

May 11, 2023

RESULT REPORT Q4 FY23 | Sector: Chemicals

SRF Ltd

Strong prognosis for chemicals business

Our View:

SRF's 4QFY23 consol. operating profit at Rs 9.31bn (-2% YoY & +12%QoQ), stood above our estimates (YES: Rs 8.6bn). The beat on our estimates stemmed from above estimated strong performance in the chemicals business segment. The packaging film and technical textile business on the other hand continued to suffer headwinds. The operating margins in packaging film business declined further during the quarter and is perhaps at its cyclical bottom, however recovery could still take few more months. The chemicals business on the other hand has a strong prognosis, with more than 20% revenue growth expected in FY24. The growth is expected to be fueled by seven specialty chemical plants and three fluorochemical plants on course for commissioning in FY24 along with 7-8 new active ingredients under development and due for commercialization in coming years. The PTFE plant while slightly delayed is now due for commissioning by mid-Jun'23, whereas the R-32 plant is due for commissioning in Jul'23, thereby likely to contribute to 2HFY24 earnings.

Result Highlights

- **Revenue:** The consolidated net-revenue during the quarter stood at Rs 37.8bn (+6% YoY; +9% QoQ). The FY23 revenue stood at Rs 148.7bn (+24.6% YoY)
- **Consolidated Ebitda & PAT:** Consolidated Ebitda for 4Q stood at Rs 9.3bn(-2%YoY; +12% QoQ) and Consol. PAT stood at Rs 5.6bn (-7% YoY; +10% QoQ); FY23 Ebitda stood at Rs 35.3bn (+17% YoY) & PAT stood at Rs 21.6bn (+21% YoY)
- **Chemicals Business:** Revenue stood higher by 34% YoY and 20% QoQ at Rs 21bn. Ebit stood at Rs 7.4bn (+47% YoY and +31% QoQ); During the quarter, the Specialty Chemicals & Fluorochemical businesses performed well on account of strong demand for refrigerants, flagship products, downstream derivatives. Significant contribution was observed from agrochemical products. In the chloromethanes segment, higher volumes from the new CMS plant aided as well.
- **Technical Textile Business:** Revenue stood at Rs 4.3bn (-13% YoY; +1% QoQ) and EBIT stood at Rs 342mn (-47% YoY; +42% QoQ). Demand for Nylon Tyre Cord Fabric and Polyester Industrial Yarn remained weak during the quarter.
- **Packaging Film Business:** Revenue stood at Rs 11.5bn (-17% YoY; -4% QoQ); EBIT stood at Rs 410mn (-85% YoY; -65% QoQ). Business faced strong headwinds with significant pressure on margins in Q4FY23, on account of capacity addition in both BOPET and BOPP film segments in India and abroad.
- **Capex:** The capex for the FY23 stood at ~Rs 28bn and the planned capex for FY24 is estimated at ~ Rs 25bn, with project worth ~Rs 12 already on ground.

Valuation

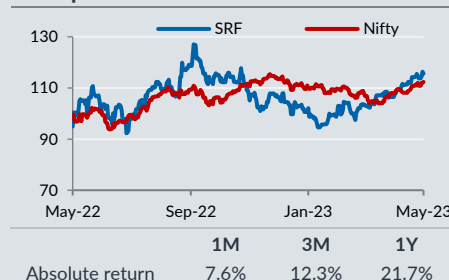
Maintain BUY with a Mar'24 TP of Rs 3135/sh. Our DCF based target price implies a target multiple of 35x FY25e, as against 28.6x the stock is currently trading at.

Reco	: BUY
CMP	: Rs 2,571
Target Price	: Rs 3,135
Potential Return	: +21.9%

Stock data (as on May 10, 2022)

Nifty	18,315
52 Week h/l (Rs)	2865/2002
Market cap (Rs/USD mn)	766970/9381
Outstanding Shares (mn)	296
6m Avg t/o (Rs mn):	1,376
Div yield (%):	0.7
Bloomberg code:	SRF IN
NSE code:	SRF

Stock performance



Shareholding pattern (As of Mar '23 end)

Promoter	50.5%
FII+DII	33.5%
Others	16.0%

Δ in stance

(1-Yr)	New	Old
Rating	BUY	BUY
Target Price	3135	3195

Δ in estimates

(1-Yr)	FY23	FY24e	FY25e
EPS (New)	73	78	90
EPS (Old)	68	78	91
% Change	7.3%	0.2%	-1.1%

Financial Summary

(Rs bn)	FY23	FY24E	FY25E
Revenues	149	172	200
YoY gr. (%)	19.6	15.9	16.3
EBITDA	35	39	47
OPM (%)	23.7	22.7	23.2
PAT	22	23	27
YoY gr. (%)	14.5	4.7	19.5
EPS (Rs)	73	76	91
P/E (x)	35.2	33.6	28.1
P/B (x)	7.4	6.2	5.2
EV/EBITDA	22.6	20.6	17.4
RoE (%)	17.0	15.0	15.4

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Exhibit 1: Comparison with estimates

Rs mn	Actual	Estimate		% Variation		Remarks
		YES Sec	Consensus	YES Sec	Consensus	
Sales	37,781	37590	37,527	0.5	0.7	Above estimates on stronger chemicals earnings
EBITDA	9,316	8626	9,121	8.0	2.1	
EBITDA Margin (%)	24.7	22.9	24.3	171 bps	35 bps	
Adjusted PAT	5,625	4663	5,459	20.6	3.0	

Exhibit 2: Quarterly snapshot

Particulars (Rs mn)	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	y/y (%)	q/q (%)	FY22	FY23	y/y (%)
Revenue	35,494	38,947	37,278	34,697	37,781	6.4	8.9	119,341	148,703	24.6
Expenditure	26,014	28,998	29,587	26,361	28,465	9.4	8.0	89,107	113,411	27.3
-Raw Material	16,637	18,578	19,529	16,944	18,884	13.5	11.5	58,219	73,935	27.0
-Staff Cost	2,135	1,942	1,953	2,102	2,142	0.3	1.9	7,510	8,138	8.4
-Power cost	3,398	4,103	3,737	3,443	3,440	1.2	(0.1)	11,059	14,723	33.1
-Other Expenses	3,844	4,375	4,368	3,873	3,999	4.0	3.2	12,319	16,615	34.9
EBITDA	9,480	9,950	7,691	8,335	9,316	(1.7)	11.8	30,234	35,292	16.7
EBITDA margin(%)	26.7	25.5	20.6	24.0	24.7	-205 bps	63 bps	25.3	23.7	160 bps
Other Income	72	99	327	100	223	209	123	571	749	31.3
Depreciation	1,316	1,307	1,393	1,507	1,546	18	3	4,952	5,753	16.2
EBIT	8,236	8,741	6,626	6,929	7,993	(3)	15	25,852	30,288	17.2
EBIT margin	23	22	18	20	21	-205 bps	119 bps	22	20	129 bps
Interest	357	325	445	620	659	85	6	1,117	2,048	83.4
PBT	7,879	8,416	6,181	6,309	7,334	(6.9)	16.2	24,735	28,240	14.2
Tax	1,823	2,336	1,371	1,200	1,709	(6.2)	42.4	6,863	6,617	(3.6)
PAT	6,057	6,080	4,810	5,109	5,625	(7.1)	10.1	17,872	21,623	21.0
Adj.PAT	6,057	6,080	4,810	5,109	5,625	(7.1)	10.1	17,872	21,623	21.0

Source: Company, YES Sec

Exhibit 3: Segmental highlights

Particulars	Q4 FY22	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	y/y (%)	q/q (%)	FY22	FY23	y/y (%)
Chemicals Business										
Revenues	15,725	17,224	18,302	17,566	21,017	33.7	19.6	52,408	74,109	41.4
EBIT	5,043	5,202	5,173	5,639	7,393	46.6	31.1	13,970	23,407	67.6
EBIT Margin (%)	32.1%	30.2%	28.3%	32.1%	35.2%	310 bps	307 bps	26.7%	31.6%	-5 bps
Packaging Film										
Revenues	13,902	14,960	13,310	12,027	11,531	(17.1)	(4.1)	47,792	51,828	8.4
EBIT	2,758	2,952	1,014	1,186	410	(85.2)	(65.5)	9,463	5,562	(41.2)
EBIT Margin (%)	19.8%	19.7%	7.6%	9.9%	3.6%	-1629 bps	-631 bps	19.8%	10.7%	9 bps
Technical Textiles										
Revenues	4,967	5,710	4,662	4,259	4,307	(13.3)	1.1	20,853	18,939	(9.2)
EBIT	914	1,162	629	342	484	(47.1)	41.5	4,714	2,617	(44.5)
EBIT Margin (%)	18.4%	20.4%	13.5%	8.0%	11.2%	-717 bps	321 bps	22.6%	13.8%	9 bps
Others										
Revenues	934	1,056	1,004	923	943	1.0	2.1	3,404	3,926	15.4
EBIT	41	68	76	91	113	177.0	24.0	204	348	71.0
EBIT Margin (%)	4.4%	6.4%	7.6%	9.9%	12.0%	764 bps	212 bps	6.0%	8.9%	-3 bps

KEY CALL HIGHLIGHTS

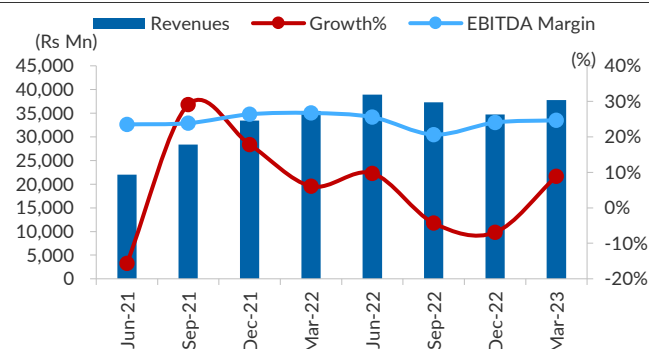
- Revenue increased by 25% YoY to Rs 149bn
- Ebitda grew by 17% YoY to Rs 35.3bn
- PAT increased by 21% YoY to Rs 21.6bn
- Packing Films (PF) and Technical Textile (TT) witnessed drop in profits but Chemicals business performed better, offsetting the weaker profitability in other two segments
- **Chemical Business (CB):** Business registered a revenue of Rs 74bn (+41% YoY) in FY23 and 20% + growth expect in the business in FY24
- The Chemicals business had a strong ROCE of 25% and 32% in FY22 and FY23; however going ahead to ensure a 20% + growth a moderation in ROCE is a possibility
- Rs 20bn in CWIP with 7 plants is specialty chemicals and 3 plants in fluorochemicals coming in FY24
- **Specialty Chem:** To capitalize on growing demand for key products; working on several projects which provide future growth visibility.
- 7-8 active intermediates to fructify in next couple of years
- On pharma to ramp-up production from new intermediates plant in the near terms and subsequently to move up to CDMO role
- **Fluorochem:** On the refrigerant business focus on domestic business in the 1QFY24 and then US business in the following quarters; Cooler Summer in India has led to tepid demand in India, which could impact earnings in 1QFY24, with likelihood of improvement later in the year.
- PTFE plant commissioning delayed due to Chinese engineers could not travel due to covid restrictions; now in-house engineers are commissioning the project
- HFO strategy has shaped well; announcement expected soon
- Started work on next range of industrial chemicals, which could create opportunities in import substitution
- Signing an MOU for a parcel of land next to Dahej site
- Global economic scenario is showing recessionary trends and caution on the demand blip is highlighted
- **Packaging Film:** Strong headwinds in the segment, margins at all time low in 4Q, due to several lines getting commissioned in India and overseas; A lot of capacity also seen closure due to cash losses. SRF expects scenario to improve going ahead
- Debottlenecked PF capacity at South Africa by 15%, which should aid volumes in the segment going ahead.
- **Aluminum foil** plant to get commissioned by 2QFY24; improved capability to manufacture thinner gauze foils; It will make SRF capable of manufacturing all three forms of packaging solution, BOPP, BOPET and Aluminium Foil
- Slight improvement in Nylon tyre cord fabric (NTCF) demand observed; focus to be on ramping up capacity utilization during the year
- To increase focus on non-tyre market in technical textile (TT) in order to diversify away from NTCF in order to de-risk the revenue stream
- Demand for belting fabric to grow in the future driven by government projects in infrastructure segment
- Depreciation and Interest costs to increase with higher project capitalization and due to high interest rate environment

- Chemical business to become a bigger part of the pie; Packaging film to have a tougher FY24
- Fluoro-specialty: Pricing dip seen and expected in the generic product space, especially in products coming from China; however 80-85% of SRF's business is innovator driven and no demand moderation is seen so far; looking at 7-8 AIs (active ingredients) over next two years
- Revenue growth guidance: 20% for chemicals and specialty chemicals, on conservative basis, given the current market condition
- **Refrigerant gasses:** US announced 30% cut in production and consumption ,starting in 1st Jan'24, however US will remain net importer of HFCs; The secondary market demand in US will still remain; Given the China has reached its supply quota requirement by FY23, some pricing sanity is expected in the market
- 30,000 ton refrigerant (incl SRF's 15000) R32 plant coming up in India; SRF looking to utilize at 70% in 12-18 months and then 100% over 24 months driven by access to export market in Middle East
- Fluoropolymer: Solar, Battery, Industrial application is still a need, however EU is looking to regulate the usage of fluoropolymer; The regulation in EU are in pipeline and not yet notified
- In specialty chemicals some products to get capitalized in 1Q-2QFY24 but majority i.e. 70% to get capitalized in 2HFY24
- 4QFY23 a phenomenal quarter for chemicals; however, a minor moderation might happen going ahead ; New product positioning in chemicals business should ensure volume and earning growth
- PTFE to commission by end May-Mid Jun'23; capacity utilization to at best reach 50% of the available capacity in 2HFY24 ; With three more fluoropolymers expected over next two years
- Overall capacity utilization for SRF has been at 92-95% in packaging films; Hungary plant has resumed production and S.Africa also contributing, should see some volume improvement going ahead.
- Fluorochem: commissioned CMS plants and higher volume from HFC;
- Specialty Chemicals : new plants have got commissioned and new products launched adding to volume
- Packaging Film: Jul-Aug'22 new line added in packaging film which added to volume offset by lower production in Hungary in FY23 vs FY22
- Tech Textiles: Volume weak due to weak demand sentiment in FY23, which is expected to improve going ahead
- Rs 12bn-13bn projects on the ground for cash to be spent, overall capex can reach to reach Rs 25bn in FY24
- Total chemicals Revenue: Rs 74bn of which Rs 42bn is specialty chemicals and Rs 32bn fluorochemicals
- Peak debt: Net -Debt to Ebitda at 0.8-0.9, could increase a little but likely to remain below 1
- CDMO in pharma: SRF already has a CGMP and PIP plant, where ramp-up is not a challenge. However, SRF is looking to add more complex margin accretive product; CDMO would be needed to be a large player in pharma; the foray into CDMO could be either organically or inorganically and also both on capability or on asset side
- PTFE plant needs to ramp-up initially before moving into specialty grades for the product
- S.Africa: 10-15% debottlenecking in S Africa packaging film capacity goes to 3500 annually
- Don't expect significant headwinds on the refrigerant gases side, while there could be few challenges in the 1Q, which could be compensated for later in the year, with higher sales to middle east and US

- HFC134A pharma grade (Dymel) doesn't get impacted by emission cuts targets; plant capacity is about 2500 tons of Dymel however plant running at 1400 tonnes; Dymel enjoys a premium of USD 4-8 over HFC 134 A pricing
- Active intermediates launch planned in Agro; largely patented products of innovators; good visibility of commercialization of 7-8 molecules over next two years
- Share of Active Ingredients within specialty chemical is at 12%
- Specialty chemicals operates out of 4 MPP and 12-13 dedicated plants; dedicated plants are almost pretty much full ; MPP might have some spare capacity
- HFC: 75-95% utilization
- Chloromethanes: plant set-up in Oct'22 right now in ramp up phase; old plants in full utilization
- Technical textile utilization rates lower at 75%
- Hungary exit rate of utilization at 65%; for entire FY23 at 69%.
- HFO gas opportunity: groundwork being done; fairly confident of ramp-up
- Effective finance cost: 4-4.5% on consolidated basis
- SRF's intent is to move up the value chain in the products in terms of complexity and value whether fluorine or non-fluorine molecules
- R-32 plant capitalization in Jul'23, and production from Aug-Sep'23
- In packaging business margins practically at cyclical lows, but cant be said for sure till when the lows will last.
- Margin expansion observed in chemicals business over past 2-3 years; going ahead targeting 20+growth on the operating earning front however margins might moderate somewhat vis-à-vis 4Q

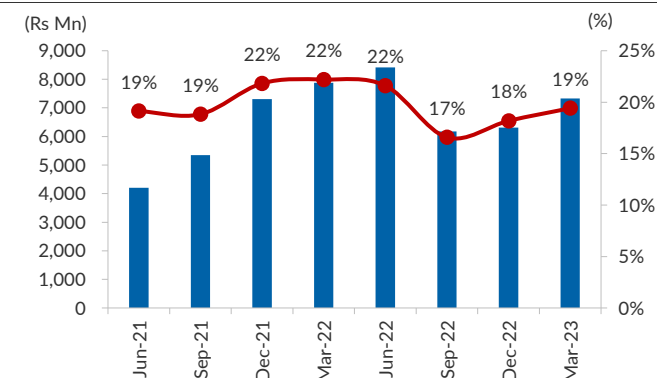
CHARTS

Exhibit 4: Revenue up 6.4% YoY and 8.9% QoQ, driven by growth in Chemicals business



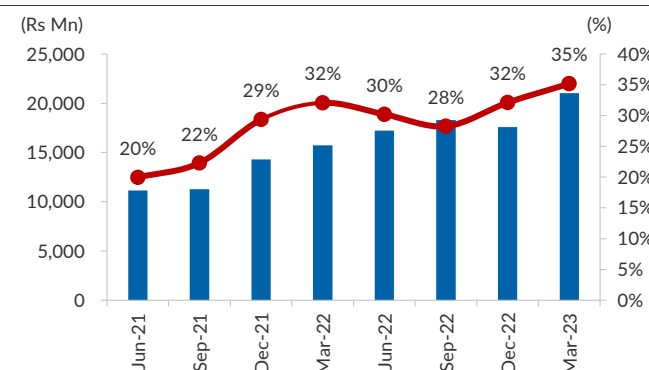
Source: Company, YES Sec

Exhibit 5: EBIT margins at 19% higher QoQ but lower YoY



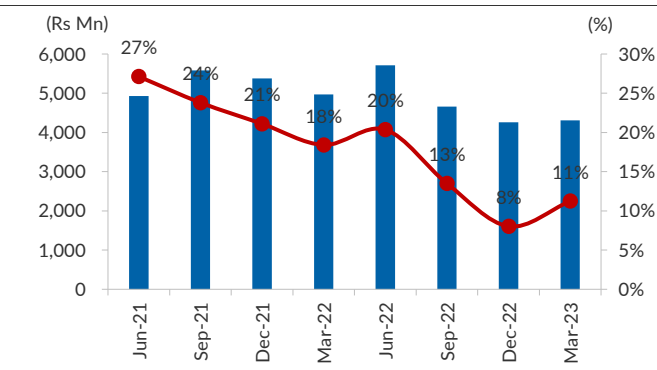
Source: Company, YES Sec

Exhibit 6: Chemical revenues improved by 34% YoY & 20% QoQ to Rs 21bn, with EBIT margins at 35.2%



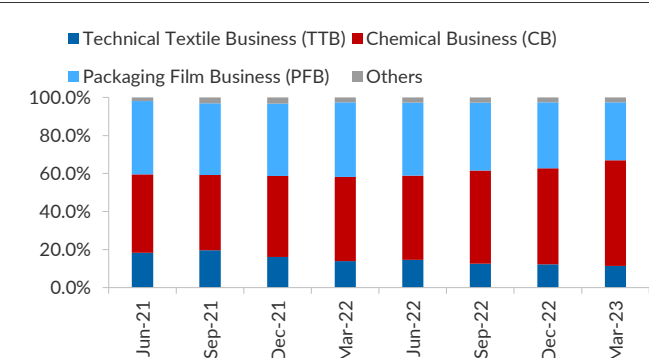
Source: Company, YES Sec

Exhibit 7: TTB segment revenue declined by 13% YoY to Rs 4.31bn ; Ebit margin at 11.2% improved QoQ



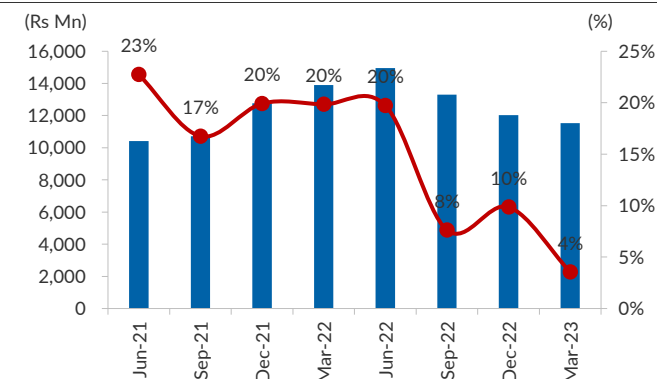
Source: Company, YES Sec

Exhibit 8: CB contributed 51% to revenue; followed by PFB at 35% and TTB at 12%



Source: Company, YES Sec

Exhibit 9: PFB revenue at Rs 11.5bn, -17% YoY & -4% QoQ; EBIT margins YoY lower at 3.6%



Source: Company, YES Sec

VIEW & VALUATIONS

BUY with a TP of Rs 3135/sh

We maintain BUY on SRF with a revised Mar'24 TP of Rs 3135 (from Rs 3195) as we make minor adjustments in our estimates. Our DCF based target price implies a target multiple of 35x FY25e, as against 28.6x the stock is currently trading at. Our TP is premised upon a 14.0% CAGR growth in operating earnings over FY22-30e. In our view the growth capex of Rs 150bn committed by SRF over next 5 years, predominantly in the CB segment, has the potential to drive sustained growth in earnings.

Exhibit 10: Valuation table

	(Rs mn)	USD mn	Rs /sh
Discounted projected FCFF	230,465	2,881	778
Terminal Value	742,089	9276	2505
EV	972,554	12157	3283
Net Debt/ (cash)	44,045	551	149
Equity	928,509	11606	3134
Rs/USD	80		
Shr Outstanding	296.23		
Terminal Growth rate	4%		
WACC	9.5%		

FINANCIALS

Exhibit 11: Income statement

Y/e 31 Mar (Rs mn)	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Revenue	51,366	56,849	76,927	72,094	84,000	124,337	148,703	170,442	197,198
Total Expense	41,672	47,786	63,375	57,545	62,667	92,578	113,411	130,834	151,372
Operating Profit	9,694	9,062	13,552	14,549	21,333	31,759	35,292	39,608	45,826
Other Income	730	1,151	401	491	664	428	749	800	900
Depreciation	(2,834)	(3,158)	(3,669)	(3,886)	(4,531)	(5,172)	(5,753)	(7,658)	(9,143)
EBIT	7,590	7,056	10,285	11,154	17,466	27,015	30,288	32,750	37,583
Interest	(1,018)	(1,239)	(2,016)	(2,007)	(1,340)	(1,159)	(2,048)	(1,878)	(2,035)
Extraordinary Item	-	-	-	1,032	(3)	-	-	-	-
PBT	6,572	5,817	8,269	10,179	16,123	25,856	28,240	30,872	35,548
Tax	(1,422)	(1,200)	(1,853)	12	(4,144)	(6,966)	(6,617)	(7,718)	(8,887)
PAT	5,150	4,617	6,416	10,191	11,979	18,889	21,623	23,154	26,661
Adj. PAT	5,150	4,617	6,416	10,191	11,979	18,889	21,623	23,154	26,661
Eps	17	16	22	34	40	64	73	78	90

Source: Company, YES Sec

Exhibit 12: Balance sheet

Y/e 31 Mar (Rs mn)	FY17	FY18	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
Equity capital	584	584	585	585	603	2,974	2,974	2,974	2,974
Reserves	31,242	35,061	40,708	48,748	67,962	82,679	100,296	120,671	144,133
Net worth	31,827	35,645	41,293	49,333	68,564	85,654	103,271	123,646	147,107
Total Debt	19,774	27,580	32,887	32,671	29,307	35,394	43,541	49,649	52,108
Deferred tax liab (net)	5,069	2,914	3,420	1,755	3,862	6,775	8,092	8,092	8,092
Capital Employed	56,670	66,140	77,600	83,759	101,733	127,822	154,903	181,387	207,308
Fixed assets	45,778	55,636	62,501	74,162	82,695	97,222	120,534	143,163	164,019
Intangibles	857	1,168	1,129	1,171	1,130	1,194	1,147	1,147	1,147
Investments	1,959	1,218	1,006	2,027	4,167	3,209	4,942	4,942	4,942
Net working capital	8,076	8,117	12,964	6,399	13,742	26,197	28,280	32,135	37,199
Inventories	8,381	9,582	12,247	12,012	14,658	21,385	22,743	26,858	31,075
Sundry debtors	6,569	6,807	10,288	8,911	12,746	17,925	17,856	21,013	24,312
Cash & Bank Balance	961	967	1,989	1,255	2,820	4,594	6,165	5,604	7,104
Other Liabilities	7,308	8,252	9,719	9,230	11,079	12,239	14,158	14,158	14,158
Sundry creditors	7,054	7,048	7,455	13,892	11,709	8,981	10,329	10,329	10,329
Other Liab.	8,089	10,442	13,824	11,117	15,852	20,964	22,313	25,169	29,120
Application of Funds	56,670	66,139	77,600	83,759	101,733	127,822	154,903	181,387	207,308

Source: Company, YES Sec

Exhibit 13: Cash Flow statement

Y/e 31 Mar (Rs mn)	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	FY24E	FY25E
PBT	6,572	5,817	8,269	9,147	16,127	25,856	28,240	30,872	35,548
Depreciation & amortization	2,834	3,158	3,669	3,886	4,531	5,172	5,753	7,658	9,143
Interest expense	1,018	1,239	2,016	2,016	1,340	1,159	2,048	1,878	2,035
(Inc)/Dec in working capital	(2,151)	889	(2,795)	(1,260)	(1,797)	(6,794)	(108)	(4,416)	(3,564)
Tax paid	(1,159)	(1,176)	(1,502)	(1,427)	(2,553)	(6,966)	(5,077)	(7,718)	(8,887)
Less: Interest/Dividend Income Received	(50)	(39)	(45)	(151)	(90)	-	(447)	-	-
Other operating Cash Flow	(609)	(3,108)	(655)	834	160	-	(1,393)	-	-
Operating Cashflow	6,454	6,780	8,956	13,044	17,717	18,427	29,017	28,275	34,276
Capital expenditure	(6,740)	(13,002)	(10,564)	(13,892)	(12,144)	(18,569)	(28,382)	(30,000)	(30,000)
Add Interest Income	25	840	332	2,231	(1,886)	-	(1,642)	-	-
Inc/(Dec) in investments	50	48	45	156	1	-	273	-	-
Other items	532	161	46	(298)	(969)	(1,430)	137	-	-
Investing Cashflow	(6,133)	(11,953)	(10,142)	(11,803)	(14,997)	(19,999)	(29,614)	(30,000)	(30,000)
Inc/(Dec) in share capital	-	-	1	-	7,500	2	-	-	-
Inc/(Dec) in debt	(906)	7,079	5,534	1,207	(6,708)	6,086	6,599	6,108	2,459
Dividend Paid	(689)	(689)	(694)	(803)	(1,408)	(2,078)	(2,133)	(2,778)	(3,199)
Others	(1,658)	(1,427)	(2,387)	(2,379)	(539)	(664)	(2,298)	(2,165)	(2,035)
Financing Cashflow	(3,253)	4,963	2,454	(1,975)	(1,155)	3,346	2,168	1,165	(2,775)
Net cash flow	(2,932)	(210)	1,268	(734)	1,565	1,774	1,571	(561)	1,500
Ending Balance	961	751	2,236	1,255	2,820	4,594	6,164	5,604	7,104

Source: Company, YES Sec

Exhibit 14: Du Pont

Y/e 31 Mar (Rs mn)	FY17	FY18	FY19	FY20E	FY21E	FY22E	FY23E	FY24E	FY25E
Tax burden (x)	0.8	0.8	0.8	1.0	0.7	0.7	0.8	0.8	0.8
Interest burden (x)	0.9	0.8	0.8	0.9	0.9	1.0	0.9	0.9	0.9
EBIT margin (x)	0.1	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2
Asset turnover (x)	0.7	0.7	0.8	0.7	0.7	0.9	0.9	0.8	0.9
Financial leverage (x)	2.3	2.3	2.4	2.3	2.0	1.9	1.8	1.8	1.7
RoE (%)	17.3	13.7	16.7	22.5	20.3	24.5	22.9	20.4	19.7

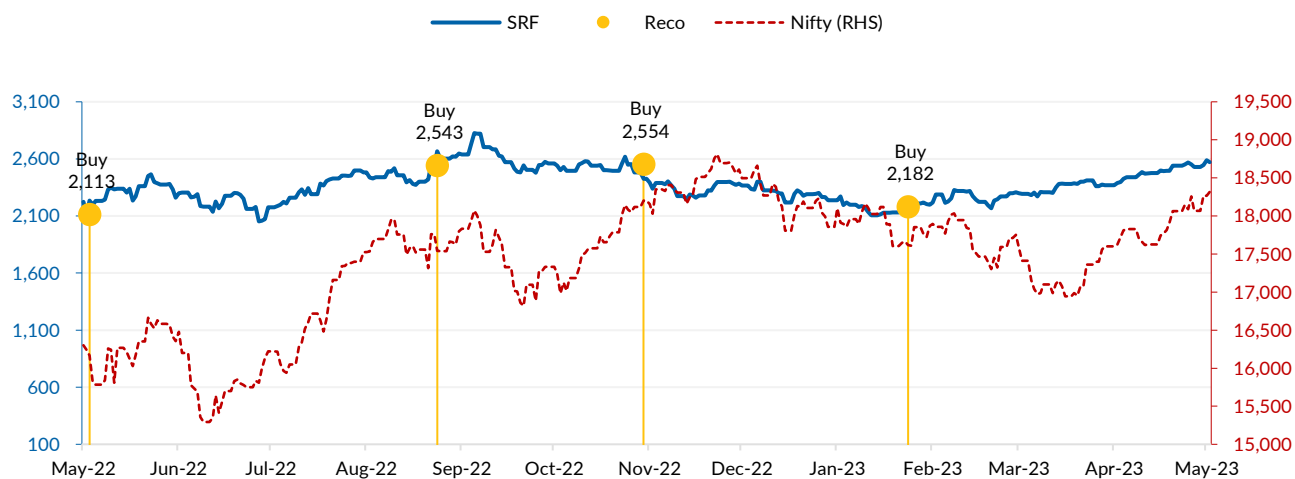
Source: Company, YES Sec

Exhibit 15: Ratio Analysis

Y/e 31 Mar	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	FY24E	FY25E
Growth matrix (%)									
Revenue growth	4.9	10.7	35.3	(6.3)	16.5	48.0	19.6	14.6	15.7
Op profit growth	(2.1)	(6.5)	49.5	7.4	46.6	48.9	11.1	12.2	15.7
EBIT growth	6.1	(7.0)	45.8	8.4	56.6	54.7	12.1	8.1	14.8
Net profit growth	19.8	(10.3)	39.0	58.8	17.5	57.7	14.5	7.1	15.1
Profitability ratios (%)									
OPM	18.9	15.9	17.6	20.2	25.4	25.5	23.7	23.2	23.2
EBIT margin	14.8	12.4	13.4	15.5	20.8	21.7	20.4	19.2	19.1
Net profit margin	10.0	8.1	8.3	14.1	14.3	15.2	14.5	13.6	13.5
RoCE	11.8	9.8	11.6	14.3	14.4	18.5	17.0	15.3	15.1
RoE	17.3	13.7	16.7	22.5	20.3	24.5	22.9	20.4	19.7
RoA	7.5	5.9	7.0	9.8	10.1	13.2	12.5	11.5	11.5
Per share ratios									
EPS	17.4	15.6	21.7	34.4	40.4	63.8	73.0	78.2	90.0
Dividend per share	39.6	44.2	32.0	23.3	34.8	32.6	29.2	35.5	35.5
Cash EPS	7.8	4.9	9.3	21.3	25.1	46.3	53.6	52.3	59.1
Book value per share	107.4	120.3	139.4	166.5	231.5	289.1	348.6	417.4	496.6
Valuation ratios									
P/E	125.5	140.0	100.7	63.4	54.0	34.2	35.2	32.9	28.6
P/CEPS	279.2	443.0	235.3	102.5	86.8	47.1	48.0	49.2	43.5
P/B	20.3	18.1	15.7	13.1	9.4	7.5	7.4	6.2	5.2
EV/EBITDA	68.6	74.3	50.0	46.6	31.5	21.3	22.6	20.3	17.6
Payout (%)									
Dividend payout	228.0	283.6	147.9	67.9	86.1	51.1	40.0	45.5	39.5
Tax payout	21.6	20.6	22.4	(0.1)	25.7	25.0	25.0	25.0	25.0
Liquidity ratios									
Debtor days	41.6	42.9	40.6	48.6	47.1	45.0	43.9	45.0	45.0
Inventory days	115.3	108.7	90.9	120.1	120.8	106.6	113.0	113.0	113.0
Creditor days	116.4	112.1	101.1	123.4	122.2	108.9	110.8	110.0	110.0

Source: Company, YES Sec

Recommendation Tracker



Source: Company, YES Sec

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