

Estimate change	↔
TP change	↔
Rating change	↔

**CMP: INR 2,278**      **TP: INR 2,600 (+14%)**      **Buy**

## Good deal traction and stable margins to drive earnings...

### ...but mortgage slowdown to impact near-term growth adversely

- MPHL's 1QFY23 performance was led by a 2.4% QoQ growth in CC in the Direct business (v/s estimate of +3.5% QoQ CC), while DXC declined 6.3% QoQ CC (v/s estimate of -3% QoQ CC). Deal momentum was intact with a strong net new TCV of USD302m and an all-time high pipeline (up 6% QoQ). It also reported a large deal win (of USD60m) in Jul'22.
- MPHL's Direct business was soft in 1QFY23 due to slowdown in its mortgage processing business (DR) led by elevated interest rates and weakness of a few European clients. While we expect the drag in its mortgage business to continue given the interest rate environment, the growing share of non-rate sensitive business (50%+ of DR in 1QFY23) should reduce the intensity of the impact. However, with both DR and DXC verticals (10%+ of revenue) declining in the near term, we forecast MPHL's revenue growth to moderate to mid-teens in FY23, despite strong demand trend in rest of the Direct business.
- Conversely, MPHL has delivered a stable margin performance over the last few quarters, unlike its peers that have reported material weakness on supply constraint. While the 1QFY23 EBIT margin of 15.3% was at the lower end of its guidance range of 15.25-17.0%, management has retained its guidance band and indicated upside potential due to better utilization and ramp up of fresher hiring. We see the company as one of the very few in our coverage to deliver margin improvement in FY23E to 15.8% (+40bp YoY). This should help it report a PAT growth of 19% over FY22-24E in INR terms.
- With the DXC business exposure contracting dramatically over the last two years, the drag on revenue growth from DXC has reduced materially and should be marginal by FY24E (MOFSL: 3.4% of revenue). This should help reduce the negative impact on MPHL's valuations.
- We have largely maintained our estimates for FY23/24. Given MPHL's strong Digital capabilities and client relationships, it is well positioned to be a key beneficiary in the current context. **Our TP of INR2,600 implies 24x FY24E EPS. We maintain our BUY rating on the stock.**

### Earnings miss due to slower growth in Direct

- MPHL's revenue grew 2% QoQ in CC to USD436m, 120bp below our estimate. EBIT/PAT rose 22%/18% YoY in 1QFY23, respectively, in INR terms
- Revenue from Direct grew 2.4% QoQ in CC v/s estimate of +3.5% QoQ. Revenue from DXC dipped 6.7% QoQ in CC (v/s our estimate of 3% decline).
- The on-site revenue mix was largely flat. Utilization (excluding trainees) contracted 300bp. MPHL added 365 employees (the lowest in the last eight quarters) in 1QFY23.
- New TCV decreased 13% QoQ and 40% YoY to USD302m.

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Bloomberg	MPHL IN
Equity Shares (m)	193
M.Cap.(INRb)/(USDb)	428.4 / 5.4
52-Week Range (INR)	3660 / 2072
1, 6, 12 Rel. Per (%)	-8/-20/-11
12M Avg Val (INR M)	2155

### Financials & Valuations (INR b)

Y/E Mar	2022	2023E	2024E
Sales	119.6	142.1	158.9
EBIT Margin	15.4	15.8	16.2
PAT	14.5	17.6	20.6
EPS (INR)	75.1	92.6	108.3
EPS Gr. (%)	16.9	23.3	16.9
BV/Sh. (INR)	365.3	406.7	450.4

### Ratios

RoE (%)	21.5	24.1	25.5
RoCE (%)	18.3	20.5	21.6
Payout (%)	60.8	60.6	60.6

### Valuations

P/E (x)	30.0	24.3	20.8
P/BV (x)	6.2	5.5	5.0
EV/EBITDA (x)	19.2	15.7	13.5
Div Yield (%)	2.0	2.5	2.9

### Shareholding pattern (%)

As On	Jun-22	Mar-22	Jun-21
Promoter	55.7	55.8	56.0
DII	18.2	18.0	18.5
FII	20.5	21.1	20.8
Others	5.6	5.1	4.8

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.**

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**Key highlights from the management commentary**

- There is a higher impact of the current macro environment in Europe as deal timelines are getting stretched. However, management is not seeing any impact in current pipeline.
- It has added other verticals in Digital risk that will take a few quarters to scale up. Digital risk as a portion of overall business is likely to shrink.
- Pricing, growth leverage and pyramid underpin its FY23 margin outlook.

**Valuation and view**

- Impressive deal wins and continued expansion in the pipeline would drive MPHL's medium-term growth. While the overhang from the DXC business (4.7% of revenue) persists, strong traction in Direct International should continue to drive overall performance. The management's ability to defend margin is a key positive.
- MPHL's ability to proactively win multiple large Digital transformation deals and gain wallet share indicates strength in its sales and delivery capabilities.
- **The stock is currently trading at ~21x FY23E EPS. We value the stock at ~24x FY24E EPS and maintain our BUY rating with a TP of INR2,600.**

**Quarterly performance**

Y/E March	FY22				FY23E				FY22	FY23E	FY23E 1QE	(INR m) Var. (%/ bp)
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
Revenue (USD m)	363	385	414	431	436	445	456	466	1,593	1,803	441	-1.2
QoQ (%)	6.0	6.1	7.5	4.0	1.2	2.1	2.4	2.3	21.7	13.2	2.4	-120bp
Revenue (INR m)	26,909	28,693	31,237	32,777	34,113	35,148	35,998	36,837	1,19,616	1,42,097	33,962	0.4
YoY (%)	17.6	17.8	26.2	29.8	26.8	22.5	15.2	12.4	23.0	18.8	26.2	56bp
GPM (%)	28.4	28.8	29.7	29.8	29.8	29.7	30.1	30.5	29.2	30.0	29.5	32bp
SGA (%)	10.2	10.7	12.0	12.2	12.2	12.0	11.8	11.8	11.3	12.0	11.6	63bp
EBITDA	4,895	5,185	5,530	5,772	6,001	6,221	6,588	6,898	21,382	25,708	6,079	-1.3
EBITDA Margin (%)	18.2	18.1	17.7	17.6	17.6	17.7	18.3	18.7	17.9	18.1	17.9	-31bp
EBIT	4,271	4,528	4,704	4,973	5,205	5,413	5,760	6,051	18,476	22,428	5,264	-1.1
EBIT Margin (%)	15.9	15.8	15.1	15.2	15.3	15.4	16.0	16.4	15.4	15.8	15.5	-24bp
Other income	310	277	90	184	125	281	288	295	861	989	272	-54.0
ETR (%)	25.8	25.6	25.4	24.0	24.6	25.0	25.0	25.0	25.2	24.9	25.0	-42bp
PAT	3,397	3,574	3,575	3,921	4,020	4,271	4,536	4,759	14,467	17,586	4,152	-3.2
QoQ (%)	7.2	5.2	0.0	9.7	2.5	6.2	6.2	4.9			5.9	
YoY (%)	23.5	19.5	9.8	23.7	18.3	19.5	26.9	21.4	18.9	21.6	22.2	
EPS (INR)	17.9	18.8	18.9	20.4	21.2	22.5	23.9	25.1	75.1	92.6	21.6	-1.8

E: MOFSL estimates

**Key performance indicators**

Y/E March	FY22				FY23E				FY22	FY23E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
<b>Margins</b>										
Gross Margin	28.4	28.8	29.7	29.8	29.8	29.7	30.1	30.5	29.2	30.0
EBIT Margin	15.9	15.8	15.1	15.2	15.3	15.4	16.0	16.4	15.4	15.8
Net Margin	12.6	12.5	11.4	12.0	11.8	12.2	12.6	12.9	12.1	12.4
<b>Operating metrics</b>										
Headcount	31,454	32,295	34,915	36,534	36,899				36,534	
Deal win TCV (USD m)	505	241	335	347	302				1428	
<b>Key verticals (YoY %)</b>										
BFS	24.8	20.2	28.6	34.7	25.1				27.1	
Insurance	9.1	8.7	12.5	19.3	16.3				12.6	
IT, Comm., and Ent.	19.4	24.8	27.0	14.7	13.2				21.1	
<b>Key geographies (YoY %)</b>										
North America	18.0	17.6	27.9	36.2	29.6				25.1	
Europe	20.7	31.1	17.3	0.4	-3.6				16.3	

## Key highlights from the management commentary

### Demand and industry outlook

- MPHL had a new deal TCV of USD302m in the Direct channel, of which 84% was in new-gen services.
- MPHL is seeing headwinds in the mortgage portfolio.
- There is a higher impact of the current macro environment in Europe as deal timelines are getting stretched. However, management is not seeing any impact in current pipeline.
- It signed one large USD60m cloud transformation deal with a top customer in Jul'22. It also signed one large USD50m+ deal in 1QFY23.
- Pipeline is up 6% QoQ/10% YoY despite record conversion into orders. Continued pipeline strength indicates strength in demand environment.
- Some customers who benefitted from Covid are now normalizing and are watching the business trend closely.
- Blink is seeing good growth and there are good synergy benefits.
- Management has added other verticals in Digital risk that will take a few quarters to scale up. Digital risk as a portion of overall business is likely to shrink. It saw lower profitability in FY22.
- Within BFS, banks remain in top category and it has not seen any softness related to ramp-downs in capital markets.
- Pipeline remains strong for insurance with good quality of business. There is a bit of insurance in DXC, which has some impact in this vertical.
- Management noticed some softness in Europe and it needs more attention.
- Mortgage business – environment is fluid and rates are volatile. Until volatility subsides, management does not see any easing. Operations and volumes are quite strong and MPHL is also scaling up compliance work.
- Less than 50% of mortgage is exposed to interest rate-sensitive work but management expects some moderation going forward as well.
- There are further consolidation opportunities with existing clients in the next two-to-four quarters.

### Margin performance

- Reported EBIT margin was at 15.3% aided by better utilization, offshoring, pricing and good realizations.
- Pricing, growth leverage and pyramid support FY23 margin outlook.
- Onsite price hikes are helping in improving blended pricing.

### Other highlights

- While attrition is still elevated, it is stabilizing and there are some green shoots. It is moderating in a few segments, especially in onshore locations.
- Management had started the supply chain transformation program with strong fresher hiring. It expects utilization to stay low for some time as it absorbs the freshers. Utilization in offshore is soft and should improve in coming quarters.
- Management will continue to focus on fresher hiring to rationalize the pyramid in FY23E.

**Exhibit 1: Growth led by IMS and ADS, while BPO declined**

Services	Contribution to revenue (%)	Growth QoQ (%)	Growth YoY (%)
Application Services	66.0	2.1	28.1
BPO	22.2	(3.5)	(0.5)
Infrastructure Services	11.8	5.5	25.4

Source: Company, MOFSL

**Exhibit 2: Growth led by India and North America, while Europe declined**

Geographies	Contribution to revenue (%)	Growth QoQ (%)	Growth YoY (%)
North America	82.3	2.3	29.6
Europe	9.7	(7.8)	(3.6)
India	5.0	3.9	28.1
Rest of the World	2.9	(1.2)	(48.9)

Source: Company, MOFSL

**Exhibit 3: Insurance was softer on a high base**

Verticals	Contribution to revenue (%)	Growth QoQ (%)	Growth YoY (%)
Banking and Financial Services	53.4	0.7	25.1
Insurance	8.9	(6.1)	16.3
Technology, Media, and Telecom	13.4	2.2	13.2
Logistics and Transportation	13.0	2.6	11.6
Others	11.4	7.2	19.8

Source: Company, MOFSL

**Exhibit 4: Growth across all client buckets**

	Contribution to revenue (%)	Growth QoQ (%)	Growth YoY (%)
Top client	11.0	1.2	20.1
Top 2-5 clients	34.0	4.3	31.7
Top 6-10 clients	15.0	1.2	38.6

Source: Company, MOFSL

**Valuation and view**

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- MPHL's ability to proactively win multiple large Digital transformation deals and gain wallet share indicates strength in its sales and delivery capabilities.
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**Exhibit 5: Revisions to our estimates**

	Revised estimate		Old estimate		Change	
	FY23E	FY24E	FY23E	FY24E	FY23E	FY24E
USD:INR	78.7	79.0	78.5	79.0	0.3%	0.0%
Revenue (USD m)	1,803	2,011	1,833	2,065	-1.7%	-2.6%
Growth (%)	13.2	11.6	15.1	12.6	-190bps	-100bps
EBIT margin (%)	15.8	16.2	15.8	16.2	0bps	0bps
PAT (INR m)	17,586	20,556	17,906	21,068	-1.8%	-2.4%
EPS (INR)	92.6	108.3	93.0	109.4	-0.4%	-1.0%

Source: MOFSL

**Exhibit 6: Operating metrics**

	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22	4QFY22	1QFY23
<b>Geographical contribution (%)</b>									
Americas	76.8	78.1	77.9	75.2	76.3	78.0	80.3	81.5	82.3
EMEA	11.9	10.8	12.0	13.4	12.1	12.1	11.3	10.7	9.7
India	4.1	4.5	4.7	5.0	4.7	5.4	5.1	4.9	5.0
RoW	7.1	6.5	5.5	6.4	6.9	4.5	3.3	3.0	2.9
<b>Vertical contribution (%)</b>									
Banking and Capital Market	48.8	53.4	53.3	50.1	51.2	54.6	55.3	53.6	53.4
Insurance	10.0	9.5	9.7	10.1	9.1	8.8	8.8	9.5	8.9
IT, Communications, and Entertainment	14.1	11.8	12.9	14.5	14.2	12.5	13.2	13.3	13.4
Logistics and Transportation	14.0	12.3	12.6	13.4	14.0	13.1	12.7	12.8	13.0
Others	13.1	13.0	11.5	11.9	11.4	11.0	10.1	10.7	11.4
<b>Revenue by project type (%)</b>									
Time and Material	58.7	59.1	59.0	57.5	57.9	58.1	54.9	54.7	54.5
Transaction-based	15.2	15.8	16.8	15.5	16.1	16.0	16.1	15.6	15.6
Fixed price	26.1	25.1	24.2	27.0	26.0	25.9	29.0	29.7	29.9
<b>Revenue by delivery location (%)</b>									
Onsite	59.9	58.7	58.0	56.9	58.8	58.2	58.7	58.4	58.3
Offshore	40.1	41.3	42.0	43.1	41.2	41.8	41.3	41.6	41.7
<b>Secondary market segment (%)</b>									
Direct International	78.5	81.8	84.7	85.8	89.0	91.8	92.8	93.1	93.5
DXC	20.1	16.2	13.1	12.0	9.2	6.5	5.4	5.2	4.8
Others	1.5	2.0	2.2	2.3	1.8	1.7	1.8	1.7	1.7
<b>Service type (%)</b>									
Application services	63.8	59.0	55.9	59.7	61.9	61.1	62.7	65.4	66.0
BPO	21.1	26.5	29.4	26.3	26.8	26.1	24.8	23.3	22.2
Infrastructure services	15.1	14.5	14.7	14.0	11.3	12.8	12.6	11.3	11.8
<b>Client contribution (%)</b>									
Top client	12	12	11	10	11	11	11	11	11
Top 2-5 clients	27	27	29	31	31	31	32	33	34
Top 6-10 clients	9	11	12	12	13	15	15	15	15
New clients added	6	5	6	8	6	5	7	6	-
<b>Clients contributing more than:</b>									
Over USD100m	2	2	2	2	4	4	4	4	4
Over USD75m	4	4	4	5	5	5	6	6	6
Over USD50m	4	4	5	5	7	7	7	7	7
Over USD20m	7	8	9	9	9	9	9	10	11
Over USD10m	16	17	16	18	18	19	21	22	24
Over USD5m	32	31	35	37	39	41	42	42	44
Over USD1m	79	80	81	84	84	88	97	104	105
<b>Headcount</b>									
<b>Onsite – billable</b>									
Tech services	3,783	3,357	3,474	4,172	4,439	4,132	4,392	4,704	4,652
BPO	1,382	2,715	3,081	3,083	3,153	2,863	2,535	2,451	2,134
<b>Offshore – billable</b>									
Tech services	12,473	12,358	12,558	13,101	14,275	15,673	16,543	17,406	18,788
BPO	4,592	4,519	4,854	4,971	5,176	5,476	5,242	5,282	5,212
<b>Total billable headcount</b>	<b>22,230</b>	<b>22,949</b>	<b>23,967</b>	<b>25,327</b>	<b>27,043</b>	<b>28,144</b>	<b>28,712</b>	<b>29,843</b>	<b>30,786</b>
<b>Total headcount</b>	<b>26,143</b>	<b>27,148</b>	<b>28,116</b>	<b>29,473</b>	<b>31,454</b>	<b>32,295</b>	<b>34,915</b>	<b>36,534</b>	<b>36,899</b>

Source: Company, MOFSL

## Financials and valuations

Income Statement								(INR m)
Y/E	Mar 17	Mar 18	Mar 19	Mar 20	Mar 21	Mar 22	Mar 23E	Mar 24E
<b>Revenues</b>	<b>60,763</b>	<b>65,459</b>	<b>77,311</b>	<b>88,436</b>	<b>97,222</b>	<b>1,19,616</b>	<b>1,42,097</b>	<b>1,58,892</b>
Cost Of Goods Sold	43,649	47,308.0	55,754.0	61,376.5	67,723.0	84,664	99,405	1,10,510
SG&A Expenses	7,426	7,525	8,317	10,536	11,472	13,570	16,983	19,067
<b>EBITDA</b>	<b>9,688</b>	<b>10,626</b>	<b>13,240</b>	<b>16,524</b>	<b>18,027</b>	<b>21,382</b>	<b>25,708</b>	<b>29,315</b>
% of Net Sales	15.9	16	17	19	19	17.9	18.1	18.4
Depreciation	791	709	759	2,317	2,418	2,906	3,280	3,496
Other Income	2,247	1,490	1,592	967	696	861	989	1,589
<b>PBT</b>	<b>11,144</b>	<b>11,407</b>	<b>14,073</b>	<b>15,174</b>	<b>16,305</b>	<b>19,337</b>	<b>23,417</b>	<b>27,408</b>
Tax	3,077	2,900	3,339	3,306	4,139	4,870	5,832	6,852
Rate (%)	27.6	<b>25</b>	<b>24</b>	<b>22</b>	<b>25</b>	25.2	24.9	25.0
<b>Net Income</b>	<b>8,067</b>	<b>8,507</b>	<b>10,734</b>	<b>11,868</b>	<b>12,166</b>	<b>14,467</b>	<b>17,586</b>	<b>20,556</b>

Balance Sheet								(INR m)
Y/E	Mar 17	Mar 18	Mar 19	Mar 20	Mar 21	Mar 22	Mar 23E	Mar 24E
Share Capital	2,104	1,933	1,862	1,865	1,870	1,878	1,878	1,878
Reserves	59,420	52,885	50,636	56,431	63,397	67,553	74,587	82,810
<b>Net Worth</b>	<b>61,524</b>	<b>54,818</b>	<b>52,498</b>	<b>58,296</b>	<b>65,267</b>	<b>69,431</b>	<b>76,466</b>	<b>84,688</b>
Loans	2,602	3,899	5,466	5,713	5,135	5,272	5,272	5,272
Other long term liabilities	761	1,016	1,235	7,567	7,285	9,030	9,188	9,302
<b>Capital Employed</b>	<b>64,887</b>	<b>59,732</b>	<b>59,199</b>	<b>71,576</b>	<b>77,687</b>	<b>83,734</b>	<b>90,926</b>	<b>99,262</b>
<b>Net Block</b>	<b>2,237</b>	<b>1,829</b>	<b>2,126</b>	<b>8,823</b>	<b>8,869</b>	<b>10,388</b>	<b>9,240</b>	<b>8,128</b>
CWIP	7	19	16	74	31	110	110	110
Goodwill	16,978	17,015	19,585	21,405	21,326	27,348	27,348	27,348
Investments	1,255	3,169	2,592	3,479	3,114	3,778	3,779	3,779
Other assets	8,202	8,361	8,362	9,624	9,246	8,774	12,137	13,454
<b>Curr. Assets</b>	<b>44,492</b>	<b>39,460</b>	<b>41,031</b>	<b>44,131</b>	<b>51,403</b>	<b>57,164</b>	<b>62,946</b>	<b>73,849</b>
Debtors	6,279	8,116	18,487	17,696	18,505	22,270	28,420	31,779
Cash	6,144	7,067	6,416	11,267	9,098	9,494	9,102	13,924
Investments	22,701	14,651	10,700	9,768	16,870	14,351	16,351	18,351
Other Current Assets	9,368	9,625	5,427	5,400	6,929	11,048	9,073	9,795
<b>Current Liab. &amp; Prov</b>	<b>8,284</b>	<b>10,121</b>	<b>14,511</b>	<b>15,959</b>	<b>16,302</b>	<b>23,828</b>	<b>24,634</b>	<b>27,405</b>
Sundry Liabilities	7,911	9,875	14,428	15,891	15,806	22,744	24,208	26,929
Provisions	373	246	83	68	497	1,084	426	477
<b>Net Current Assets</b>	<b>36,208</b>	<b>29,339</b>	<b>26,519</b>	<b>28,172</b>	<b>35,100</b>	<b>33,336</b>	<b>38,312</b>	<b>46,444</b>
<b>Application of Funds</b>	<b>64,887</b>	<b>59,732</b>	<b>59,199</b>	<b>71,576</b>	<b>77,687</b>	<b>83,734</b>	<b>90,926</b>	<b>99,262</b>

E: MOSL Estimates

## Financials and valuations

### Ratios

Y/E	Mar 17	Mar 18	Mar 19	Mar 20	Mar 21	Mar 22	Mar 23E	Mar 24E
<b>EPS</b>	<b>38.3</b>	<b>43.3</b>	<b>55.5</b>	<b>63.1</b>	<b>64.2</b>	<b>75.1</b>	<b>92.6</b>	<b>108.3</b>
Cash EPS	42.1	46.9	59.4	75.5	77.0	90.2	109.9	126.7
Book Value	292.9	279.2	274.1	312.9	349.3	365.3	406.7	450.4
DPS	24.1	20.1	27.0	35.0	65.0	45.7	56.1	65.6
Payout %	62.8	46.5	48.6	55.4	101.2	60.8	60.6	60.6
<b>Valuation (x)</b>								
P/E	58.8	52.1	40.6	35.7	35.1	30.0	24.3	20.8
Cash P/E	53.5	48.1	37.9	29.9	29.3	25.0	20.5	17.8
EV/EBITDA	46.2	40.0	31.7	24.5	22.2	19.2	15.7	13.5
EV/Sales	7.4	6.5	5.4	4.6	4.1	3.4	2.8	2.5
Price/Book Value	7.7	8.1	8.2	7.2	6.5	6.2	5.5	5.0
Dividend Yield (%)	1.1	0.9	1.2	1.6	2.9	2.0	2.5	2.9
<b>Profitability Ratios (%)</b>								
RoE	13.4	14.6	20.0	21.4	19.7	21.5	24.1	25.5
RoCE	10.4	12.5	17.4	18.6	16.8	18.3	20.5	21.6
<b>Turnover Ratios</b>								
Debtors (Days)	38	45	87	73	69	68	73	73
Fixed Asset Turnover (x)	28.6	32.2	39.1	16.2	11.0	12.4	14.5	18.3

### Cash Flow Statement

Y/E	Mar 17	Mar 18	Mar 19	Mar 20	Mar 21	Mar 22	Mar 23E	Mar 24E
CF from Operations	7,687	8,832	10,918	12,788	14,999	18,497	19,787	22,463
Chg. in Wkg. Capital	-1,045	-1,502	-1,421	422	-453	-1,501	-6,486	-2,513
<b>Net Operating CF</b>	<b>6,641</b>	<b>7,330</b>	<b>9,497</b>	<b>13,210</b>	<b>14,545</b>	<b>16,996</b>	<b>13,301</b>	<b>19,950</b>
Net Purchase of FA	-1,150	-313	-2,511	-1,243	-1,252	-1,192	-2,131	-2,383
<b>Free Cash Flow</b>	<b>5,491</b>	<b>7,016</b>	<b>6,986</b>	<b>11,967</b>	<b>13,293</b>	<b>15,805</b>	<b>11,170</b>	<b>17,567</b>
Net Purchase of Invest.	3,829	5,238	5,404	2,652	-6,967	-1,629	-1,011	-411
<b>Net Cash from Invest.</b>	<b>2,679</b>	<b>4,925</b>	<b>2,893</b>	<b>1,408</b>	<b>-8,219</b>	<b>-2,820</b>	<b>-3,143</b>	<b>-2,794</b>
Proceeds from equity	2	2	104	151	268	442	0	0
Proceeds from LTB/STB and others	-6,683	3,624	1,554	-3,863	-2,356	-2,152	0	0
Dividend Payments	-5,055	-15,010	-14,604	-6,065	-6,527	-12,177	-10,551	-12,334
<b>Net CF from Financing</b>	<b>-11,735</b>	<b>-11,383</b>	<b>-12,947</b>	<b>-9,777</b>	<b>-8,615</b>	<b>-13,887</b>	<b>-10,551</b>	<b>-12,334</b>
<b>Net Cash Flow</b>	<b>-2,415</b>	<b>871</b>	<b>-556</b>	<b>4,842</b>	<b>-2,288</b>	<b>289</b>	<b>-393</b>	<b>4,822</b>
Exchange difference	-13	52	-94	10	120	107	0	0
<b>Opening Cash Balance</b>	<b>8,572</b>	<b>6,144</b>	<b>7,067</b>	<b>6,416</b>	<b>11,267</b>	<b>9,098</b>	<b>9,494</b>	<b>9,102</b>
Add: Net Cash	-2,428	923	-651	4,851	-2,169	396	-393	4,822
<b>Closing Cash Balance</b>	<b>6,144</b>	<b>7,067</b>	<b>6,416</b>	<b>11,267</b>	<b>9,098</b>	<b>9,494</b>	<b>9,102</b>	<b>13,924</b>

E: MOSL Estimates;

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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