

# Divi's Laboratories

Estimate change



TP change



Rating change


**CMP: INR4,117**
**TP: INR4,850 (+18%)**
**BUY**

## On a stellar growth trajectory

### Multiple levers across Custom Synthesis/API/Nutraceuticals space

- DIVI delivered in line 4QFY21 earnings. It ended FY21 on a strong note, with 29%/57%/54% YoY growth in sales/EBITDA/PAT. New product development, ongoing capex, and strong prospects in Custom Synthesis (CS) provides confidence that the momentum in earnings growth will sustain over the next 2-3 years.
- We have raised our FY22E/FY23E EPS estimate by 4% each to reflect: a) scale-up in CS projects, b) enhanced capacity for APIs in the Generics segment, and c) better profitability on account of backward integration. We continue to value DIVI at 36x 12-month forward earnings to arrive at our TP of INR4,850. We remain positive on DIVI on the back of: a) sustained volume growth in base molecules, b) superior performance in niche categories of CS and Nutraceuticals, c) ability to work on complex Iodine based chemistry, and d) sufficient cash available to take up new projects. Reiterate **BUY**.

### Better sales growth and superior product mix led to strong earnings growth

- Revenue grew 29% YoY to INR17.9b (est. INR17.8b) in 4QFY21. The Nutraceuticals/CS segment (9%/40% of sales) grew 88%/25.5% YoY, driving overall sales growth in 4QFY21. The Generic API segment (51% of sales) grew 24% on a YoY basis.
- Gross margin expanded 460bp YoY to 67.5% due to superior product mix.
- EBITDA margin expanded at a higher rate (810bp YoY) to 40.1% (est. 42.1%) due to lower employee costs (-50bp as a percentage of sales) and other expenses (-310bp as a percentage of sales).
- EBITDA was up 61% YoY to INR7.2b (est. INR7.5b).
- Adjusted for forex gain (INR39m), PAT grew 59% YoY to INR5b (est. INR5.1b).
- Sales/EBITDA/PAT grew 29%/57%/54% YoY to INR70b/INR29b/INR20b in FY21.

### Highlights from the management commentary

- The court judgment in favor of DIVI would enable handing over of the remaining land and kick-starting the Kakinada project. Capex in this project is expected to be INR6b.
- With respect to Molnupiravir, DIVI has already commercialized one stream of production. It has a second stream of production under validation and is in the process of setting up a third production stream.
- DIVI has about 16 products under various phases of development, where the Formulation market size is ~USD10b and is expected to go off-patent over CY23-25.
- The Generics-to-custom synthesis share in sales was ~60:40 in 4QFY21.
- New brownfield DC and DCV SEZ units and debottlenecking/backward integration programs are fully operational now, thereby reducing the dependence for KSM on an external source. This has delivered benefits recently, given the ongoing pandemic situation.

Bloomberg	DIVI IN
Equity Shares (m)	265
M.Cap.(INRb)/(USDb)	1092.8 / 15.1
52-Week Range (INR)	4203 / 2095
1, 6, 12 Rel. Per (%)	3/-2/21
12M Avg Val (INR M)	3707

#### Financials & Valuations (INR b)

Y/E MARCH	2021	2022E	2023E
Sales	69.7	88.8	111.3
EBITDA	29.0	38.0	48.3
Adj. PAT	20.1	27.0	35.1
EBIT Margin (%)	37.9	39.4	40.4
Cons. Adj. EPS (INR)	75.6	101.7	132.1
EPS Gr. (%)	54.4	34.6	29.9
BV/Sh. (INR)	350.1	421.6	514.3

#### Ratios

Net D:E	-0.2	-0.3	-0.3
RoE (%)	24.2	26.4	28.2
RoCE (%)	24.2	26.4	28.2
Payout (%)	32.3	29.8	29.8

#### Valuations

P/E (x)	54.6	40.6	31.2
EV/EBITDA (x)	37.0	27.8	21.7
Div. Yield (%)	0.5	0.6	0.8
FCF Yield (%)	1.0	2.1	1.9
EV/Sales (x)	15.4	11.9	9.4

#### Shareholding pattern (%)

As On	Mar-21	Dec-20	Mar-20
Promoter	52.0	52.0	52.0
DII	16.7	16.9	15.6
FII	19.9	20.4	19.1
Others	11.5	10.8	13.4

FII Includes depository receipts

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**Investors are advised to refer through important disclosures made at the last page of the Research Report.**

 Motilal Oswal research is available on [www.motilaloswal.com/Institutional-Equities](http://www.motilaloswal.com/Institutional-Equities), Bloomberg, Thomson Reuters, Factset and S&P Capital.

## Valuation and view

- We raise our FY22E/FY23E EPS estimate by 4% each to factor in: a) better business outlook in CS as well as the Generics segment, and b) cost reduction on account of technology upgradation.
- We expect a 32% earnings CAGR over FY21-23E, led by increased business prospects from CS and Generics, improved growth in Nutraceuticals, new product additions over the near term, as well as ~180bp margin expansion on process and productivity improvements.
- We continue to value DIVI at 36x 12-month forward earnings to arrive at our TP of INR4,850.
- We reiterate our BUY rating supported by promising demand prospects and multiple growth levers: a) growth in existing molecules, b) new product additions, c) manufacturing efficiency, d) strong and established relationships with big Pharma companies in the CS segment and enhanced demand prospects in Nutraceuticals, and e) scale led cost advantages.

## Quarterly performance

Y/E March	FY20				FY21				FY20	FY21	FY21	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE	(%)
<b>Net Sales</b>	<b>11,629</b>	<b>14,456</b>	<b>13,963</b>	<b>13,897</b>	<b>17,305</b>	<b>17,493</b>	<b>17,014</b>	<b>17,882</b>	<b>53,944</b>	<b>69,694</b>	<b>17,808</b>	<b>0.4</b>
YoY Change (%)	16.8	9.2	2.7	9.7	48.8	21.0	21.9	28.7	9.1	29.2	28.1	
Total Expenditure	7,696	9,350	9,024	9,453	10,304	9,926	9,762	10,719	35,523	40,711	10,319	
<b>EBITDA</b>	<b>3,933</b>	<b>5,106</b>	<b>4,939</b>	<b>4,445</b>	<b>7,001</b>	<b>7,568</b>	<b>7,252</b>	<b>7,163</b>	<b>18,422</b>	<b>28,983</b>	<b>7,490</b>	<b>-4.4</b>
YoY Change (%)	11.6	-2.1	-7.3	-4.4	78.0	48.2	46.8	61.2	-1.6	57.3	68.5	
Margin (%)	33.8	35.3	35.4	32.0	40.5	43.3	42.6	40.1	34.1	41.6	42.1	
Depreciation	438	459	467	498	562	611	682	701	1,862	2,556	832	
<b>EBIT</b>	<b>3,494</b>	<b>4,646</b>	<b>4,472</b>	<b>3,947</b>	<b>6,439</b>	<b>6,956</b>	<b>6,570</b>	<b>6,462</b>	<b>16,559</b>	<b>26,427</b>	<b>6,657</b>	<b>-2.9</b>
YoY Change (%)	12.4	-3.0	-8.8	-6.6	84.3	49.7	46.9	63.7	-2.8	59.6	68.7	
Interest	3	38	16	4	2	2	3	2	61	9	12	
Other Income	303	338	237	196	125	136	168	196	1,075	626	161	
<b>PBT before EO Income</b>	<b>3,794</b>	<b>4,947</b>	<b>4,694</b>	<b>4,139</b>	<b>6,562</b>	<b>7,091</b>	<b>6,736</b>	<b>6,656</b>	<b>17,573</b>	<b>27,044</b>	<b>6,806</b>	
Forex gain/(Loss)	-61	-68	180	571	48	-156	-315	39	621	-384	0	
<b>PBT</b>	<b>3,733</b>	<b>4,879</b>	<b>4,873</b>	<b>4,710</b>	<b>6,610</b>	<b>6,935</b>	<b>6,421</b>	<b>6,695</b>	<b>18,195</b>	<b>26,660</b>	<b>6,806</b>	<b>-1.6</b>
Tax	1,009	1,311	1,282	827	1,689	1,739	1,715	1,675	4,429	6,818	1,737	
Rate (%)	27.0	26.9	26.3	17.6	25.6	25.1	26.7	25.0	24.3	25.6		
<b>PAT</b>	<b>2,724</b>	<b>3,568</b>	<b>3,591</b>	<b>3,882</b>	<b>4,921</b>	<b>5,196</b>	<b>4,706</b>	<b>5,021</b>	<b>13,765</b>	<b>19,843</b>	<b>5,069</b>	<b>-0.9</b>
<b>Adj. PAT</b>	<b>2,769</b>	<b>3,618</b>	<b>3,459</b>	<b>3,145</b>	<b>4,818</b>	<b>5,313</b>	<b>4,937</b>	<b>4,992</b>	<b>12,991</b>	<b>20,062</b>	<b>5,069</b>	<b>-1.5</b>
YoY Change (%)	11.7	-1.1	-11.2	-3.6	74.0	46.9	42.7	58.7	-2.2	54.4	61.2	
Margin (%)	23.4	24.7	25.7	27.9	28.4	29.7	27.7	28.1	25.5	28.5	28.5	

Y/E March	FY20				FY21				FY20	FY21	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q			4QE
<b>Cost Break-up</b>											
RM Cost (% of Sales)	38.9	41.1	39.2	37.1	32.9	31.0	32.5	32.0	33.3	31.0	28.2
Staff Cost (% of Sales)	12.1	10.4	11.2	12.5	11.0	11.7	12.0	10.6	11.4	12.0	14.5
Other Expenses (% of Sales)	15.2	13.2	14.2	18.5	12.8	14.7	15.4	12.0	13.7	14.2	17.2
Tax rate (%)	27.0	26.9	26.3	17.6	25.1	26.7	25.0	25.6	25.6	24.3	22.4
Gross Margin (%)	61.1	58.9	60.8	62.9	67.1	69.0	67.5	68.0	66.7	69.0	71.8
EBITDA Margin (%)	33.8	35.3	35.4	32.0	40.5	43.3	42.6	40.1	34.1	41.6	42.1
EBIT Margin (%)	30.0	32.1	32.0	28.4	37.2	39.8	38.6	36.1	30.7	37.9	37.4



## Highlights from the management commentary

- DIVI saw constant currency growth of 31%/24% in 4Q/FY21.
- The Nutraceuticals segment clocked sales of INR1.6b/INR6b in 4Q/FY21.
- It is currently operating at 86% capacity utilization.
- Capacity ramp-up for products like Levodopa, Pregabalin, Mesalamine, and Carbidopa are complete.
- The company has capitalized assets worth INR12b. Capital work-in-progress stands at INR7b.
- The US/EU constituted 71% of sales in 4QFY21.

## Bright outlook on all fronts

### Scale-up in legacy products and new introductions to drive growth in the Generic API segment

- DIVI has had a successful track record, with leading market share in the supply of large volume APIs, on the back of pro-active capacity addition, technology upgrades driving cost-efficiency, consistent compliance, as well as robust supply chain management. It is still supplying the products it started operations with, showing both its strength in these products, in addition to continuing demand for its legacy products.
- Its next leg of growth is expected to come from 16 new molecules it is currently working on. Development and validation of some products have been completed, with DIVI currently at the capex planning stage. Particularly Iohexol, which is under validation, is an interesting product. Given that it finds application in the Contrast Media space and has only three DMF filers to date, it offers reasonable business opportunity for DIVI. It has begun validation of a few Contrast Media products.
- We expect the above factors to result in 24% Generic API segment sales CAGR to INR55b over FY21-23E.

### Partner of choice in Custom Synthesis

- DIVI has built its CRAMS business based on its long-standing relationship with big Pharma companies. It has a long-standing relationship with six of the top 10 Pharma innovators.
- The global Contract Research and Manufacturing Services (CRAMS) industry is expected to witness 9% CAGR over CY19-23 on new investments in R&D (as patent drugs lose their exclusivity) and increased demand for prescription drugs. Global spending on medicines touched USD1.3t in CY19, and is expected to grow at 4-5% CAGR to USD1.5t over CY19-23E.
- DIVI can supply both clinical quantities and at a large commercial scale. It is thus able to support innovators from the API research phase to commercial manufacturing. It recently worked with MSD on Molnupiravir and was able to start supplying commercial quantities in 6-9 months, showcasing its ability to be nimble and flexible as well as being the innovators' preferred choice for large volume supplies.
- Given its technical leadership and large-scale facilities, we expect 29% CAGR in CS to INR47b over FY21-23.

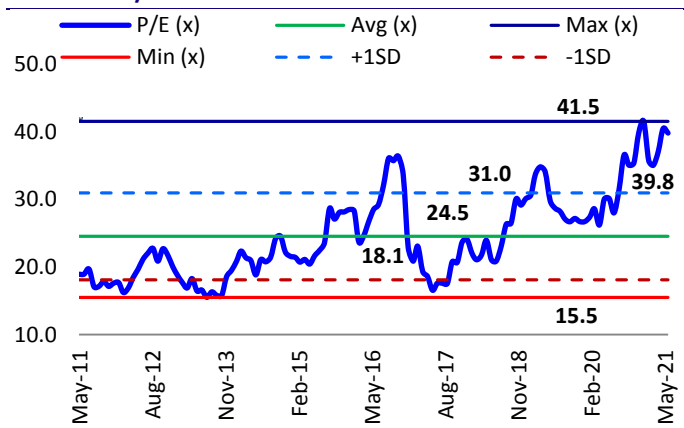
**Capex benefits kicking in; Kakinada expansion on the cards**

- DIVI has invested ~INR25b on capex since FY18. Around INR7b of capex is WIP, which will be completed over the medium term.
- With legal clearance for the Kakinada project, it would start the capex exercise, with an initial spent of INR6b.
- To build capacity for new introductions/base products, it incurred a capex to increase backward integration as well. It has built an appropriate foundation to improve sales growth and enhance profitability.

**Well-positioned to deliver strong earnings CAGR over the next two years**

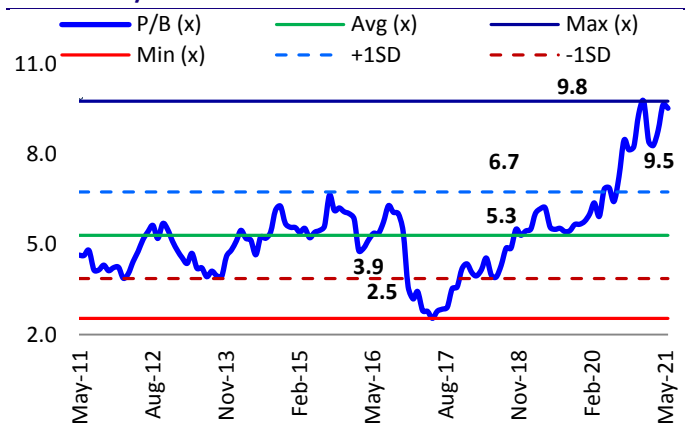
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- We reiterate our BUY rating, supported by promising demand prospects and multiple growth levers: a) growth in existing molecules, b) new product additions, c) manufacturing efficiency, d) strong and established relationships with big Pharma companies in the CS segment and enhanced demand prospects in Nutraceuticals, and e) scale led cost advantages.

**Exhibit 1: P/E chart**



Source: MOFSL, Company, Bloomberg

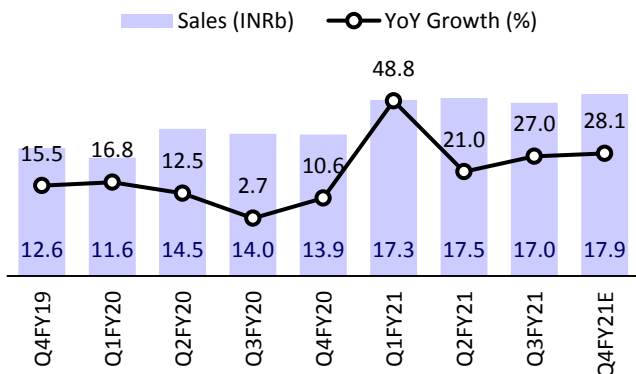
**Exhibit 2: P/B chart**



Source: MOFSL, Company, Bloomberg

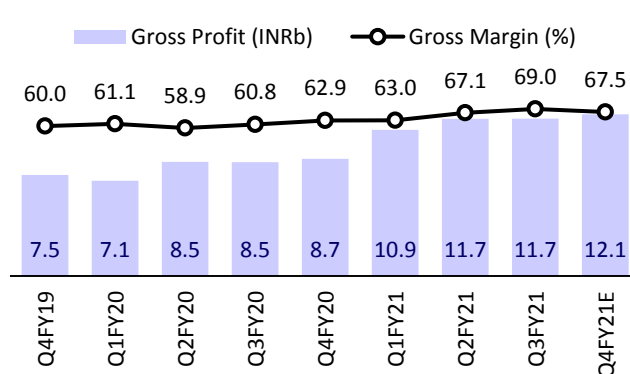
## Story in charts

**Exhibit 3: Revenue up 28% YoY in 4QFY21**



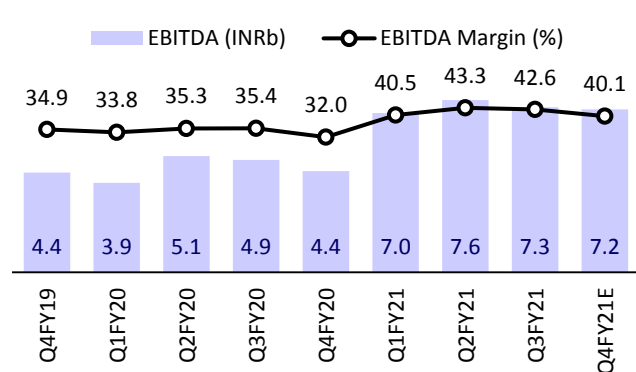
Source: Company, MOFSL

**Exhibit 4: Gross margin up 460bp YoY**



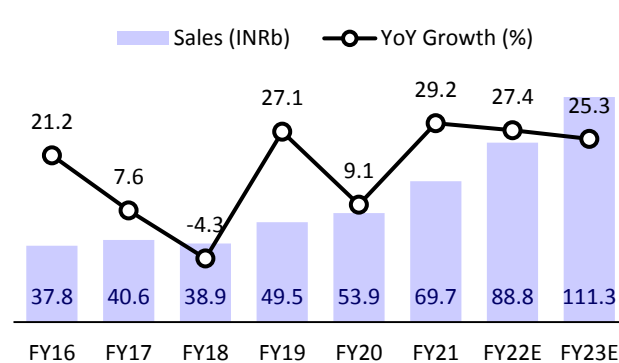
Source: Company, MOFSL

**Exhibit 5: EBITDA margin up 810bp YoY in 4QFY21**



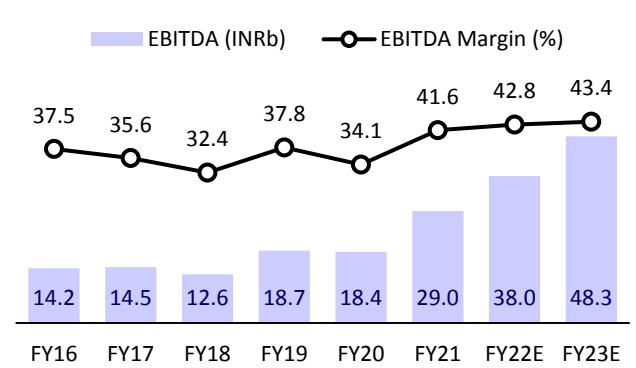
Source: Company, MOFSL

**Exhibit 6: Expect ~26% revenue CAGR over FY21-23E**



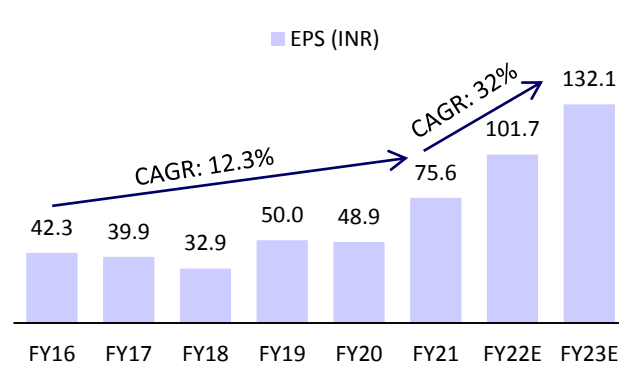
Source: Company, MOFSL

**Exhibit 7: EBITDA margin to expand 180bp over FY21-23E**



Source: Company, MOFSL

**Exhibit 8: EPS to exhibit ~32% CAGR over FY21-23E**



Source: Company, MOFSL

## Financials and valuations

Income Statement							(INR m)	
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	
<b>Total Income from Operations</b>	<b>40,643</b>	<b>38,915</b>	<b>49,463</b>	<b>53,944</b>	<b>69,694</b>	<b>88,822</b>	<b>111,327</b>	
Change (%)	7.6	-4.3	27.1	9.1	29.2	27.4	25.3	
<b>Total Expenditure</b>	<b>26,183</b>	<b>26,298</b>	<b>30,744</b>	<b>35,523</b>	<b>40,711</b>	<b>50,806</b>	<b>63,011</b>	
% of Sales	64.4	67.6	62.2	65.9	58.4	57.2	56.6	
<b>EBITDA</b>	<b>14,460</b>	<b>12,617</b>	<b>18,719</b>	<b>18,422</b>	<b>28,983</b>	<b>38,016</b>	<b>48,316</b>	
Margin (%)	35.6	32.4	37.8	34.1	41.6	42.8	43.4	
Depreciation	1,233	1,425	1,689	1,862	2,556	3,054	3,370	
<b>EBIT</b>	<b>13,227</b>	<b>11,192</b>	<b>17,030</b>	<b>16,559</b>	<b>26,427</b>	<b>34,962</b>	<b>44,946</b>	
Int. and Finance Charges	23	13	35	61	9	0	0	
Other Income	737	1,090	1,220	1,075	626	711	891	
<b>PBT bef. EO Exp.</b>	<b>13,942</b>	<b>12,269</b>	<b>18,215</b>	<b>17,573</b>	<b>27,044</b>	<b>35,672</b>	<b>45,836</b>	
EO Items	-12	-44	-336	621	384	0	0	
<b>PBT after EO Exp.</b>	<b>13,953</b>	<b>12,313</b>	<b>18,551</b>	<b>16,952</b>	<b>26,660</b>	<b>35,672</b>	<b>45,836</b>	
Total Tax	3,349	3,543	5,023	4,429	6,818	8,668	10,771	
Tax Rate (%)	24.0	28.8	27.1	26.1	25.6	24.3	23.5	
<b>Reported PAT</b>	<b>10,604</b>	<b>8,770</b>	<b>13,527</b>	<b>12,523</b>	<b>19,843</b>	<b>27,004</b>	<b>35,065</b>	
<b>Adjusted PAT</b>	<b>10,595</b>	<b>8,739</b>	<b>13,282</b>	<b>12,991</b>	<b>20,062</b>	<b>26,997</b>	<b>35,058</b>	
Change (%)	-5.7	-17.5	52.0	-2.2	54.4	34.6	29.9	
Margin (%)	26.1	22.5	26.9	24.1	28.8	30.4	31.5	

### Balance Sheet

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Equity Share Capital	531	531	531	531	531	531	531
Total Reserves	53,043	58,717	69,041	72,568	92,415	1,11,375	1,35,995
<b>Net Worth</b>	<b>53,574</b>	<b>59,248</b>	<b>69,572</b>	<b>73,099</b>	<b>92,946</b>	<b>1,11,906</b>	<b>1,36,526</b>
Total Loans	357	631	1,056	389	4	4	4
Deferred Tax Liabilities	1,228	1,917	2,188	2,696	3,348	3,348	3,348
<b>Capital Employed</b>	<b>55,160</b>	<b>61,796</b>	<b>72,816</b>	<b>76,184</b>	<b>96,298</b>	<b>1,15,258</b>	<b>1,39,877</b>
Gross Block	17,940	23,735	26,339	35,143	46,919	56,604	65,941
Less: Accum. Deprn.	2,348	3,773	5,462	7,324	9,880	12,934	16,304
<b>Net Fixed Assets</b>	<b>15,592</b>	<b>19,962</b>	<b>20,878</b>	<b>27,819</b>	<b>37,039</b>	<b>43,670</b>	<b>49,637</b>
Capital WIP	4,436	1,198	4,919	9,197	7,106	5,421	6,084
Total Investments	16,307	18,893	19,456	9,714	0	0	0
<b>Curr. Assets, Loans and Adv.</b>	<b>25,215</b>	<b>27,796</b>	<b>35,106</b>	<b>38,584</b>	<b>63,563</b>	<b>80,507</b>	<b>1,01,586</b>
Inventory	13,199	13,507	17,723	18,639	21,452	29,231	29,348
Account Receivables	9,009	10,144	11,634	14,134	16,765	21,901	26,535
Cash and Bank Balance	787	1,125	1,153	1,226	21,560	24,550	39,656
Loans and Advances	2,220	3,021	4,597	4,586	3,786	4,825	6,047
<b>Curr. Liability and Prov.</b>	<b>6,390</b>	<b>6,053</b>	<b>7,543</b>	<b>9,130</b>	<b>11,411</b>	<b>14,340</b>	<b>17,429</b>
Account Payables	4,713	4,327	5,320	6,626	7,632	9,524	11,394
Other Current Liabilities	1,511	1,540	2,039	2,174	3,501	4,462	5,592
Provisions	166	186	185	329	278	354	443
<b>Net Current Assets</b>	<b>18,825</b>	<b>21,743</b>	<b>27,563</b>	<b>29,455</b>	<b>52,153</b>	<b>66,167</b>	<b>84,156</b>
<b>Appl. of Funds</b>	<b>55,160</b>	<b>61,796</b>	<b>72,816</b>	<b>76,184</b>	<b>96,298</b>	<b>1,15,258</b>	<b>1,39,877</b>

## Financials and valuations

Ratios	(INR m)						
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
<b>Basic (INR)</b>							
<b>EPS</b>	<b>39.9</b>	<b>32.9</b>	<b>50.0</b>	<b>48.9</b>	<b>75.6</b>	<b>101.7</b>	<b>132.1</b>
Cash EPS	44.6	38.3	56.4	56.0	85.2	113.2	144.8
BV/Share	201.8	223.2	262.1	275.4	350.1	421.6	514.3
DPS	10.0	10.0	10.0	16.0	20.0	25.1	32.6
Payout (%)	30.1	36.4	23.7	40.9	32.3	29.8	29.8
<b>Valuation (x)</b>							
P/E	103.3	125.3	82.4	84.3	54.6	40.6	31.2
Cash P/E	92.6	107.7	73.1	73.7	48.4	36.4	28.5
P/BV	20.4	18.5	15.7	15.0	11.8	9.8	8.0
EV/Sales	26.9	28.1	22.1	20.3	15.4	12.1	9.5
EV/EBITDA	75.7	86.7	58.5	59.4	37.0	28.2	21.8
Dividend Yield (%)	0.2	0.2	0.2	0.4	0.5	0.6	0.8
FCF per share	29.1	18.9	8.3	1.2	39.1	38.9	92.9
<b>Return Ratios (%)</b>							
RoE	22.0	15.5	20.6	18.2	24.2	26.4	28.2
RoCE	21.8	15.4	20.4	18.1	24.2	26.4	28.2
RoIC	30.3	21.5	28.3	23.7	31.8	34.6	38.3
<b>Working Capital Ratios</b>							
Asset Turnover (x)	0.7	0.6	0.7	0.7	0.7	0.8	0.8
Inventory (Days)	119	127	131	123	112	120	96
Debtor (Days)	81	95	86	96	88	90	87
Creditor (Days)	42	41	39	45	40	39	37
<b>Leverage Ratio (x)</b>							
Net Debt/Equity	-0.3	-0.3	-0.3	-0.1	-0.2	-0.22	-0.3

Cash Flow Statement	(INR m)						
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
OP/(Loss) before Tax	13,953	12,313	18,551	16,952	26,660	35,672	45,836
Depreciation	1,233	1,425	1,689	1,862	2,556	3,054	3,370
Interest and Finance Charges	-32	-30	-40	-6	-564	-710	-890
Direct Taxes Paid	-3,017	-2,686	-4,844	-4,452	-6,443	-8,668	-10,771
(Inc.)/Dec. in WC	-371	-2,191	-4,998	-2,183	-2,641	-11,024	-2,883
<b>CF from Operations</b>	<b>11,766</b>	<b>8,831</b>	<b>10,357</b>	<b>12,174</b>	<b>19,569</b>	<b>18,323</b>	<b>34,661</b>
Others	-262	-1,073	-814	-14	-100	0	0
<b>CF from Operating incl. EO</b>	<b>11,504</b>	<b>7,759</b>	<b>9,543</b>	<b>12,160</b>	<b>19,469</b>	<b>18,323</b>	<b>34,661</b>
(Inc.)/Dec. in FA	-3,767	-2,738	-7,331	-11,829	-9,101	-8,000	-10,000
<b>Free Cash Flow</b>	<b>7,737</b>	<b>5,021</b>	<b>2,213</b>	<b>331</b>	<b>10,368</b>	<b>10,323</b>	<b>24,661</b>
(Pur.)/Sale of Investments	-8,289	-2,559	-291	10,336	9,740	0	0
Others	659	513	767	658	112	711	891
<b>CF from Investments</b>	<b>-11,396</b>	<b>-4,784</b>	<b>-6,854</b>	<b>-835</b>	<b>751</b>	<b>-7,289</b>	<b>-9,109</b>
Inc./(Dec.) in Debt	0	0	776	-612	-333	0	0
Interest Paid	-23	-13	-35	-61	-9	0	0
Dividend Paid	0	-3,192	-3,200	-10,241	0	-8,044	-10,445
<b>CF from Fin. Activity</b>	<b>24</b>	<b>-3,142</b>	<b>-2,459</b>	<b>-10,914</b>	<b>-349</b>	<b>-8,044</b>	<b>-10,445</b>
<b>Inc./Dec. in Cash</b>	<b>132</b>	<b>-167</b>	<b>230</b>	<b>411</b>	<b>19,871</b>	<b>2,989</b>	<b>15,106</b>
Opening Balance	734	787	1,124	1,153	1,227	21,560	24,550
<b>Closing Balance</b>	<b>866</b>	<b>620</b>	<b>1,354</b>	<b>1,564</b>	<b>21,097</b>	<b>24,550</b>	<b>39,656</b>
Forex and other adjustments	-79	504	-201	-337	463		
<b>Total Cash and Cash Eq.</b>	<b>787</b>	<b>1,124</b>	<b>1,153</b>	<b>1,227</b>	<b>21,560</b>	<b>24,550</b>	<b>39,656</b>

NOTES



Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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