13 March 2023

Update | Sector: Metals

JSW Steel

BSE SENSEX	S&P CNX
58,238	17,154

CMP: INR676 **TP:INR710 (+5%)** **Neutral**

Robust domestic demand and increase in capacity to drive growth

Capacity expansion on track to become a steel mammoth

- **JSTL is all set to capture the growing domestic steel demand amid rapid expansion in infrastructure and construction. We believe JSTL is adding capacity at a right time to capture the robust growth journey.**
- **JSTL, a leading integrated steel manufacturer with strong iron ore linkages, ensures adequate raw material supply. With 13 active iron ore mines, JSTL has an aggregate reserve of over 1.3bt. Around 45% of the iron ore requirement is met by captive mines and JSTL is enhancing its mining capabilities to strengthen its operations in Odisha.**
- **JSTL offers a wide gamut of flat and long steel products with strong focus on value added products (VAP). The share of VAP stands at around 55% of the total volumes.**
- **With the removal of export duty on iron ore, pellet, and steel in Nov '22 and opening up of China and other European markets, prices of steel have started to increase since the start of Jan '23. Global steel prices are also on the up move, on the back of improved macros, and hence, we believe global players such as JSTL with its diversified product offerings is well placed to capture the domestic as well as international markets.**
- **JSTL core operations (standalone business) are expected to post a crude steel production of 23.6mt and sales of 22.6mt in FY23. JSTL expects export volumes to rise to mid double digits in FY24.**
- **While JSTL is well placed, the stock trades at 5.8x FY24E EV/EBITDA and appears to be fully discounting the benefits. We reiterate our Neutral rating on the stock with a target price of INR710 (6x FY24E EV/EBITDA).**
- **Key downside risk - JSTL imports coking coal and any sharp increase in its prices could adversely impact margins.**

JSTL on track to enhance India capacity to 37mtpa

- JSTL is undertaking capex programs which will enhance its Indian steel capacity from 27mt to 37mt by FY25E (global capacity to reach 38.5mt).
- JSTL is expected to add around 1.75mt capacity in FY23 via debottlenecking at its Vijayanagar plant (1mt) and capacity expansion at BPSL (0.75mt). Majority of expansion is expected to come on stream in FY24E, adding another 6.5mt to the total capacity.
- Post all the expansion, the Vijayanagar plant will be the largest single location plant in India and one of the largest in the world with a capacity of 19.5mt. The brownfield capex at Vijayanagar is a value accretive low cost capex of USD400-500/t.
- BPSL Phase I expansion is completed. Phase II expansion is planned to ramp up the capacity from 3.5mt to 5mt at a capex of INR45b and it is expected to be completed by FY24.

Stock Info

Bloomberg	JSTL IN
Equity Shares (m)	2445
M.Cap.(INRb)/(USDb)	1633.2 / 19.9
52-Week Range (INR)	790 / 520
1, 6, 12 Rel. Per (%)	-2/3/-2
12M Avg Val (INR M)	2408
Free float (%)	54.8

Financials Snapshot (INR b)

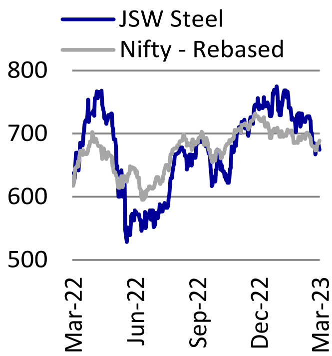
Y/E MARCH	2023E	2024E	2025E
Sales	1,676	1,944	2,123
EBITDA	188	397	470
Adj. PAT	30	195	241
EBITDA Margin (%)	11	20	22
Cons. Adj. EPS (INR)	12	80	99
EPS Gr. (%)	-86	547	24
BV/Sh. (INR)	270	340	428
Ratios			
Net D:E	0.8	0.8	0.6
RoE (%)	4.5	26.1	25.7
RoCE (%)	5.5	14.1	14.9
Payout (%)	81.3	12.6	10.1
Valuations			
P/E (x)	54.9	8.5	6.9
P/BV (x)	2.5	2.0	1.6
EV/EBITDA(x)	11.7	5.8	4.7
Div. Yield (%)	1.5	1.5	1.5
FCF Yield (%)	5.8	-2.2	8.1

Shareholding pattern (%)

As On	Dec-22	Sep-22	Dec-21
Promoter	45.2	45.2	44.7
DII	24.9	9.8	8.9
FII	11.6	11.4	11.5
Others	18.4	33.7	34.9

FII Includes depository receipts

Stock Performance (1-year)



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Robust domestic demand augurs well for JSTL

- India was one of the handful countries whose crude steel production saw an improvement of 5.5% YoY to ~125mt in CY22.
- India is all set to increase its crude steel capacity to 300mt by FY31, providing significant headroom for growth in steel consumption in India.
- The government's strong push on infrastructure, housing, and construction, along with improved demand for auto and renewables (RE) is expected to drive the domestic demand for steel.
- JSTL is expected to gain market share from the rising domestic demand.

Preferred steel supplier to auto sector

- India, which is the third largest auto market in the world, is on its way to becoming the global auto hub by FY28.
- In CY22, India sold over 22m vehicles and all the segments are expected to register a CAGR of 10% over FY23-25, backed by pent up demand, improvements in supply chain, and absorption of cost inflation at customer level.
- With strong presence across auto value chain, JSTL has become one of the preferred and leading suppliers in the auto industry. All the major crash and safety components such as A&B pillars, cross beams, and door impact beams are built from JSTL's Advanced High Strength Steel (AHSS).
- On an average, 900kgs of steel is used per vehicle. AHSS can make up to 60% of the body structure, which not only makes vehicles lighter by 8-10%, but also, enhances their safety.
- Approval process by auto majors is quite stringent and time consuming, acting as an entry barrier to other steel manufacturers, thereby, providing a competitive edge to companies such as JSTL.

Strong iron ore linkages in place to ensure seamless steel production

- JSTL, a leading integrated steel manufacturer with strong iron ore linkages, ensures adequate raw material supply. JSTL has 13 captive iron ore mines with an aggregate reserve of over 1.3bt.
- JSTL has 9 mines in Karnataka (Reserves 216mt) and is equipped with a 24km long conveyor belt for seamless transportation of iron ore to its Vijayanagar plant. The company has also acquired 4 iron ore mines at Odisha, ensuring long-term iron ore security to Dolvi and Salem plants.
- Around 45% iron ore requirements are met via captive mines and JSTL has planned a capex of INR34.5b over FY22-24 to enhance mining infrastructure and reduce its dependency on outsourced raw material.
- Odisha mines are earmarked 105% to the market prices as royalty payout; however; consistent Fe grade from the captive mines is expected to enhance Blast Furnace yields, thereby, reducing the conversion cost for JSTL.
- JSTL is also planning to install grinding and washing facilities to improve the quality of ore, enhancing the overall productivity.

Strong focus on value-added production

- With presence across 500+ brands, JSTL has an entire gamut of product mix such as HRC, CRC, color coated, TMT, Galvanized, tinplate, electrical steel, etc.
- Around 70% of the volumes are contributed by flat products and 30% by long products.

- JSTL has significant capacity (over 12.5mt) in downstream capabilities, producing VAP and specialized products which further enhance margins. VAP contributes around 55% of the volumes and JSTL strives to keep the share of VAP over 50%.

Steel prices set to rise as demand improves

- Post reopening of China and the rollback of export duty, steel prices has improved since the start of Jan '23.
- Domestic steel prices are expected to remain fairly stable on the back of strong infrastructure push by the government, driving the steel demand.
- Domestic steel prices have a strong correlation to international prices and international markets have witnessed a price hike in Feb'23. HRC prices in China are up 11.6% in the last three months and domestic prices have recovered around 8.5% during the same period. We expect domestic steel prices to follow international prices in the coming weeks.
- Indian markets have slowly started scouting European markets; post the rollback of export duty and constraints faced by Turkey to supply to European markets post-earthquake. Rebuilding Turkey would also require higher steel consumption in its domestic market and due to demand–supply constraint; prices in Europe have started going up, which will benefit exporters like JSTL.

Valuations

- We expect the pickup in domestic demand and higher exports (post removal of export duty) to support volumes. With the recent price increase, we should see margins improving in the near term.
- JSTL is trading at 5.8x our FY24E EV/EBITDA and 2.0x our FY24E P/B, respectively. The current valuations appear to be fully discounting the benefits, which are likely to accrue through FY24. We reiterate our Neutral rating on the stock with a target price of INR710 (6x FY24E EV/EBITDA).
- Key downside risk - JSTL imports coking coal and any sharp increase in its prices could adversely impact margins.

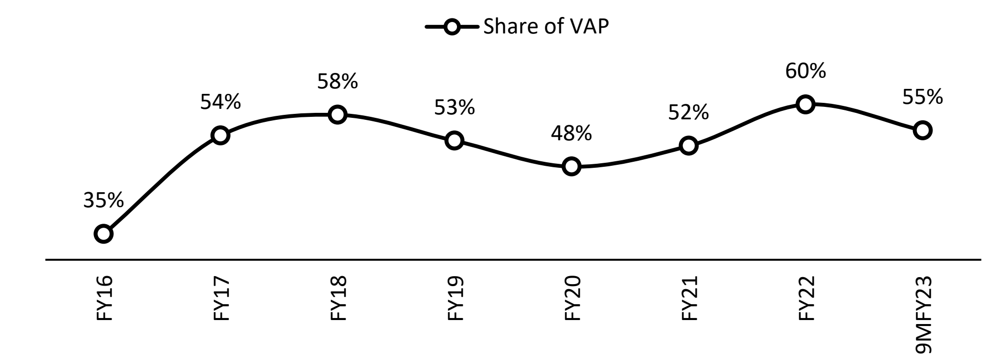
Exhibit 1: Capacity (in India) to leap frog with Vijayanagar expansion (in mt)

Plant Location	Current capacity	Expansion FY23E	Expansion FY24E	Expansion FY25E	Post expansion capacity
Dolvi	10.0				10.0
Vijayanagar	12.0	1.0	5.0	1.5	19.5
Salem	1.0				1.0
BPSL Jharsuguda	2.8	0.8	1.5		5.0
JISPL Raigarh and Raipur	1.2			0.3	1.5
Total	**27.0**				**37.0**

Source: MOFSL, Company

- JSTL is undertaking numerous capex programs which will enhance its Indian operations steel capacity from 27mt to 37mt by FY25E (global capacity to reach 38.5mt). Post expansion, the Vijayanagar plant will be the largest single location plant in India and one of the largest in the world.
- The 1mt debottlenecking at Vijayanagar is almost complete and the 5mt expansion at Dolvi, which commenced in FY22, has been fully ramped up.

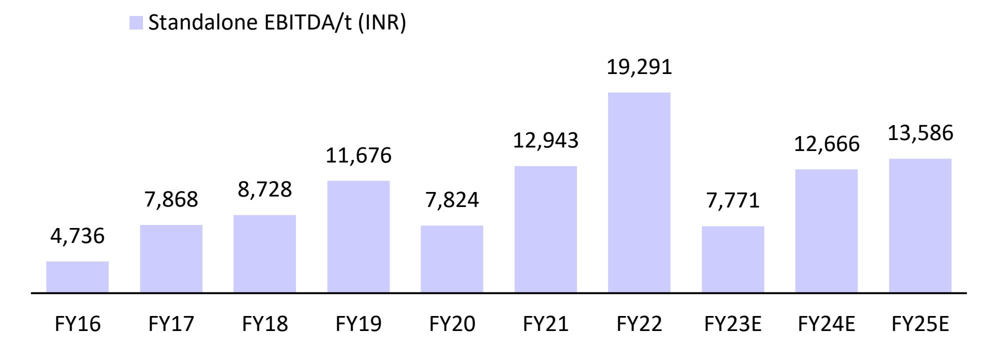
Exhibit 2: Share of VAP in total sales



Source: Company, MOFSL

- JSTL has been registering higher sales from VAP in the recent quarters as compared to pre-covid times. JSTL has significant capacity (over 12.5mt) in downstream capabilities; producing VAP and specialized products which further enhances margins. JSTL continuously endeavors to keep the share of VAP over 50%.

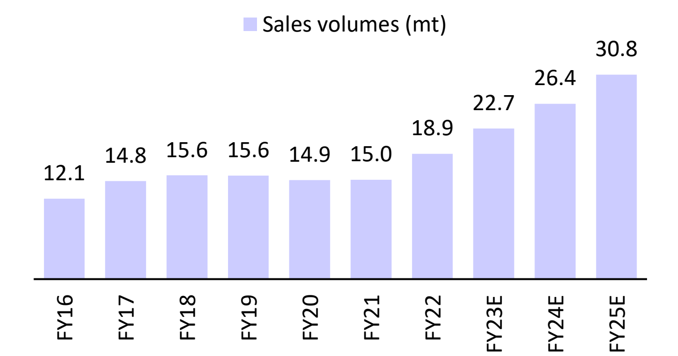
Exhibit 3: We expect EBITDA/t to bottom out in FY23



Source: MOFSL, Company

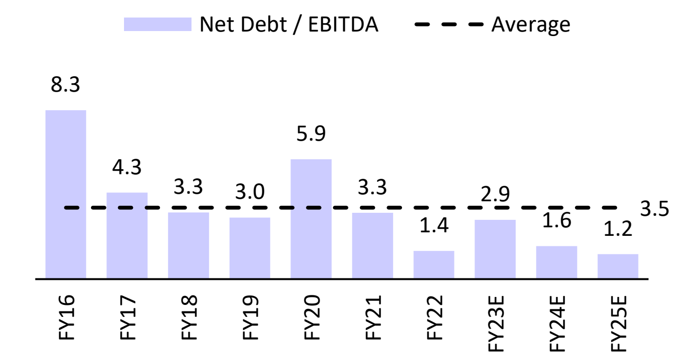
- Going forward, we expect EBITDA/t to bottom out in FY23 and expect the same to stabilize at ~INR13,000/t. The ongoing capex program and increasing the share of VAP in total volumes will drive the growth of EBITDA/t for the company.

Exhibit 4: Expect volume CAGR of ~17% over FY22-25



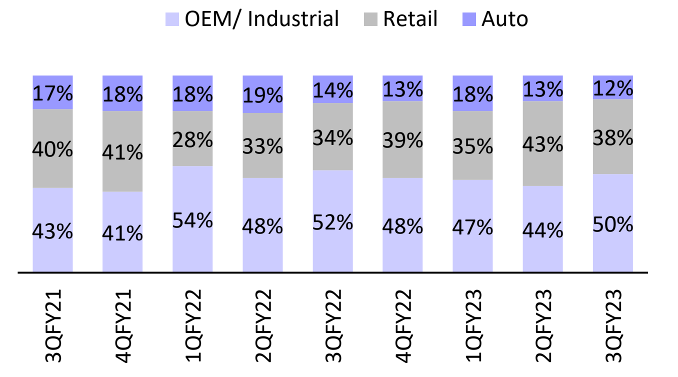
Source: MOFSL, Company

Exhibit 5: ND/EBITDA within average of 3.5x; expected to go down from FY24



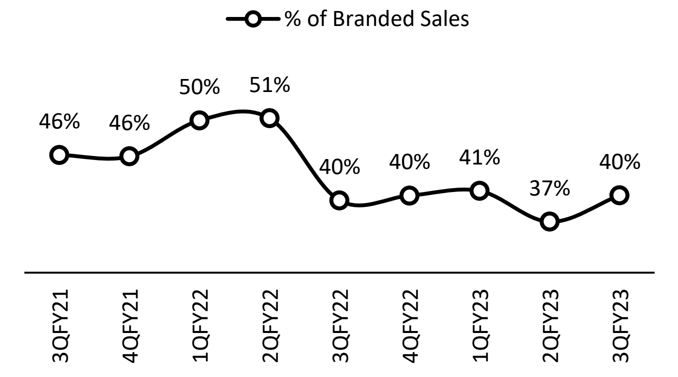
Source: MOFSL, Company

Exhibit 6: Share of OEM/industrial in total sales is increasing over the last five quarters



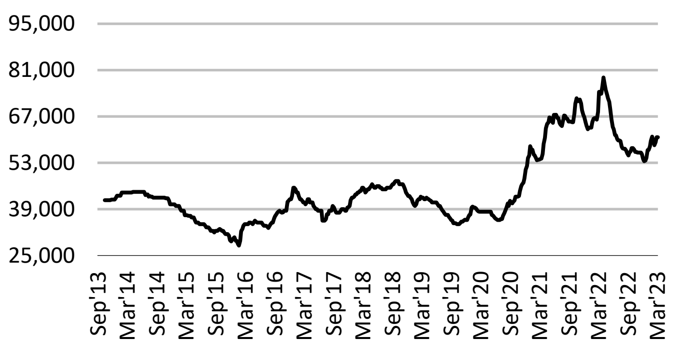
Source: Company, MOFSL

Exhibit 7: Branded products contribute 40% of the total retail sales



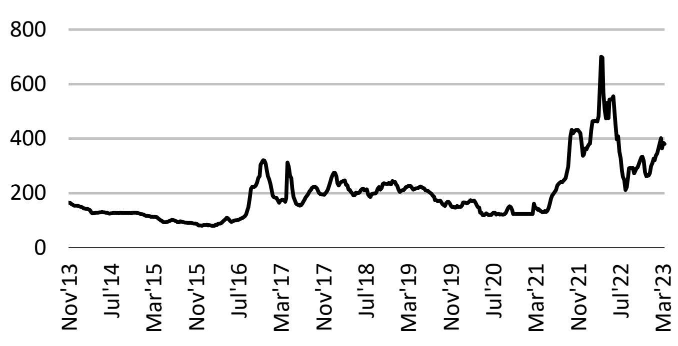
Source: Company, MOFSL

Exhibit 8: Domestic HRC prices (INR/t) have seen an improvement, post rollback of export duty



Source: Company, SteelMint, MOFSL

Exhibit 9: Coking coal price had recently crossed USD400/t and is currently at around USD380/t

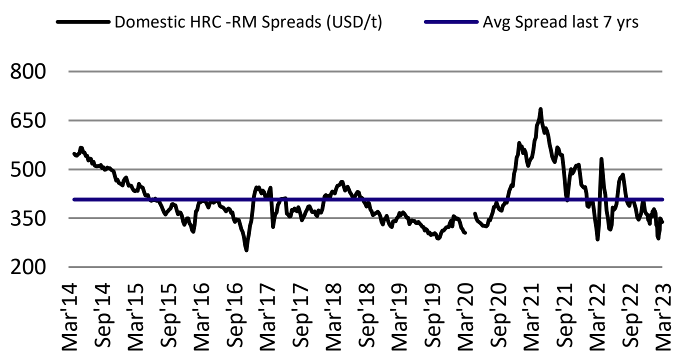


Source: Company, MOFSL

Exhibit 10: International HRC prices (USD/t) have started increasing and hovers around USD685-700/t

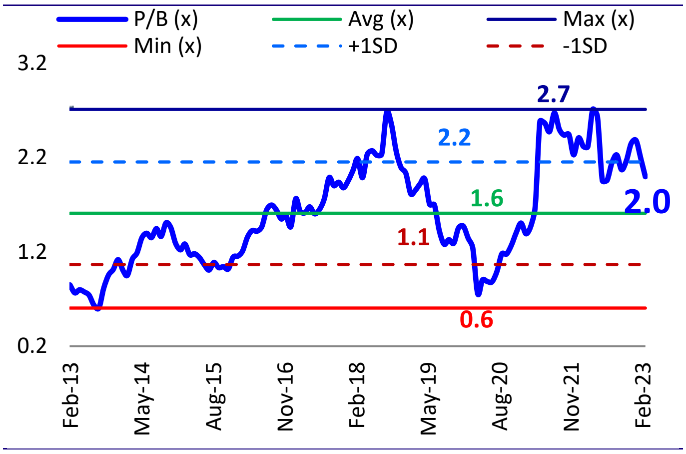
Source: MOFSL, Company

Exhibit 11: Domestic HRC Spreads



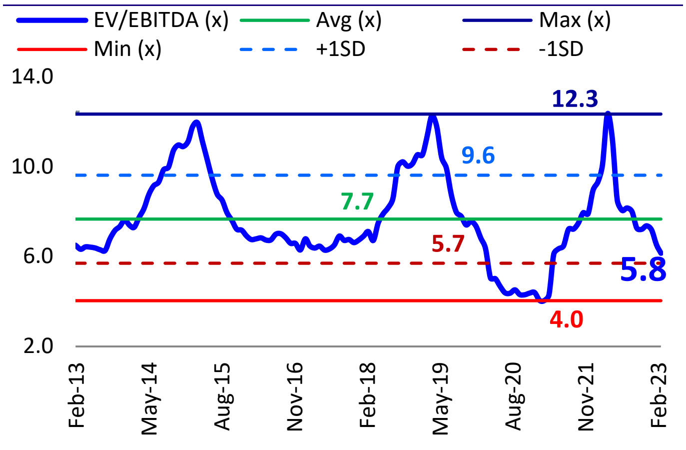
Source: MOFSL, Company

Exhibit 12: P/B above LTA



Source: MOFSL, Company Data

Exhibit 13: …EV/EBITDA is near -1SD



Source: MOFSL, Company Data

Exhibit 14: FY24E EBITDA sensitivity analysis (INR b) to change in Coal USD/t and volume (mt)

		Coal USD/t				
		-20	-10	0	10	20
Volume (MT)	-2	309	292	276	260	244
	-1	375	356	337	319	300
	0	441	419	397	376	354
	1	505	481	456	432	408
	2	569	542	515	488	461

Source: MOFSL

Exhibit 15: FY24E EBITDA sensitivity (% change)

		Coal USD/t				
		-20	-10	0	10	20
Volume (MT)	-2	-22.3	-26.4	-30.4	-34.5	-38.6
	-1	-5.5	-10.3	-15.1	-19.8	-24.6
	0	10.9	5.5	0.0	-5.4	-10.9
	1	27.2	21.0	14.9	8.7	2.6
	2	43.3	36.5	29.6	22.8	16.0

Source: MOFSL

- A reduction of USD10/t in the coking coal price and a volume increase of 1mt will increase EBITDA by 21%. However, a price increase of USD20/t in coking coal, coupled with a volume decrease of 2mt, can erode 38.6% of EBITDA.

Exhibit 16: Target price sensitivity analysis to change in Coal USD/t and volume (mt)

		Coal USD/t				
		-20	-10	0	10	20
Volume (MT)	-2	480	435	390	340	295
	-1	660	605	550	500	445
	0	835	775	710	650	590
	1	1,010	940	870	800	730
	2	1,180	1,105	1,025	950	870

Source: MOFSL

Exhibit 17: Target price sensitivity (% change)

		Coal USD/t				
		-20	-10	0	10	20
Volume (MT)	-2	-32.4	-38.7	-45.1	-52.1	-58.5
	-1	-7.0	-14.8	-22.5	-29.6	-37.3
	0	17.6	9.2	0.0	-8.5	-16.9
	1	42.3	32.4	22.5	12.7	2.8
	2	66.2	55.6	44.4	33.8	22.5

Source: MOFSL

- A reduction of USD20/t in the coking coal price along with a volume increase of 2mt will increase the target price to INR1,180 from INR710. Similarly, if coking coal cost rises by USD20/t, with no change in volume, target price will drop by 16.9% to INR590.

Exhibit 18: TP calculation

Y/E March	FY24E
Consolidated Volumes (mt)	26.4
EBITDA/t (INR)	15,035
Consolidated EBITDA (INR b)	**397**
Target EV/EBITDA (x)	6.0
Target EV (INR b)	**2,384**
less: Net Debt (INR b)	646
Equity value (INR b)	1,737
No. of shares (b)	2.4
Equity value /sh.	**710**

Source: MOFSL

Exhibit 19: Global comparative valuations

	M-Cap	P/E (x)			EV/EBITDA (x)			P/B (x)			RoE (%)		
Company	USD mn	CY21/ FY22	CY22/ FY23	CY23/ FY24	CY21/ FY22	CY22/ FY23	CY23/ FY24	CY21/ FY22	CY22/ FY23	CY23/ FY24	CY21/ FY22	CY22/ FY23	CY23/ FY24
India													
Tata*	16,087	3.2	12.3	6.7	2.9	6.0	4.5	1.2	1.1	1.0	44.6	9.4	15.9
JSW*	20,198	7.6	54.9	8.5	5.6	11.7	5.8	2.4	2.5	2.0	37.5	4.5	26.1
JSP*	7,235	6.7	12.6	8.5	4.4	5.9	4.6	1.6	1.5	1.3	25.9	12.3	16.1
SAIL*	4,436	3.0	19.6	7.1	2.5	7.7	4.6	0.7	0.7	0.6	24.3	3.4	8.8
Japan													
JFE	8,029	3.8	6.4	6.9	5.0	6.2	6.4	0.5	0.5	0.5	15.5	7.9	6.9
Nippon Steel	22,551	5.7	4.6	7.3	5.6	4.9	5.9	0.9	0.7	0.7	18.1	17.8	9.7
Kobe Steel	3,196	7.6	7.7	7.9	6.1	6.9	6.0	0.5	0.5	0.5	7.2	6.6	6.0
Korea													
POSCO	21,194	6.4	7.6	6.4	4.1	4.3	3.9	0.5	0.5	0.4	8.3	6.5	7.3
Hyundai Steel	3,518	3.3	5.1	4.1	3.9	4.3	3.7	0.2	0.2	0.2	7.6	4.8	5.5
US													
Nucor	40,027	5.6	11.5	14.0	3.7	6.9	8.1	2.2	2.0	1.6	43.5	18.0	13.1
US Steel	6,182	2.8	10.1	17.3	1.7	4.3	5.0	0.7	0.8	0.9	26.2	5.9	4.8
Steel Dynamics	20,651	5.5	9.4	15.2	3.8	6.3	8.9	2.7	2.3	1.8	51.9	24.4	12.3
Europe													
AM	24,594	2.9	8.0	6.3	2.2	4.1	3.7	0.5	0.5	0.4	18.8	6.4	7.4
SSAB	7,338	3.6	9.6	13.4	2.0	4.6	5.9	0.8	1.1	1.1	26.0	11.7	8.5
TKA	4,579	4.5	12.5	7.7	0.5	0.6	0.5	0.3	0.3	0.3	8.4	2.9	4.1
VOE	6,591	5.8	6.0	10.1	4.0	3.3	4.2	1.0	0.8	0.7	16.7	13.9	7.8
China													
Baosteel	21,166	9.5	8.1	7.6	5.4	4.7	4.1	0.7	0.7	0.7	7.2	7.9	8.1

Source: MOFSL, Company. (*) denotes MOFSL estimates

Financials and Valuations

Income statement (consolidated) (INR b)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Net sales	**556.0**	**701**	**848**	**726**	**796**	**1,464**	**1,676**	**1,944**	**2,123**
Change (%)	32.8	26.0	20.9	-14.3	9.6	83.9	14.5	16.0	9.2
Total Expenses	433.4	554	658	615	596	1,074	1,488	1,547	1,653
EBITDA	**122.6**	**147**	**190**	**112**	**200**	**390**	**188**	**397**	**470**
% of Net Sales	22.0	21.0	22.4	15.4	25.1	26.6	11.2	20.4	22.1
Depn. & Amortization	35.2	34	40	42	47	60	74	86	94
EBIT	**87.4**	**113**	**149**	**69**	**153**	**330**	**114**	**311**	**376**
Net Interest	37.7	37	39	43	40	50	67	44	48
Other income	1.5	2	2	5	6	15	7	7	7
PBT before EO	**51.3**	**78**	**112**	**32**	**119**	**296**	**55**	**274**	**335**
EO income		6		21	1	-7			
PBT after EO	**51.3**	**83**	**112**	**53**	**120**	**288**	**61**	**274**	**335**
Tax	16.7	23	36	12	41	88	24	82	96
Rate (%)	32.6	27.2	32.5	23.7	34.5	30.6	39.5	29.8	28.6
Reported PAT	**35.8**	**62**	**76**	**40**	**79**	**207**	**36**	**195**	**241**
Minority interests	0.1	1	1	1	0	-3	1	-1	-1
Share of Associates	1.2	0	0	-1	0	9	-2	3	2
Preference dividend	0.0	0	0	0	0	0	0	0	0
Adj. PAT (after MI & Asso)	**35.8**	**56**	**76**	**20**	**78**	**214**	**30**	**195**	**241**
Change (%)	NA	57.5	35.5	-74.2	297.8	173.3	-85.9	546.8	23.9

Balance sheet (INR b)

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Share Capital	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.4
Reserves	224.1	278	346	364	465	671	658	828	1,045
Net Worth	**226.5**	**280**	**348**	**366**	**468**	**673**	**661**	**831**	**1,047**
Minority Interest	-2.5	-5	-5	-6	-6	12	13	11	9
Total Loans	540.2	496	638	780	782	717	667	665	655
Deferred Tax Liability	29.9	26	38	17	35	76	88	115	144
Capital Employed	**794.1**	**797**	**1,019**	**1,157**	**1,278**	**1,478**	**1,429**	**1,622**	**1,855**
Gross Block	663.8	688	775	811	887	1,297	1,447	1,727	2,007
Less: Accum. Deprn.	76.5	110	149	191	238	298	372	458	552
Net Fixed Assets	**587.3**	**578**	**626**	**620**	**649**	**999**	**1,075**	**1,269**	**1,455**
Capital WIP	43.6	60	119	272	326	169	129	99	69
Investments	10.7	12	18	13	86	49	49	49	49
Curr. Assets	**238.5**	**270**	**385**	**414**	**423**	**748**	**720**	**755**	**867**
Inventory	114.0	126	145	139	142	338	354	453	494
Account Receivables	41.5	47	72	45	45	75	87	123	134
Cash and Bank Balance	17.9	14	63	120	128	174	118	18	78
Others	65.2	83	105	110	107	161	161	161	161
Curr. Liability & Prov.	**85.9**	**122**	**129**	**161**	**205**	**487**	**545**	**551**	**585**
Account Payables	38.5	69	59	81	69	309	367	373	407
Provisions & Others	47.5	53	69	80	136	178	178	178	178
Net Current Assets	**152.5**	**148**	**256**	**252**	**218**	**261**	**175**	**204**	**282**
Appl. of Funds	**794.1**	**797**	**1,019**	**1,157**	**1,278**	**1,478**	**1,429**	**1,622**	**1,855**

Financials and Valuations

Ratios

Y/E March	FY17	FY18	FY19	FY20	FY21E	FY22	FY23E	FY24E	FY25E
Basic (INR)									
EPS	**14.9**	**23.4**	**31.8**	**8.2**	**32.4**	**88.6**	**12.3**	**79.6**	**98.6**
Cash EPS	29.6	39.8	48.7	34.5	52.1	110.3	44.9	114.8	137.2
BV/Share	94.4	116.2	145.0	152.5	193.5	278.4	270.2	339.8	428.4
DPS	0.8	2.3	3.3	4.1	6.5	17.4	10.0	10.0	10.0
Payout (%)	6.1	9.6	10.2	50.0	20.1	19.6	81.3	12.6	10.1
Valuation (x)									
P/E	45.3	28.9	21.2	82.3	20.8	7.6	54.9	8.5	6.9
Cash P/E	22.9	17.0	13.9	19.6	13.0	6.1	15.1	5.9	4.9
P/BV	7.2	5.8	4.7	4.4	3.5	2.4	2.5	2.0	1.6
EV/Sales	3.9	3.0	2.6	3.1	2.9	1.5	1.3	1.2	1.0
EV/EBITDA	17.5	14.4	11.6	20.4	11.4	5.6	11.7	5.8	4.7
Dividend Yield (%)	0.1	0.3	0.5	0.6	1.0	2.6	1.5	1.5	1.5
Return Ratios (%)									
EBITDA Margins (%)	22.0	21.0	22.4	15.4	25.1	26.6	11.2	20.4	22.1
Net Profit Margins (%)	6.4	8.0	9.0	2.7	9.8	14.6	1.8	10.0	11.4
RoE	17.4	22.2	24.4	5.5	18.7	37.5	4.5	26.1	25.7
RoCE (pre-tax)	7.9	9.6	11.0	4.5	8.7	17.4	5.5	14.1	14.9
RoIC (pre-tax)	8.5	10.6	13.0	5.9	13.8	24.2	6.9	16.1	16.2
Working Capital Ratios									
Fixed Asset Turnover (x)	0.8	1.0	1.1	0.9	0.9	1.1	1.2	1.1	1.1
Asset Turnover (x)	0.7	0.9	0.8	0.6	0.6	1.0	1.2	1.2	1.1
Debtor (Days)	27.2	24.5	30.8	22.6	20.6	18.6	19.0	23.0	23.0
Inventory (Days)	74.8	65.6	62.6	69.7	65.3	84.3	77.0	85.0	85.0
Creditors(Days)	25.2	36.0	25.5	40.8	31.6	77.0	80.0	70.0	70.0
Working Capital (Days)	76.8	54.1	67.9	51.5	54.3	25.8	16.0	38.0	38.0
Leverage Ratio (x)									
Current Ratio	2.8	2.2	3.0	2.6	2.1	1.5	1.3	1.4	1.5
Interest Cover Ratio	2.3	3.1	3.8	1.6	3.9	6.6	1.7	7.0	7.8
Debt/Equity	2.3	1.7	1.7	1.8	1.4	0.8	0.8	0.8	0.6

Cash flow statement (consolidated) **(INR b)**

Y/E March	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
EBITDA	122.6	147	190	112	200	390	188	397	470
Non cash exp. (income)	-2.7	2	-1	11	-5	-1	0	0	0
(Inc)/Dec in Wkg. Cap.	-38.7	-11	-16	16	13	-73	30	-129	-19
Tax Paid	-2.4	-14	-26	-12	-19	-54	-12	-55	-67
CF from Op. Activity	**78.9**	**124**	**146**	**128**	**188**	**263**	**206**	**213**	**385**
(Inc)/Dec in FA + CWIP	-44.4	-47	-102	-128	-93	-100	-110	-250	-250
(Pur)/sale of Invest.	-2.9	0	3	1	-3	-1	0	0	0
Acquisition in subs.	-1.5	-4	-14	1	-67	-7	0	0	0
Int. & Dividend Income	1.2	1	2	5	6	6	7	7	7
Others	0.5	1	-2	-75	75	-58	0	0	0
CF from Inv. Activity	**-47.1**	**-49**	**-114**	**-196**	**-81**	**-160**	**-103**	**-243**	**-243**
Equity raised/(repaid)	0.0	0	-2	0	0	0	0	0	0
Debt raised/(repaid)	10.8	-40	67	111	17	-80	-50	-2	-10
Dividend (incl. tax)	-2.2	-7	-9	-12	-5	-16	-42	-24	-24
Interest paid	-35.7	-35	-38	-47	-43	-51	-67	-44	-48
Other financing	0.0	0	0	0	0	0	0	0	0
CF from Fin. Activity	**-27.1**	**-82**	**18**	**52**	**-31**	**-147**	**-159**	**-71**	**-82**
(Inc)/Dec in Cash	**4.7**	**-7**	**49**	**-16**	**76**	**-44**	**-56**	**-100**	**59**
Add: opening Balance	7.3	18	14	63	120	128	174	118	18
Regrouping etc	5.9	3	0	73	-67	89	0	0	0
Closing Balance	**17.9**	**14**	**63**	**120**	**128**	**174**	**118**	**18**	**78**

NOTES

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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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