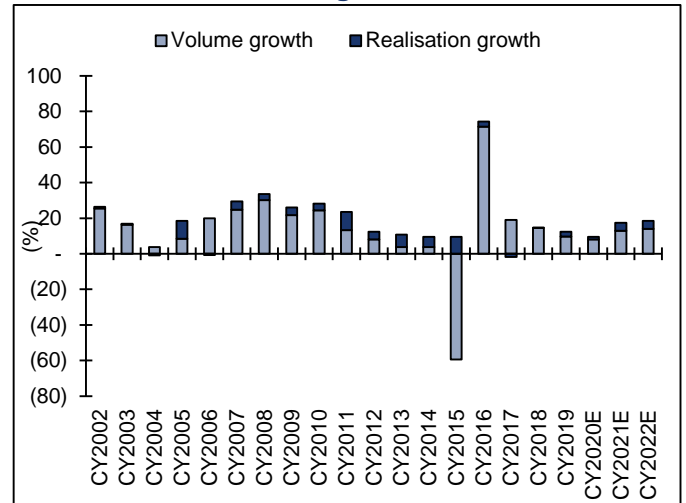
Source: Company data, I-Sec research

Figure 10: Prepared dishes and cooking aids – Value growth



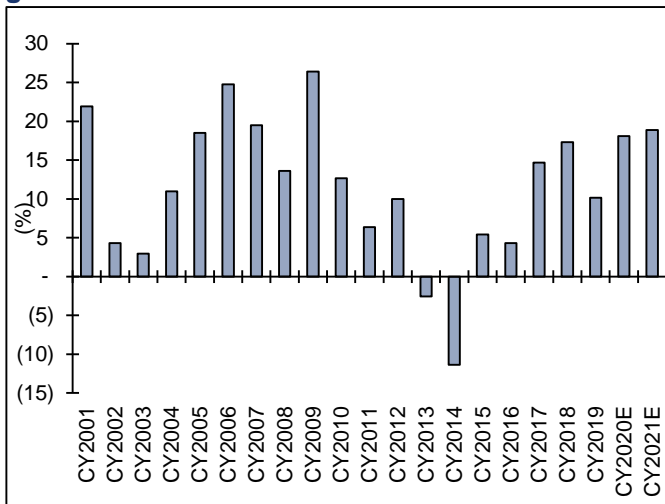
Source: Company data, I-Sec research

Figure 11: Prepared dishes and cooking aids – Volume and realisation growth



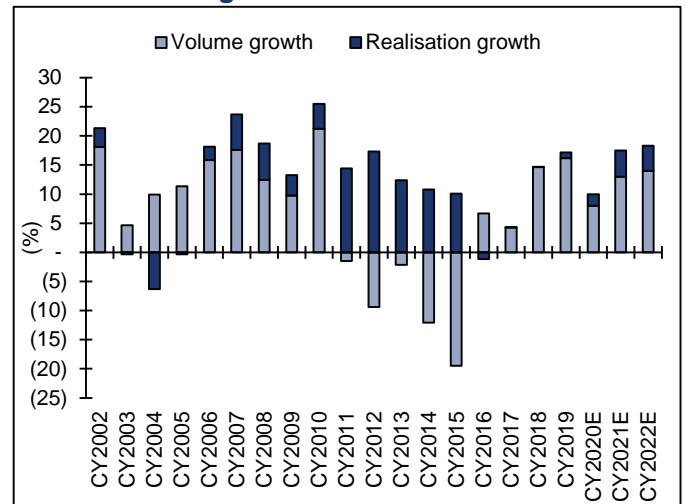
Source: Company data, I-Sec research

Figure 12: Chocolate and confectionery – Value growth



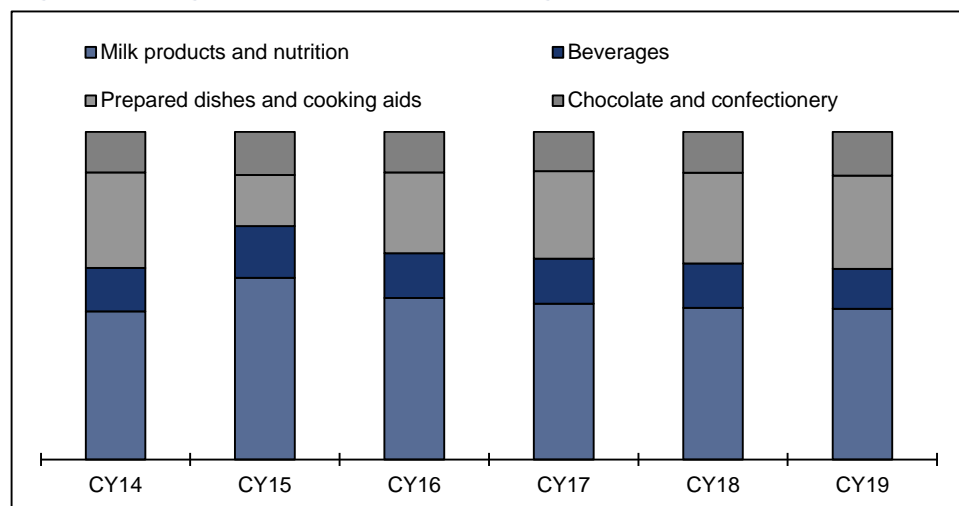
Source: Company data, I-Sec research

Figure 13: Chocolate and confectionery – Volume and realisation growth



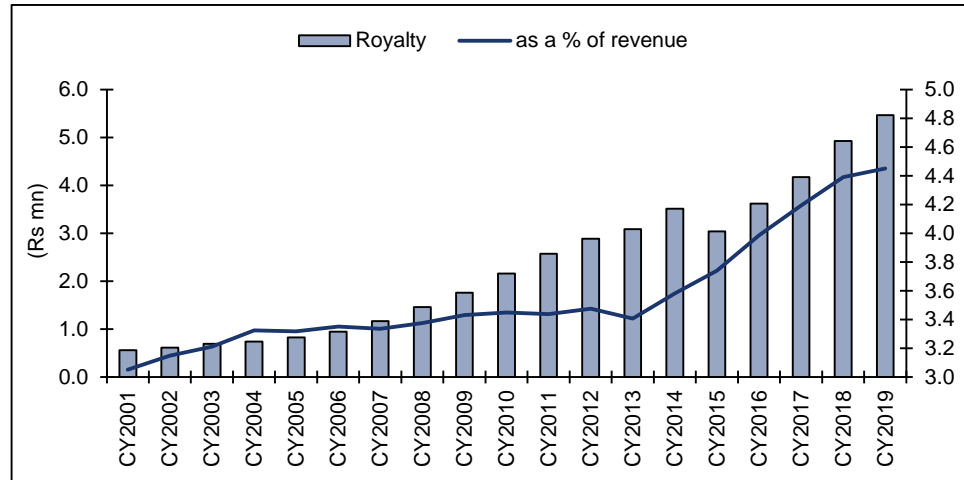
Source: Company data, I-Sec research

Figure 14: Segment contribution to categories



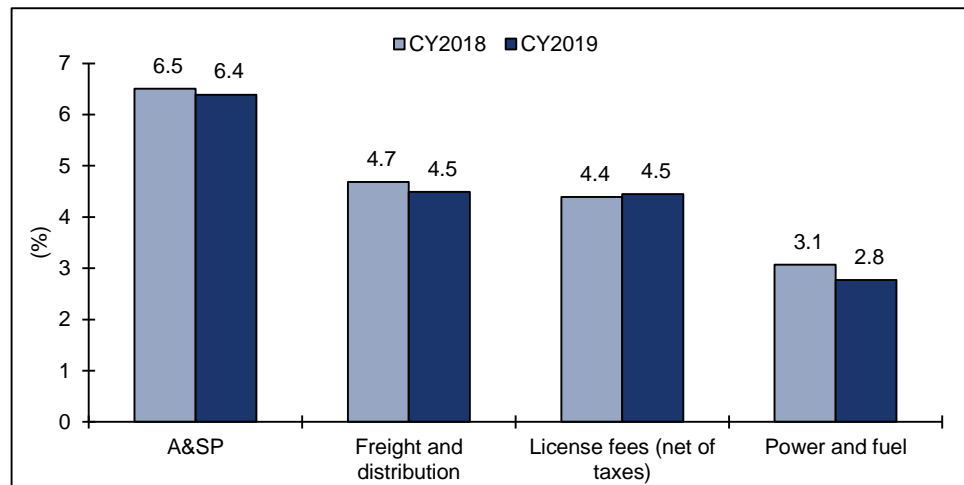
Source: Company data, I-Sec research

Figure 15: Royalty as a % of revenues



Source: Company data, I-Sec research

Figure 16: Continuation of high ad-spends



Source: Company data, I-Sec research

Figure 17: Innovations of Nestle in CY19

Category	Launches / Relaunches
Milk Products and Nutrition	Entry into Organic food category with launch of Organic Cereals under brand CERELAC and CEREGRW
	Launched first ever 'Ragi' variant under the brand CERELAC
	Introduced Nestle a+ Banglar Mishti Doi inspired by the regional delicacy of West Bengal
	Entered Weigh Management category with launch of OPTIFAST, a first of its kind scientifically designed meal replacement diet for people with weight concerns
	In Formula, re-launched LACTOGEN 1 with L. reuteri (probiotics)
	In the specialised formula segment, Pre-NAN was relaunched with DHA (Docosahexaenoic Acid) and ARA (Arahidionic Acid)
	Expanded its presence in Health Foods Drinks Category by launching world's no. 1 cocoa-malt beverage MILO in India
Prepared dishes and cooking aids	Expanded its offering in the ready-to-eat segment with the launch of MAGGI Upma and MAGGI Poha Launched Traditional Indian Breakfasts with MAGGI Poha and Upma
	Launched MAGGI Fusian Noodles, a range of Asian flavours inspired MAGGI Noodles, available in flavours such as Bangkok Sweet Chilli, Hong Kong Spicy Garlic, Singapore Tangy Pepper
	Sauce business also expanded its portfolio to cater to the increasing level of experimentation through launch of Chilli Garlic Sauce under Fusian Range
	Launched the website maggi.in, that positioned the brand as an 'ally in everyday cooking'
Beverages	Renovated NESCAFE Cappuccino range with an indulgent frothy recipe and a premium look to provide a delightful café-like experience
	Launched several packs to leverage e-commerce channel which included trendy merchandise like NESCAFE branded portable travel flask, the iconic red mug, a special cold coffee jar
	Entered new space of gifting with 'NESCAFE Coolest Cold Coffee Kit' in Rakshabandhan and 'NESCAFE Ultimate Coffee Kit' and 'NESCAFE Gold Coffee Connoisseur's Kit' in Diwali
	Launched Nestle Ready-to-Drink Iced Tea in tetra-pack format in Peach and Lemon flavours
Chocolate and confectionery	KITKAT accelerated its premiumisation journey with launch of most indulgent variant KITKAT DESSERT DELIGHT Rich chocolate fudge
	Launched MUNCH CRISP-POP in the coated wafer category which combined the exciting taste of caramel popcorn with the crunch of MUNCH
	Launched MILKYBAR MOOSHA Cocoa Crispies built on the familiar creamy taste of MILKYBAR with added crispy cocoa crispies
Nestle Professional (Out-of-Home)	Launched MAGGI Liquid Seasoning and MAGGI PROFESSIONAL Thai Curry Pastes (100% Vegetarian Red & Green curry pastes) to strengthen the Pan-Asian Restaurant segment
asknestle.in	Launched asknestle.in, a website that provides real-time and personalised advice on nutrition that can be customised for the audience. Parents can access a 'Growth Tracker' that enables them to track their children's growth.

Source: Company data, I-Sec research

Figure 18: Improved net working capital

	CY2014	CY2015	CY2016	CY2017	CY2018	CY2019
Working Capital (Rs mn)						
Inventory	8,441	8,208	9,401	9,025	9,656	12,831
Receivables	991	784	979	890	1,246	1,243
Loans and advances/Other financial assets	1,820	1,709	1,843	2,012	1,823	1,957
Other current assets	152	632	342	234	412	260
Creditors	7,287	7,494	7,992	9,846	12,404	14,947
Other current liabilities/financial liabilities	4,096	4,657	5,145	4,212	4,578	5,678
Provisions (ex-DDT)	16,017	16,478	20,260	23,791	26,222	29,924
Net Working Capital (ex-cash)	(15,996)	(17,296)	(20,832)	(25,689)	(30,067)	(34,258)
Cash Conversion	2,145	1,498	2,388	68	(1,502)	(873)
Working Capital (Days)						
Inventory	31	37	38	33	31	38
Receivables	4	4	4	3	4	4
Loans and advances	7	8	7	7	6	6
Other current assets	1	3	1	1	1	1
Creditors	27	34	32	36	40	44
Other current liabilities	15	21	21	15	15	17
Provisions (ex-DDT)	60	74	81	87	85	89
Net Working Capital (ex-cash)	(60)	(78)	(84)	(94)	(98)	(102)
Cash conversion cycle	8	7	10	0	(5)	(3)
Net Working Capital (% of sales)	(16.3)	(21.3)	(23.0)	(25.8)	(26.8)	(27.9)
Cash conversion cycle (% of sales)	2.2	1.8	2.6	0.1	(1.3)	(0.7)

Source: Company data, I-Sec research

Figure 19: RoE improved to 70% in CY19 from 45% in CY18 primarily driven by payment of special dividend

Fixed Assets (Rs mn)	CY2014	CY2015	CY2016	CY2017	CY2018	CY2019
Gross fixed assets (GFA)	50,090	28,979	30,951	33,584	34,854	36,092
CWIP	2,448	2,308	1,882	942	1,052	1,433
Capex	4,146	1,508	2,070	1,986	1,660	1,545
Capex as % of net revenues	4.2	1.9	2.3	2.0	1.5	1.3
Fixed Asset turn - Net revenues / GFA (x)	2.0	2.8	2.9	3.0	3.2	3.4
Return ratios (%)						
RoE	45	30	32	37	45	70
RoCE	24	18	20	21	25	33
Dividend						
Divided per share (Rs)	63	49	63	86	113	342
Dividend Payout, incl DDT (%)	60.5	100.0	73.0	81.5	81.7	198.2

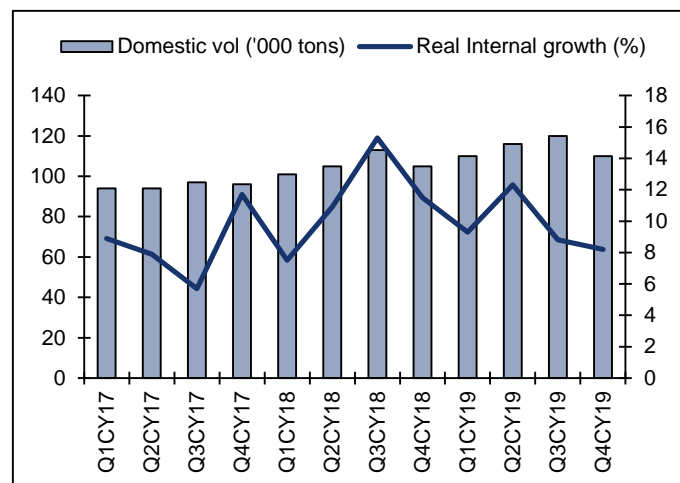
Source: Company data, I-Sec research

Figure 20: FCF grew 10% YoY to Rs 21 bn aided by 9% YoY jump in OCF, modest improvement in working capital and lower capex intensity

	CY2014	CY2015	CY2016	CY2017	CY2018	CY2019
Cash flow from operations (post-tax)	14,623	7,665	12,618	14,428	16,397	20,705
Change in net working capital	1,818	3,316	2,040	3,750	4,128	1,632
Capex (net)	(4,146)	(1,508)	(2,070)	(1,986)	(1,660)	(1,545)
Free cash flow	12,294	9,473	12,589	16,192	18,865	20,792
Cash from from investing	(3,121)	(5,463)	(4,184)	(1,306)	(524)	830
Cash from from financing	(16,353)	(4,983)	(6,656)	(9,966)	(13,174)	(35,400)
Net change in cash and equivalents	(3,034)	535	3,819	6,906	6,826	(12,233)
Cash Balance	4,458	4,996	8,800	14,574	16,101	13,081
Marketable investments	5,074	9,879	12,814	13,936	19,251	10,075
Cash & Equivalents	9,532	14,875	21,614	28,510	35,352	23,155
Growth in OCF, pre-WC changes (%)	(0.5)	(47.6)	64.6	14.3	13.6	26.3
Growth in FCF (%)	(15.3)	(22.9)	32.9	28.6	16.5	10.2
FCF as % of EBITDA	59.9	59.4	64.1	74.8	71.0	73.8
FCF as % of PAT	104.4	106.0	124.4	132.2	117.4	105.6

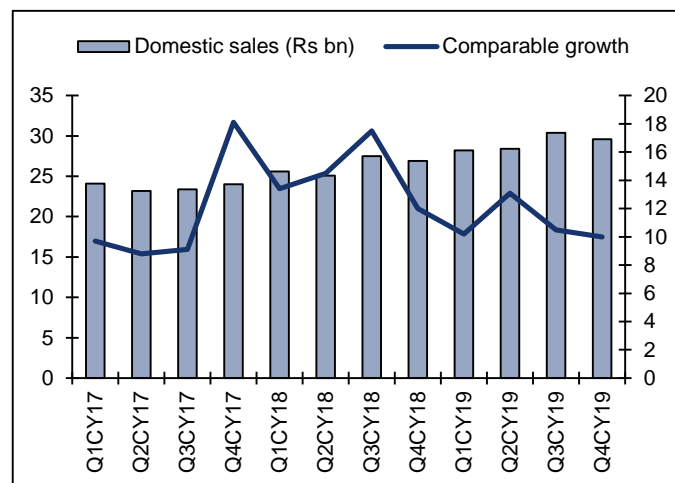
Source: Company data, I-Sec research

Figure 21: Domestic Volume



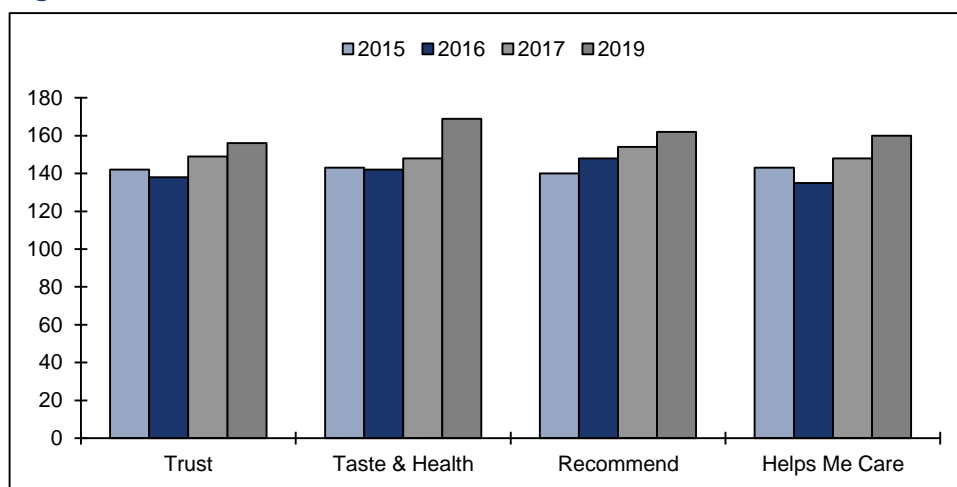
Source: Company data, I-Sec research

Figure 22: Domestic Sales



Source: Company data, I-Sec research

Figure 23: Trust with customers



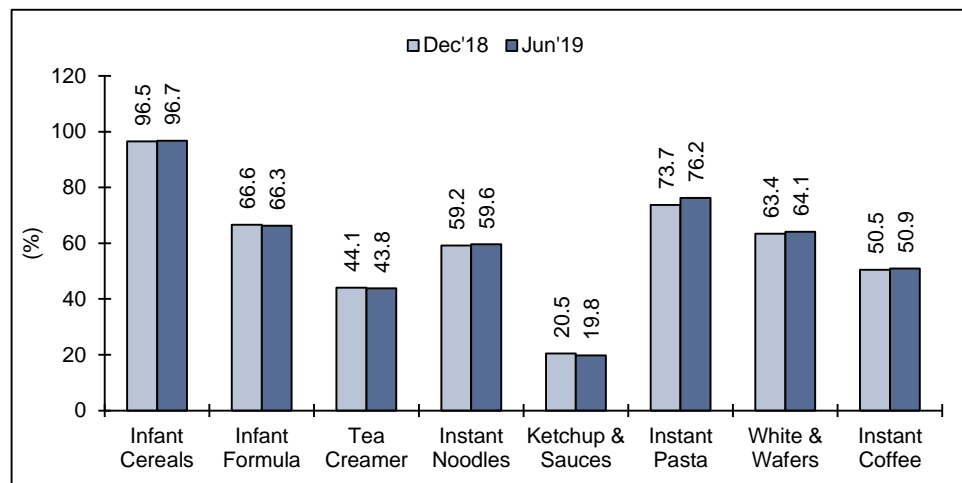
Source: Company data, I-Sec research

Figure 24: Leading market shares across categories

Category	Brand	Nestlé India Position
Infant Cereals		1
Infant Formula		1
Tea Creamer		1
Instant Noodles		1
Ketchups & Sauces		2
Instant Pasta		1
White & Wafers		1
Instant Coffee		1

Source: Company data, I-Sec research *YTD Dec'19

Figure 25: Market share across categories



Source: Company data, I-Sec research

Figure 26: Innovations in CY19

Continued focus on Innovation & Renovation 71 innovation since 2016



Source: Company data, I-Sec research

Figure 27: Nestle leveraging E-Commerce

Leveraging E-Commerce

Capturing our Opportunity



Source: Company data, I-Sec research

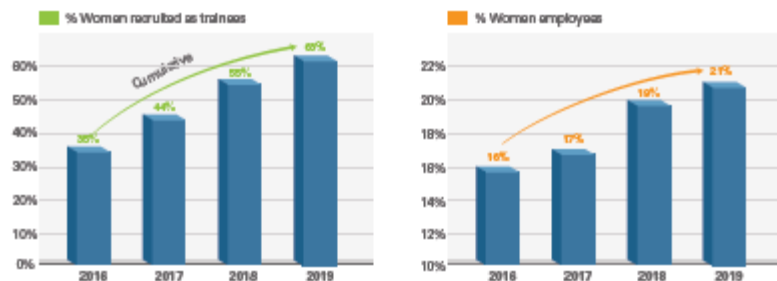
Figure 28: Committed to Make In India

Committed to Make in India
98% of what we sell is 'Made in India'

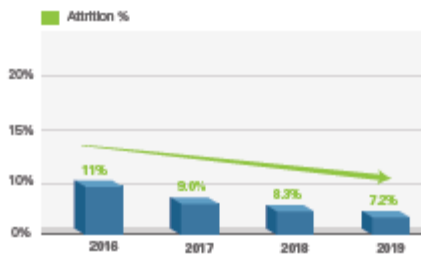


Source: Company data, I-Sec research

Figure 29: Gender Balance & Retention



Attrition

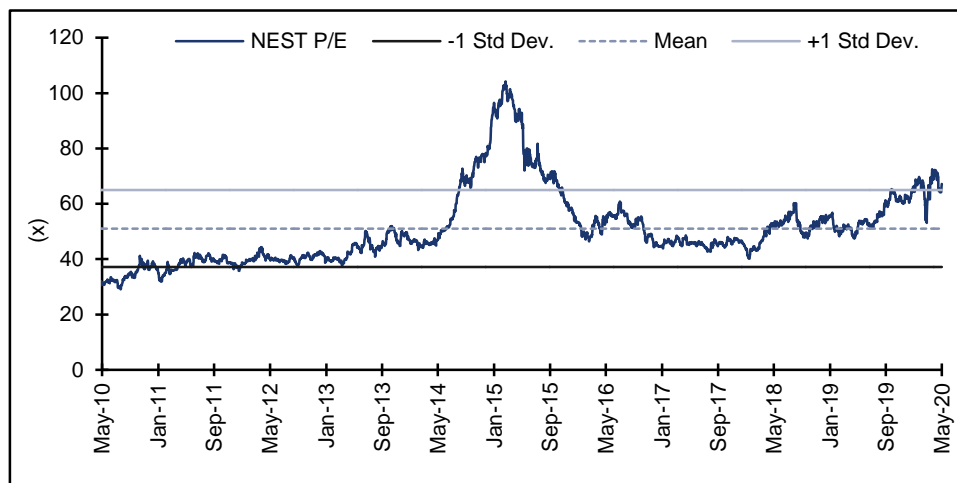


Key Practices & Positive Perception

- Travel benefit for mothers till the child turns 2
- Day Care Reimbursement Policy for kids up to 6 years
- Unconscious Bias Awareness for employees and for people managers
- Breaking the Taboo: Menstrual hygiene sessions in factories
- Only FMCG in Top 10 Most-attractive Employer Brands in India (Randstad Employer Brand Research 2019)

Source: Company data, I-Sec research

Figure 30: Mean P/E and standard deviations



Source: Company data, I-Sec research

Financial summary

Figure 31: Profit & Loss statement
(Rs mn, year ending December 31)

	CY19	CY20E	CY21E	CY22E
Net Sales	122,953	132,965	154,478	179,603
Operating Expenses	94,797	101,382	116,760	134,874
EBITDA	28,156	31,583	37,718	44,729
% margins	22.9	23.8	24.4	24.9
Depreciation & Amortisation	3,164	3,260	3,435	3,688
Gross Interest	1,198	1,271	1,462	1,691
Other Income	3,205	3,001	4,040	5,391
Recurring PBT	26,999	30,054	36,861	44,740
Less: Taxes	7,054	7,508	9,220	11,202
Less: Impairment/ Provisions	(249)	(261)	(274)	(288)
Net Income (Reported)	19,696	22,285	27,367	33,250
Extraordinaries (Net)	-	-	-	-
Recurring Net Income	19,696	22,285	27,367	33,250

Source: Company data, I-Sec research

Figure 32: Balance sheet
(Rs mn, year ending December 31)

	CY19	CY20E	CY21E	CY22E
Assets				
Total Current Assets	38,172	50,305	68,415	89,958
of which cash & cash eqv.	13,081	24,082	39,685	58,317
Total Current Liabilities & Provisions	21,475	23,297	27,151	31,665
Net Current Assets	16,697	27,008	41,264	58,293
Investments	8,710	8,814	9,037	9,297
Net Fixed Assets	22,267	20,545	20,200	19,924
Capital Work-in-Progress	1,433	1,433	1,433	1,433
Total Assets	49,107	57,801	71,934	88,948
Liabilities				
Borrowings	29,605	31,441	36,527	42,467
Deferred Tax Liability	180	180	180	180
Minority Interest	0	0	0	0
Equity Share Capital	964	964	964	964
Face Value per share (Rs)	10	10	10	10
Reserves & Surplus*	18,358	25,216	34,263	45,337
Less: Misc. Exp. n.w.o.	-	-	-	-
Net Worth	19,323	26,181	35,228	46,301
Total Liabilities	49,107	57,801	71,934	88,948

Source: Company data, I-Sec research

Figure 33: Quarterly trends
(Rs mn, year ending December 31)

	Jun 19	Sep 19	Dec 19	Mar 20
Net sales	29,828	31,993	31,307	33,058
% growth (YoY)	13.1	10.5	10.0	10.7
EBITDA	6,892	7,430	6,706	7,811
Margin (%)	23.1	23.2	21.4	23.6
Other income	726	564	447	429
Extraordinaries (Net)	-	-	-	-
Net profit	4,378	5,954	4,726	5,254

Source: Company data, I-Sec research

Figure 34: Cashflow statement
(Rs mn, year ending December 31)

	CY19	CY20E	CY21E	CY22E
Operating Cashflow	20,705	24,662	29,199	34,408
Working Capital	1,632	2,953	6,210	7,283
Changes	-	-	-	-
Capital Commitments	(1,545)	(1,538)	(3,090)	(3,412)
Free Cashflow	20,792	26,077	32,319	38,279
Cashflow from Investing Activities	830	615	(25)	808
Issue of Share Capital	-	-	-	-
Inc (Dec) in Borrowings	163	(1,802)	(1,462)	(1,691)
Dividend paid	(35,563)	(15,427)	(18,320)	(22,177)
Chg. in Cash & Bank balance	(12,233)	11,002	15,603	18,632
Closing cash & balance	13,081	24,082	39,685	58,317

Source: Company data, I-Sec research

Figure 35: Key ratios
(Year ending December 31)

	CY19	CY20E	CY21E	CY22E
Per Share Data (Rs)				
EPS	204.3	231.1	283.8	344.8
Cash EPS	237.1	264.9	319.5	383.1
Dividend per share (DPS)	342.0	160.0	190.0	230.0
Book Value per share (BV)	200.4	271.5	365.4	480.2
Growth (%)				
Net Sales	9.6	8.1	16.2	16.3
EBITDA	6.0	12.2	19.4	18.6
PAT	22.6	13.1	22.8	21.5
DPS	202.7	(53.2)	18.8	21.1
Valuation Ratios (x)				
P/E	83.2	73.5	59.9	49.3
P/CEPS	71.7	64.1	53.2	44.3
P/BV	84.8	62.6	46.5	35.4
EV / EBITDA	57.0	50.8	42.5	35.9
EV / Sales	13.0	12.1	10.4	8.9
Operating Ratios				
Raw Material / Sales (%)	42.5	42.0	41.7	41.6
Employee cost / Sales (%)	10.3	10.1	10.0	9.9
Other exps / Sales (%)	24.3	24.2	23.9	23.5
Other Income / PBT (%)	11.9	10.0	11.0	12.0
Effective Tax Rate (%)	26.4	25.2	25.2	25.2
Working Capital (days)	(27.9)	(28.0)	(28.1)	(28.2)
Inventory Turnover (days)	38.1	37.9	37.7	37.5
Receivables (days)	3.7	3.6	3.6	3.5
Payables (days)	44.4	44.6	44.8	45.0
Net D/E (x)	(1.6)	(1.6)	(1.6)	(1.6)
Profitability Ratios (%)				
Net Income Margins	16.0	16.8	17.7	18.5
RoACE	33.0	39.6	39.5	38.2
RoAE	70.3	97.9	89.1	81.6
Dividend Payout	198.2	69.2	66.9	66.7
Dividend Yield	0.9	1.1	1.4	1.6
EBITDA Margins	22.9	23.8	24.4	24.9

Source: Company data, I-Sec research

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