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Q4FY22 result and TP  
change

## Logistics

Target price: Rs102

Target price revision

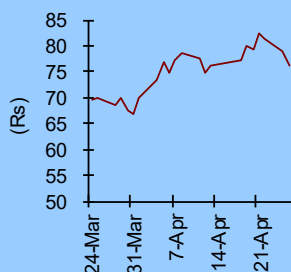
Rs102 from Rs83

### Shareholding pattern

|                         | Mar '22 |
|-------------------------|---------|
| Promoters               | 32.1    |
| Institutional investors | 52.2    |
| MFs and other           | 27.3    |
| Banks & FIs             | 1.1     |
| Insurance               | 4.0     |
| FIs                     | 19.8    |
| Others                  | 15.7    |

Source: BSE

### Price chart



# Gateway Distriparks

**BUY**

**Maintain**

## Gains market share in EXIM rail container volumes **Rs76**

Gateway Distriparks (GDL) continued to impress with an industry leading rail container volume growth (16% YoY growth for Q4FY22; 34% YoY growth for FY22). GDL has been gaining significant market share in the NCR despite heightened competition quarter after quarter, without compromising on realisation or EBITDA/te. Even adjusting for Rs120mn of compensation received on land parcel sales adjacent to Garhi Harsaru, rail EBITDA/teu was ~Rs9,000 for the quarter; management expects the same to be maintained over FY23E. Market share of GDL in the NCR has crossed ~15% (up > 300bps YoY) despite significant competitive intensity (~ 15 ICDs in NCR). Market share in Ludhiana is maintained despite ~8 ICDs operating in the region. Management expects to pass on the cost impact on account of Indian Railways removing 5% rebate over haulage of loaded containers and 25% rebate over haulage of empty containers. We maintain BUY with a revised target price of Rs102/share (Rs 83/share earlier).

- ▶ **GDL achieved EXIM volume increase of ~19% YoY in Q4FY22 while rail and port EXIM container volumes have increased by 2-5%. FY22 has also seen substantial market share gains for GDL – management highlighted that port volumes increased by 8-9%, NCR ICD volumes were up 15%, while Gateway NCR volumes grew 32%. Similarly, for Ludhiana, GDL ICD volumes have outpaced market growth. This is despite increasing competitive intensity in the Ludhiana region and already heightened competition in the NCR market. With two new rail terminals coming up in the NCR, management expects mid-teens volume growth in the rail container volumes as against industry growth rate of 10-11%.**
- ▶ **Management is confident of passing on the cost impact on account of removal of Indian Railway rebates.** IR, effective 1<sup>st</sup> May'22, has removed the 5% discount on haulage of loaded containers and effective 1<sup>st</sup> Sep'22 has removed the 25% discount on haulage of empty customers. Despite significant market share gains in NCR market and management assessment of increasing competitive intensity in the Ludhiana market in FY23E, GDL seems confident of passing on the cost increases. From the commentary, it's become clear that GDL is one of the key beneficiaries of assured transit time scheme started by IR with transit time of 36 hours to JNPT, 48 hours to Mundra and 52 hours to Pipavav from Garhi terminal. Management is confident that GDL will continue to see the benefit of having the lowest transit time performance from the NCR, and hence, doesn't see any need to engage in pricing competition with peers.
- ▶ **Maintain BUY with a revised target price of Rs102/share.** GDL initiated a cooperate structure reorganization during FY21 (reverse merger of parent - GDL into Gateway rail freight, the rail subsidiary and relisting of GRFL as GDL). **Revised target price of Rs102/share corresponds to erstwhile GDL price of Rs 408 (based on the share swap ratio of the reverse merger).**

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|                         |                    |                    |             |             |              |              |
|-------------------------|--------------------|--------------------|-------------|-------------|--------------|--------------|
| Market Cap              | Rs38.1bn/US\$498mn | <b>Year to Mar</b> | <b>FY21</b> | <b>FY22</b> | <b>FY23E</b> | <b>FY24E</b> |
| Bloomberg               | GRFL IN            | Revenue (Rs mn)    | 11,794      | 13,736      | 14,732       | 16,678       |
| Shares Outstanding (mn) | 499.6              | EBITDA(Rs mn)      | 3,130       | 3,685       | 3,928        | 4,432        |
| 52-week Range (Rs)      | 82/67              | Net Income (Rs mn) | 945         | 2,238       | 1,839        | 2,312        |
| Free Float (%)          | 67.9               | EPS (Rs)           | 1.9         | 3.5         | 3.7          | 4.6          |
| FII (%)                 | 19.8               | P/E (x)            | 41.8        | 17.6        | 21.5         | 17.1         |
| Daily Volume (US\$'000) | NA                 | CEPS (Rs)          | 4.5         | 7.0         | 6.4          | 7.5          |
| Absolute Return 3m (%)  | 12.8               | EV/E (x)           | 14.7        | 12.0        | 10.9         | 9.2          |
| Absolute Return 12m (%) | NA                 | Dividend Yield     | 1.3         | 1.6         | 1.6          | 1.6          |
| Sensex Return 3m (%)    | (0.7)              | RoCE (%)           | 8.5         | 11.8        | 11.9         | 13.4         |
| Sensex Return 12m (%)   | 19.8               | RoE (%)            | 6.4         | 13.7        | 10.5         | 12.1         |

Please refer to important disclosures at the end of this report

Table 1: Q4FY22 consolidated result review

| (Rs mn)            | Q4FY22       | Q4FY21       | % Chg YoY | Q3FY22       | % Chg QoQ |
|--------------------|--------------|--------------|-----------|--------------|-----------|
| <b>Net Revenue</b> | <b>3,591</b> | <b>3,503</b> | 2.5       | <b>3,493</b> | 2.8       |
| Total Expense      | 2,642        | 2,550        | 3.6       | 2,558        | 3.3       |
| <b>EBITDA</b>      | <b>949</b>   | <b>953</b>   | (0.4)     | <b>935</b>   | 1.5       |
| <i>Rail</i>        | 936          | 772          | 21.2      | 769          | 21.7      |
| <i>CFS</i>         | 174          | 224          | (22.3)    | 171          | 1.8       |
| Depreciation       | 288          | 322          | (10.3)    | 334          | (13.7)    |
| EBIT               | 661          | 631          | 4.7       | 600          | 10.0      |
| Other Income       | 180          | 29           | 528.4     | 68           | 165.7     |
| Interest           | 162          | 173          | (6.6)     | 161          | 0.6       |
| <b>PBT</b>         | <b>678</b>   | <b>486</b>   | 39.5      | <b>507</b>   | 33.8      |
| Exceptional items  | -            | -            | -         | -            | -         |
| Tax                | (174.3)      | 22           | (899.8)   | 31           | (656.4)   |
| <b>PAT</b>         | <b>852</b>   | <b>464</b>   | 83.5      | <b>479</b>   | 77.8      |

Source: Company data, I-Sec research

Table 2: Q4FY22 result review – key segment details

|                          | Q4FY22 | Q4FY21 | % Chg YoY | Q3FY22 | % Chg QoQ | FY22    | FY21    | % Chg YoY |
|--------------------------|--------|--------|-----------|--------|-----------|---------|---------|-----------|
| <b>CFS</b>               |        |        |           |        |           |         |         |           |
| Volumes (teu)            | 87,487 | 92,851 | (5.8)     | 95,449 | (8.3)     | 373,906 | 320,012 | 16.8      |
| Sales                    | 839    | 956    | (12.2)    | 883    | (5.0)     | 3,441   | 3,635   | (5.3)     |
| Realisation/teu          | 9,590  | 10,296 | (6.9)     | 9,251  | 3.7       | 9,200   | 11,000  | (16.4)    |
| EBITDA                   | 174    | 224    | (22.3)    | 171    | 1.8       | 663     | 1,010   | (34.4)    |
| EBITDA/teu               | 1,989  | 2,412  | (17.6)    | 1,792  | 11.0      | 1,773   | 3,156   | (43.8)    |
| <b>Rail</b>              |        |        |           |        |           |         |         |           |
| Volumes (teu)            | 90,385 | 77,772 | 16.2      | 85,255 | 6.0       | 333,270 | 248,504 | 34.1      |
| Sales                    | 2,751  | 2,546  | 8.1       | 2,610  | 5.4       | 10,295  | 8,159   | 26.2      |
| Realisation/teu          | 30,448 | 32,737 | (7.0)     | 30,614 | (0.5)     | 33,000  | 32,800  | 0.6       |
| EBITDA                   | 936    | 772    | 21.2      | 769    | 21.7      | 3,161   | 2,215   | 42.7      |
| EBITDA/teu               | 10,356 | 9,926  | 4.3       | 9,020  | 14.8      | 9,485   | 8,913   | 6.4       |
| <b>Snowman Logistics</b> |        |        |           |        |           |         |         |           |
| Sales                    | 766    | 641    | 19.5      | 734    | 4.4       | 2,862   | 2,371   | 20.7      |
| Warehousing              | 449    | 389    | 15.5      | 447    | 0.5       | 1,781   | 1,585   | 12.4      |
| Transport                | 298    | 240    | 24.4      | 267    | 11.8      | 1,011   | 757     | 33.6      |
| EBITDA                   | 166    | 168    | (1.0)     | 183    | (8.8)     | 697     | 650     | 7.2       |
| Warehousing              | 150    | 174    | (13.5)    | 193    | (21.9)    | 721     | 632     | 14.2      |
| Transport                | 16     | (6)    | NM        | (10)   | NM        | (24)    | (8)     | NM        |
| PAT                      | (2)    | (4)    | NM        | 8      | NM        | 17      | 0.6     | 2,693.8   |

Source: Company data, I-Sec research

## Conference call takeaways – GDL

- **Management maintains Rs9,000/teu of possible EBITDA despite IR removing 5% rebate on loaded and 25% rebate on empty containers.** GDL expects to see higher originating volume from Viramgam in FY23E. Also, management doesn't see the possibility of JNPT connecting to DFC before Dec'23 or Mar'24. Thus, whatever benefits that could have accrued to GDL on account of the Rewari Palanpur stretch of DFC commissioning has accrued.
- Significant beneficiary of the assured transit time services of IR – offers a very competitive turnaround time to JNPT, Mundra, Pipavav from Garhi (better than competition). GDL has the best delivering time as of now, in terms of import and export directions. Management doesn't see any risk of this competitive advantage diluting over time.
- **Double stacking hasn't seen material improvement in FY22E.** GDL witnessed 35%/38% double stacking in Q4/FY22. There has been decline in empty carrying charges through (from Rs70mn to Rs50mn YoY).
- **CFS volumes to drop by ~100,000teu as Punjab Conaware has been handed over.** However, on a like to like basis (ex Punjab Conaware), volumes would be up 4-5% YoY. Also EBITDA will move up due to significant fixed fee (~ Rs200mn) being paid towards operations of Punjab Conaware. Q4FY22 witnessed operations of Punjab Conaware only to the extent of 5000teus (in Jan,'22). EBITDA/teu of the CFS business is expected to move up to Rs2500/teu. The increase should have been reflected in Q4FY22 itself but for i) higher merger related expenses and ii) higher employee costs on account of higher variable payouts. Also, ex Punjab Conaware operations, depreciation is also expected to reduce further (has already reduced QoQ in Q4FY22 due to one month of operation).
- Capex guided at ~ Rs2bn over next two to three years (~ Rs1.2bn on account of setting up of two railway terminals). Tax rate has been guided at MAT rate (17.5%) till FY27E and GDL will enjoy the benefit of the MAT tax rebate after that. The tax write back of Rs2bn is on account of consolidated tax filing for FY22E. **We have highlighted an adjusted EPS to factor in the same.**

## Conference call takeaways – Snowman Logistics

- **Capacity expansions.** Snowman maintains its guidance of reaching ~200,000 pallet capacity in 3-4 years, from a current pallet capacity of 117,500. In order to meet the growing demand from multiple product categories, Snowman plans to expand its warehousing capacity and also cover a wider geographical area. New Warehouse in Coimbatore with a pallet capacity of 4,014 units has been commissioned. Snowman has also started operations at its new temperature controlled warehouse at Siliguri with a capacity of 4,032 pallets. The company has also shifted its Amazon operations at Mumbai to a larger facility of 45,000 sqft. A new ecommerce facility in Gujarat is close to operational now. New Kolkata facility with 9,000 pallets in two phases is being planned (5000 and 4000 pallets in each of the phases; Rs400-450mn is the envisaged investment for Phase 1), land parcel has been purchased – company is currently seeking building permissions.

- **Operational performance and outlook.** Snowman achieved 10-11% volume growth in warehousing operations and 4-5% yield improvement in FY22. Management expects at least 4-5% yield improvement in warehousing operations for FY23E and expects current utilisation of 85-86% to move up by 3-4% as Siliguri and Coimbatore ramps up. EBITDA margin for FY22 would have been higher by 10.5% but for higher expenses (QIP) written off.
- **Capex guidance for FY23/24E is Rs 700-800mn.** The capex for the new Kolkata facility is not representative for the capex that would be required to take the pallet capacity up to 200,000 as per management, as Snowman keeps looking out for asset light options to expand capacity. The nature and the form of the same is not clear.
- **Focus on Snowserve.** Snowman has experience and competency to attract major E-comm customers for handling back-end fulfilment centres. The company has partnered with Fraazo, Bangalore and Pune for their further fulfillment centers of 8,000 Sq. ft. and 9,000 Sq. ft. respectively. Snowman has also partnered with Amazon, Pune to operate their Perishable Hub (12,000 sq. ft.) and with Impelpro, Bangalore for their further fulfillment center (10,000 Sqft). Dedicated fulfilment centre in Ahmedabad for Amazon (7,233 sq. ft.) is under construction. FY22 revenues for Snowserve is 130mn and is expected to grow 25-30% in FY23E.

## Valuation and key risks

### Sensitivity

- Every Rs500/teu increase in EBITDA assumption in rail business leads to ~Rs18/share increase in valuations for GDL. Our base case rail EBITDA/teu estimate (FY22) is Rs9,000/teu (Over the past 4 quarters, the base case EBITDA has increased from Rs6,000/teu to Rs9,000/teu – our estimates can no longer be deemed conservative).
- Every Rs500/teu increase in EBITDA assumption in CFS business leads to ~Rs13/share increase in valuations for GDL. Our base case CFS EBITDA/teu estimate (FY22E) is Rs1,916/teu (Again increased from ~ Rs1,650/teu over the past four quarters – stronger and stronger earnings continue to introduce positive bias in our base case assumptions).

As sensitivities show, given the current low base of EBITDA/teu for CFS as well as rail business, higher risks to our valuation is due to increase in EBITDA estimates for rail and CFS businesses.

Our assumption of total debt excludes ~Rs1.6bn worth of lease liability.

### Maintain BUY

We have increased our target valuation multiple for the rail business from 10x to 12x FY24E EV/EBITDA. We see possibility of higher growth in the rail business given i) our assumed volume growth of 11% p.a. for FY23/24E being lower than management guided mid teens growth for the rail container volumes and ii) Our assumed EBITDA/teu of Rs8,500 being at a discount to management guided EBITDA of Rs9,000/teu.

**Table 3: SoTP valuation (New)**

| Methodology                          |  | Enterprise Value<br>(Rs mn) | Valuation<br>(Rs/share) |
|--------------------------------------|--|-----------------------------|-------------------------|
| Gateway Rail Freight                 | EV/EBITDA, 12x FY24E                                   | 43,002                      |                         |
| CFS business                         | EV/EBITDA, 6x FY24E                                    | 5,088                       |                         |
| <b>Total Enterprise value</b>        |  | 48,090                      |                         |
| Total Debt                           |  | 143                         | 96                      |
| <b>Equity Value</b>                  |  |                             |                         |
| Snowman Logistics<br>(40% Associate) | Market value adjusted for stake and<br>Holdco discount |                             | 6                       |
| <b>Total</b>                         |  |                             | 102*                    |

Source: Company data, I-Sec research (\* Equivalent to Rs408/share of erstwhile Gateway Distripark)

**Table 4: SoTP valuation (Old)**

| Methodology                          |  | Enterprise Value<br>(Rs mn) | Valuation<br>(Rs/share) |
|--------------------------------------|--|-----------------------------|-------------------------|
| Gateway Rail Freight                 | EV/EBITDA, 10x FY23E                                   | 35,580                      |                         |
| CFS business                         | EV/EBITDA, 6x FY23E                                    | 5,265                       |                         |
| <b>Total Enterprise value</b>        |  | 40,845                      |                         |
| Total Debt                           |  | 2,046                       | 308                     |
| <b>Equity Value</b>                  |  |                             |                         |
| Snowman Logistics<br>(40% Associate) | Market value adjusted for stake and<br>Holdco discount |                             | 24                      |
| <b>Total</b>                         |  |                             | 332                     |

Source: Company data, I-Sec research

## Key risks

Key upside risks: 1) Higher rail volumes due to DFC commissioning, 2) higher rail intermodal share even before DFC commissioning allowing gain for container train operators like Gateway and 3) higher rail and CFS margins as guided by the management can lead to meaningful earnings upside.

Key downside risks: 1) Higher-than-expected capex and hence, lower-than-expected deleveraging and 2) higher than expected competitive stress in rail and CFS business.

## Financial summary

Table 5: Profit &amp; loss statement

(Rs mn, year ending March 31)

|   | FY21          | FY22          | FY23E         | FY24E         |
|---|---------------|---------------|---------------|---------------|
| <b>Revenue from operations</b>                  | <b>11,794</b> | <b>13,736</b> | <b>14,732</b> | <b>16,678</b> |
| <b>Operating Expenses</b>                       | <b>8,663</b>  | <b>10,051</b> | <b>10,804</b> | <b>12,247</b> |
| <b>EBITDA</b>                                   | <b>3,130</b>  | <b>3,685</b>  | <b>3,928</b>  | <b>4,432</b>  |
| % margins                                       | 26.5%         | 26.8%         | 26.7%         | 26.6%         |
| Depreciation & Amortisation                     | 1,314         | 1,277         | 1,382         | 1,441         |
| Gross Interest                                  | 795           | 647           | 567           | 487           |
| Other Income                                    | 113           | 332           | 277           | 300           |
| <b>Profit before tax &amp; exceptional item</b> | <b>1,134</b>  | <b>2,093</b>  | <b>2,257</b>  | <b>2,804</b>  |
| Exceptional Item                                | -             | -             | -             | -             |
| <b>Profit before tax</b>                        | <b>1,134</b>  | <b>2,093</b>  | <b>2,257</b>  | <b>2,804</b>  |
| Less: Taxes                                     | 190           | (137)         | 451           | 561           |
| Add share of profit from JV and associate       | 0             | 8             | 33            | 69            |
| <b>Net Income (Reported)</b>                    | <b>945</b>    | <b>2,238</b>  | <b>1,839</b>  | <b>2,312</b>  |

Source: Company data, I-Sec research

Table 6: Balance sheet

(Rs mn, year ending March 31)

|   | FY21          | FY22          | FY23E         | FY24E         |
|---|---------------|---------------|---------------|---------------|
| <b>Assets</b>                           |               |               |               |               |
| Total Current Assets                    | 2,566         | 3,211         | 4,014         | 5,398         |
| of which cash & cash eqv.               | 1,130         | 1,903         | 2,620         | 3,836         |
| Total Current Liabilities & Provisions  | 1,388         | 1,109         | 1,174         | 1,323         |
| <b>Net Current Assets</b>               | <b>1,178</b>  | <b>2,102</b>  | <b>2,840</b>  | <b>4,075</b>  |
| <b>Investments in JV and associates</b> | <b>1,403</b>  | <b>1,403</b>  | <b>1,403</b>  | <b>1,403</b>  |
| Investments                             | -             | -             | -             | -             |
| Net Fixed Assets                        | 13,586        | 13,467        | 13,186        | 12,844        |
| Intangible assets                       | 179           | 154           | 154           | 154           |
| Capital Work-in-Progress                | 291           | 101           | 101           | 101           |
| Goodwill                                | 3,032         | 3,032         | 3,032         | 3,032         |
| Other non-current assets                | 1,259         | 1,681         | 1,681         | 1,681         |
| <b>Total Assets</b>                     | <b>22,583</b> | <b>23,185</b> | <b>23,641</b> | <b>24,535</b> |
| <b>Liabilities</b>                      |               |               |               |               |
| Borrowings                              | 7,635         | 6,612         | 5,912         | 5,212         |
| Deferred Tax Liability                  | 52            | 70            | 70            | 70            |
| Other long term liabilities             | 13            | 13            | 13            | 13            |
| MI                                      | 98            | 98            | 98            | 98            |
| CCPS                                    | -             | -             | -             | -             |
| Equity Share Capital                    | 4,996         | 4,996         | 4,996         | 4,996         |
| Reserves and Surplus                    | 9,752         | 11,371        | 12,528        | 14,121        |
| <b>Net Worth</b>                        | <b>14,748</b> | <b>16,368</b> | <b>17,524</b> | <b>19,118</b> |
| <b>Total Liabilities</b>                | <b>22,583</b> | <b>23,185</b> | <b>23,641</b> | <b>24,535</b> |

Source: Company data, I-Sec research

Table 7: Cashflow statement

(Rs mn, year ending March 31)

|  | FY21           | FY22           | FY23E          | FY24E          |
|--|----------------|----------------|----------------|----------------|
| <b>Net Profit before tax</b>               | <b>1,135</b>   | <b>2,101</b>   | <b>2,257</b>   | <b>2,804</b>   |
| Depreciation                               | 1288           | 1250           | 1382           | 1441           |
| Non-Cash Adjustments                       | 248            | 386            | 422            | 342            |
| Working Capital Changes                    | 150            | 227            | (21)           | (19)           |
| Taxes Paid                                 | 230            | 330            | 451            | 561            |
| <b>Operating Cashflow</b>                  | <b>2590</b>    | <b>3634</b>    | <b>3588</b>    | <b>4007</b>    |
| Capital Commitments                        | (388)          | (593)          | (1100)         | (1100)         |
| <b>Free Cashflow</b>                       | <b>2202</b>    | <b>3040</b>    | <b>2488</b>    | <b>2907</b>    |
| Other investing cashflow                   | 629            | 186            | 145            | 145            |
| <b>Cashflow from Investing Activities</b>  | <b>240</b>     | <b>(408)</b>   | <b>(955)</b>   | <b>(955)</b>   |
| Inc (Dec) in Borrowings                    | (1807)         | (465)          | (700)          | (700)          |
| Issue of Share Capital                     | 1133           | 0              | 0              | 0              |
| Finance cost                               | (619)          | (528)          | (567)          | (487)          |
| Dividend paid                              | (500)          | (625)          | (650)          | (650)          |
| <b>Cash flow from Financing Activities</b> | <b>(1,793)</b> | <b>(1,618)</b> | <b>(1,916)</b> | <b>(1,836)</b> |
| <b>Chg. in Cash &amp; Bank balance</b>     | <b>1,037</b>   | <b>1,608</b>   | <b>717</b>     | <b>1,216</b>   |

Source: Company data, I-Sec research

Table 8: Key ratios

(Year ending March 31)

|  | FY21  | FY22  | FY23E  | FY24E |
|--|-------|-------|--------|-------|
| <b>Per Share Data (Rs)</b>             |       |       |        |       |
| EPS                                    | 1.9   | 4.5   | 3.7    | 4.6   |
| Adj. EPS                               | 1.9   | 3.5   | 3.7    | 4.6   |
| Cash EPS                               | 4.5   | 7.0   | 6.4    | 7.5   |
| Dividend per share (DPS)               | 1.0   | 1.3   | 1.3    | 1.3   |
| Book Value per share (BV)              | 29.5  | 32.8  | 35.1   | 38.3  |
| OCF per share                          | 5.2   | 7.3   | 7.2    | 8.0   |
| FCF per share                          | 4.4   | 6.1   | 5.0    | 5.8   |
| <b>Growth (%)</b>                      |       |       |        |       |
| Net Sales                              | (8.7) | 16.5  | 7.3    | 13.2  |
| EBITDA                                 | (0.1) | 17.7  | 6.6    | 12.8  |
| PAT                                    | (9.1) | 136.9 | (17.8) | 25.7  |
| <b>Valuation Ratios (x)</b>            |       |       |        |       |
| P/E                                    | 41.8  | 17.6  | 21.5   | 17.1  |
| P/BV                                   | 2.7   | 2.4   | 2.3    | 2.1   |
| EV / EBITDA                            | 14.7  | 12.0  | 10.9   | 9.2   |
| EV / Sales                             | 3.9   | 3.2   | 2.9    | 2.4   |
| <b>Operating Ratios</b>                |       |       |        |       |
| Employee cost / Sales (%)              | 5.7   | 4.8   | 4.7    | 4.4   |
| Other Operating exp. / Sales (%)       | 7.5   | 7.0   | 8.0    | 8.7   |
| Effective Tax Rate (%)                 | 16.7  | (6.5) | 20.0   | 20.0  |
| Net D/E Ratio (x)                      | 0.4   | 0.3   | 0.2    | 0.1   |
| OCF yield (%)                          | 6.6   | 9.2   | 9.1    | 10.2  |
| FCF yield (%)                          | 5.6   | 7.7   | 6.3    | 7.4   |
| <b>Return/Profitability Ratios (%)</b> |       |       |        |       |
| EBITDA Margins                         | 26.5  | 26.8  | 26.7   | 26.6  |
| Net Income Margins                     | 8.0   | 16.3  | 12.5   | 13.9  |
| Return on Equity (RoE)                 | 6.4   | 13.7  | 10.5   | 12.1  |
| RoCE                                   | 8.5   | 11.8  | 11.9   | 13.4  |

Source: Company data, I-Sec research



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