

Estimate change	↔
TP change	↔
Rating change	↔

CMP: INR1,668 TP: INR2,200 (+32%) Buy

Another solid quarter

Services guidance raised; margin recovery visibility improves as well

- HCL Technologies (HCLT) reported 3QFY26 revenue of USD3.8b, up 4.2% QoQ CC, above our estimate of 2.3% QoQ CC growth. EBIT margin came in at 18.6% vs. our estimate of 18.1%. New deal TCv stood at USD3.0b (up 43.5% YoY). For FY26, revenue growth guidance was changed to 4-4.5% YoY in CC (vs 3-5% earlier). Services revenue growth is expected to be between 4.75% and 5.25% (vs. 4-5% earlier). EBIT margin guidance was maintained at 17-18%. 3Q adj. PAT rose 13.3% QoQ and 4.5% YoY to INR48b (vs. our est. of INR48b).
- For 9MFY26, revenue/EBIT grew 10.8%/5.0%, while adj. PAT declined 1.6% YoY in INR terms. We expect revenue/EBIT/adj. PAT to grow 12.3%/7.4%/9.0% YoY in 4QFY26. HCLT remains the fastest-growing large-cap company, and we like its all-weather portfolio, which continues to outperform in an uncertain demand environment. We reiterate our **BUY rating** on HCLT with a TP of INR2,200, implying a 32% potential upside.

Our view: Growth momentum intact with ACVs improving

- **Growth and guidance:** 3Q services growth of ~5% YoY CC and an upgrade in FY26 services guidance to 4.75-5.25% CC place HCLT among the **fastest-growing large caps**, implying ~1.7% QoQ (~5.5% YoY cc) organic growth in 4Q despite seasonality. We expect growth rates to accelerate to 6% YoY in IT services in FY27E.
- **Demand:** Client conversations on AI have shifted toward enterprise-wide adoption, but implementation is slow as clients address data, cloud, and process constraints. The near-term revenue opportunity is concentrated in this foundational work rather than AI deployment. Conventional discretionary spending remains subdued; however, spending continues in AI infrastructure, engineering, and foundational transformation programs, where HCLT has seen higher traction. Client budgets are still being finalized and hence we expect limited color on CY26 demand across most commentaries in 3Q.
- **Bookings:** Net new bookings of USD3b rose 17% QoQ and 43.5% YoY. ACV was at a four-year high and supports near-term revenue visibility, though management continues to flag quarter-to-quarter lumpiness in deal closures. We expect short-cycle AI services deals to pick up in CY26 and expect ACVs to inch up over the next two quarters.
- **Margins:** Restructuring and labor code impacts are expected to remain largely one-off events, allowing margins to trend toward ~18% over FY27-28. 4Q margins, though, will be impacted by seasonal weakness from the decline in products, wage hikes, and ongoing restructuring and SG&A investments. Ongoing AI-led productivity gains and pricing pressure in application services remain key risks to margin expansion in the medium term.

Bloomberg	HCLT IN
Equity Shares (m)	2714
M.Cap.(INRb)/(USDb)	4525.3 / 50.2
52-Week Range (INR)	2005 / 1303
1, 6, 12 Rel. Per (%)	1/-1/-26
12M Avg Val (INR M)	4792

Financials & Valuations (INR b)

Y/E Mar	FY26E	FY27E	FY28E
Sales	1,301	1,404	1,547
EBIT Margin (%)	17.4	17.9	17.9
PAT	176	204	224
EPS (INR)	65.7	75.3	82.9
EPS Gr. (%)	2.8	14.6	10.1
BV/Sh. (INR)	254	250	246
Ratios			
RoE (%)	25.7	29.9	33.5
RoCE (%)	24.6	27.6	30.8
Payout (%)	90.0	90.0	90.0
Valuations			
P/E (x)	25.4	22.2	20.1
P/BV (x)	6.6	6.7	6.8
EV/EBITDA (x)	16.4	14.7	13.3
Div Yield (%)	3.5	4.1	4.5

Shareholding pattern (%)

As On	Sep-25	Jun-25	Sep-24
Promoter	60.8	60.8	60.8
DII	17.8	16.2	15.8
FII	16.9	18.7	18.9
Others	4.4	4.3	4.5

FII Includes depository receipts

Beat on revenue and margins, upgrades IT services guidance to 4.75-5.25% YoY cc (vs.4-5% earlier)

- Revenue rose 4.2% QoQ in CC, above our estimate of 2.3% growth.
- New deal TCV stood at USD3.0b (up 17% QoQ/43.5% YoY).
- IT business grew 1.5% QoQ CC, while ER&D/ P&P rose 3.1%/28.1% QoQ cc.
- 3Q EBIT margin was 18.6%, above our estimate of 18.1%. It included an 81bp impact from restructuring costs and excluded the one-time impact of new labor codes of INR9,560m.
- For FY26, revenue growth guidance was changed to 4-4.5% YoY in CC. (vs 3-5% earlier). Services revenue growth is expected to be between 4.75% and 5.25% (vs. 4-5% earlier). EBIT margin guidance was maintained at 17.0-18.0%.
- 3Q adj. PAT rose 13.3% QoQ and 4.5% YoY to INR48b.
- LTM attrition declined 20bp QoQ to 12.4%. Net employee headcount declined 0.1% to 226,379 as of 3Q end. HCLT added 2,852 freshers in this quarter.
- LTM FCF to net income stood at 120%.
- Management declared an interim dividend of INR12/share for 3QFY26.

Key highlights from the management commentary

- While global macro uncertainty continues to weigh on overall IT spending, structural demand for technology-led business transformation remains intact.
- Traditional discretionary spending has slowed; however, new pockets of discretionary spend are emerging, particularly in AI infrastructure, data foundations, and agentic AI use cases.
- Management emphasized little value in waiting for a broad discretionary recovery, instead the focus is on identifying where spending is actively occurring and aligning offerings accordingly.
- AI conversations have meaningfully matured YoY from experimentation to enterprise-wide reimagination of business processes. Clients are increasingly prioritizing data lifecycle management and foundational “Day-minus-1” services ahead of scaled AI deployments.
- Enterprise-wide AI adoption remains early; acceleration is currently the strongest in AI readiness, infrastructure, and data engineering, rather than large-scale production deployments.

Valuation and view

- We expect HCLT to deliver a CAGR of 6.7%/8.9% in USD revenue/INR PAT over FY25-28. The company remains the fastest-growing large-cap IT services firm, and we like its all-weather portfolio. We have largely kept our estimates unchanged. Reiterate **BUY** with a TP of INR2,200 (based on 26x FY28E EPS).

Exhibit 1: Annualized AI services revenue reached ~USD590m

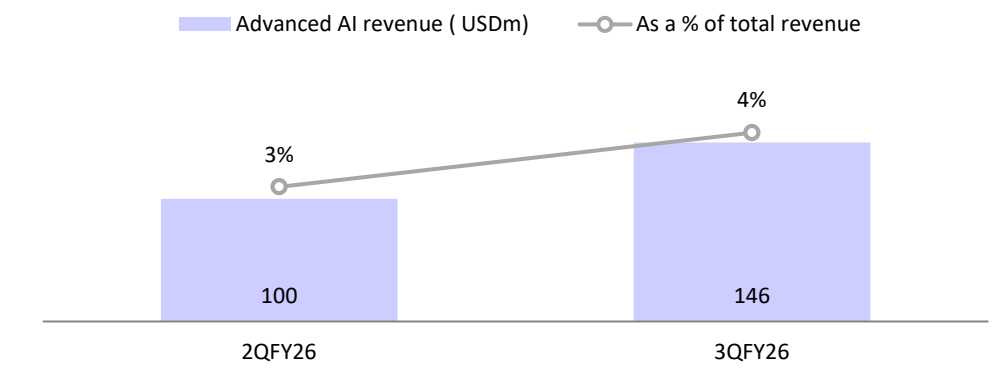


Exhibit 2: Realization has steadily improved 4% YoY

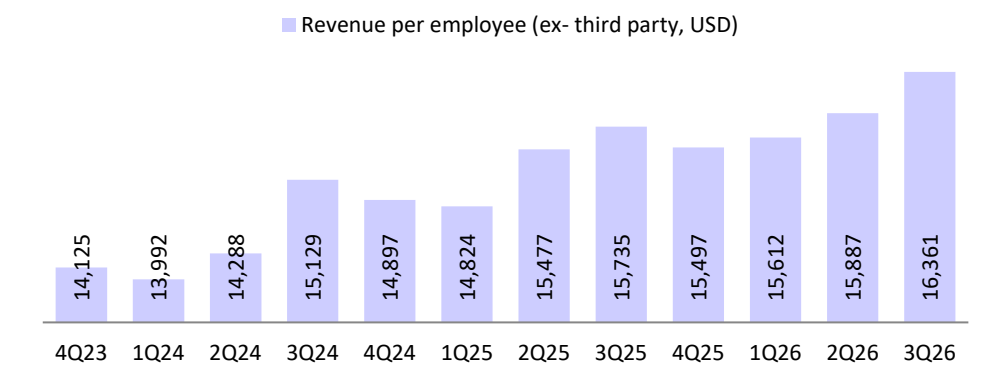


Exhibit 3: P&P business sees strong growth in 3Q

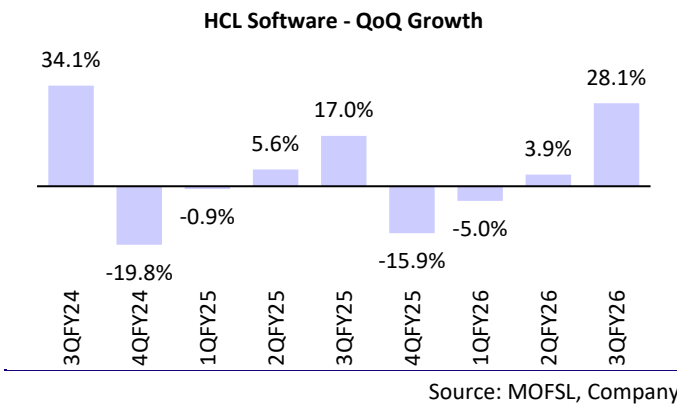


Exhibit 4: FY26 IT services growth guidance at 4.75-5.25% YoY CC

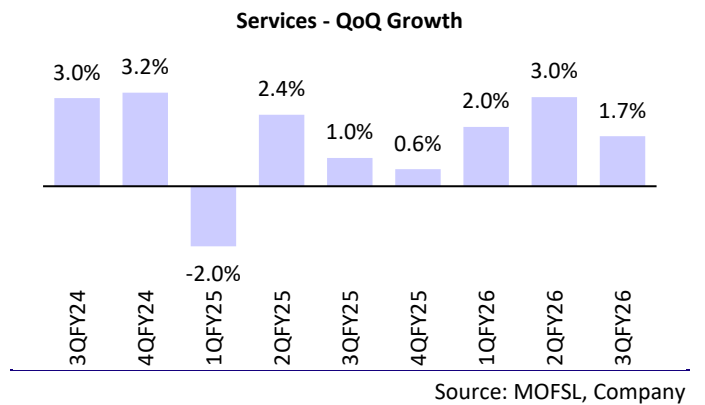
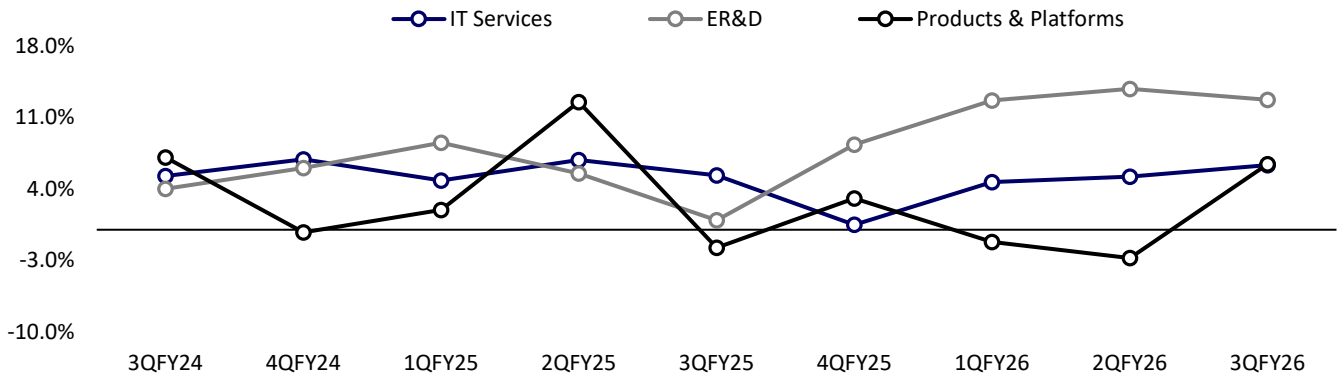


Exhibit 5: P&P business saw a strong growth in seasonally better quarter, while IT services and ER&D grew well too



Source: Company, MOFSL

Exhibit 6: RoW & India led growth; Europe also grew, while Americas saw modest growth

Geographies (YoY CC Growth, %)	3Q FY23	4Q FY23	1Q FY24	2Q FY24	3Q FY24	4Q FY24	1Q FY25	2Q FY25	3Q FY25	4Q FY25	1Q FY26	2Q FY26	3Q FY26
Americas	12.3	10.0	7.3	3.9	6.7	6.8	8.0	7.5	6.2	0.1	0.5	2.4	1.5
Europe	23.3	14.6	10.5	3.9	1.7	5.5	3.0	4.2	2.6	4.3	9.6	7.6	4.6
ROW	11.6	1.4	-6.0	-3.6	-7.5	-7.1	-3.6	-2.6	2.9	23.2	15.0	17.9	22.1
India											1.3	0.6	15.8

Source: Company, MOFSL

Exhibit 7: BFSI and Technology led growth, while Retail and Telco are likely to perform better going ahead

Verticals (YoY CC Growth, %)	3Q FY23	4Q FY23	1Q FY24	2Q FY24	3Q FY24	4Q FY24	1Q FY25	2Q FY25	3Q FY25	4Q FY25	1Q FY26	2Q FY26	3Q FY26
Financial Services	8.8	9.6	14.4	12.5	12.9	12.1	-1.3	-4.5	-1.4	0.7	6.8	11.4	8.1
Manufacturing	21.2	11.8	16.5	3.3	5.8	9.8	3.5	7.1	0.0	-6.1	-1.0	-1.8	1.8
Technology & Services	19.3	17.9	-7.0	-9.5	-9.2	-8.6	2.7	5.6	7.6	10.8	13.7	13.9	14.4
Retail & CPG	-3.8	11.8	3.2	8.1	11.7	8.2	9.7	6.2	17.2	9.5	8.2	5.5	-2.0
Telecommunications, Media, Publishing & Entertainment	27.9	8.9	-11.7	-10.4	8.3	6.5	69.2	61.2	33.1	24.3	13.0	11.7	7.1
Lifesciences & Healthcare	19.5	1.6	13.4	9.8	0.5	5.4	-4.1	-2.8	-1.1	-7.4	-4.0	-3.0	-1.4
Public Services	16.7	7.6	6.8	1.7	-0.6	0.1	-3.7	-2.0	-4.6	-0.5	-2.4	2.2	8.0

Source: Company, MOFSL

Quarterly Performance
(INR b)

Y/E March	FY25				FY26E				FY25	FY26E	Est. 3QFY26	Var. (% / bp)
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE				
Revenue (USD m)	3,364	3,445	3,533	3,498	3,545	3,644	3,793	3,786	13,840	14,768	3,718	2.0
QoQ (%)	-1.9	2.4	2.5	-1.0	1.3	2.8	4.1	-0.2	4.3	6.7	2.0	205bp
Revenue (INR b)	281	289	299	302	303	319	339	340	1,171	1,301	331	2.3
YoY (%)	6.7	8.2	5.1	6.1	8.2	10.7	13.3	12.3	6.5	11.2	10.8	257bp
GPM (%)	34.5	34.9	35.6	34.7	33.7	34.1	34.7	34.4	34.9	34.3	34.4	35bp
SGA (%)	12.4	11.5	11.3	11.8	12.3	11.9	11.3	12.3	11.7	12.0	11.6	-27bp
EBITDA	58	64	69	65	60	66	74	70	255	270	71	4.4
EBITDA Margin (%)	20.6	22.1	23.0	21.5	19.7	20.8	22.0	20.6	21.8	20.8	21.5	44bp
EBIT	48	54	58	54	49	56	63	58	214	226	60	4.9
EBIT Margin (%)	17.1	18.6	19.5	18.0	16.3	17.4	18.6	17.2	18.3	17.4	18.1	45bp
Other income	9	3	3	3	2	2	2	4	18	10	4	-54.7
ETR (%)	25.4	25.5	25.1	24.9	25.9	25.7	25.9	25.0	25.2	24.5	25.0	89bp
Adj PAT	43	42	46	43	38	42	48	47	174	176		
Exceptional items	0.0	0.0	0.0	0.0	0.0	0.0	7.2	0.3		7.5		
PAT	43	42	46	43	38	42	41	47	174	168	48	-14.9
QoQ (%)	6.8	-0.5	8.4	-6.2	-10.8	10.2	-3.8	14.3			13.1	-1681bp
YoY (%)	20.5	10.5	5.5	8.1	-9.7	0.0	-11.2	8.2	10.8	-3.3	4.3	-1551bp
EPS	15.7	15.6	16.9	15.9	14.2	15.6	15.1	17.2	63.9	65.7	17.6	-14.7

Key Performance Indicators

Y/E March	FY25				FY26			FY25
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	
Revenue (QoQ CC %)	-1.6	1.6	3.8	-0.8	-0.8	2.4	4.2	
Costs (% of revenue)								
COGS	65.5	65.1	64.4	65.3	66.3	65.9	65.3	65.1
SGA	12.4	11.5	11.3	11.8	12.3	11.9	11.3	11.7
Margins								
Gross Margin	34.5	34.9	35.6	34.7	33.7	34.1	34.7	34.9
EBIT Margin	17.1	18.6	19.5	18.0	16.3	17.4	18.6	18.3
Net Margin	15.2	14.7	15.4	14.2	12.7	13.3	12.0	14.9
Operating metrics								
Headcount (k)	219	219	221	223	223	227	226	223
Attrition (%)	12.8	12.9	13.2	13.0	12.8	12.6	12.4	13.0
Key Verticals (YoY CC %)								
BFSI	-1.3	-4.5	-1.4	0.7	6.8	11.4	8.1	-1.6
Manufacturing	3.5	7.1	0.0	-6.1	-1.0	-1.8	1.8	0.9
Key Geographies (YoY CC %)								
North America	8.0	7.5	6.2	0.1	0.5	2.4	1.5	5.3
Europe	3.0	4.2	2.6	4.3	9.6	7.6	4.6	3.5



Key highlights from the management commentary

Demand and industry outlook

- While global macro uncertainty continues to weigh on overall IT spending, structural demand for technology-led business transformation remains intact.
- Traditional discretionary spending has slowed; however, new pockets of discretionary spend are emerging, particularly in AI infrastructure, data foundations, and agentic AI use cases.
- Management emphasized little value in waiting for a broad discretionary recovery; instead, the focus is on identifying where spending is actively occurring and aligning offerings accordingly.
- GCCs remain a large structural opportunity for HCLT, with presence across ~200 GCCs.
- Limited impact from insourcing trends in large markets; instead, new GCC locations and higher-value service requirements are creating incremental opportunities.
- HCLT highlighted strong demand for augmenting GCCs with advanced capabilities across engineering, data, and AI services.
- Growth was broad-based across service lines and geographies, with HCLT capturing market share despite facing a constrained demand environment.
- Continued traction in AI services, including physical AI, agentic AI, and large-scale ADM operations.
- Vertical growth: 5 of 7 verticals grew YoY; 3Q growth was led by Manufacturing and Consumer verticals.
- India business saw strong acceleration; appointment of Mr. Sandeep Kumar to lead India operations is expected to further deepen client engagement.
- Management reiterated confidence in HCLT's positioning as the fastest-growing large-cap IT services company, driven by early-stage ("Day-minus-1") AI-related demand.
- Deal bookings can be lumpy; management expects FY26 TCV to normalize around ~USD2.5b per quarter.
- Strong momentum in Applications and ER&D services, with the highest ACV bookings in the last four years.
- A five-year mega deal worth USD473m in Applications to modernize applications and data landscape using AI Force 2.0, aimed at improving engineering productivity and data lifecycle management.
- Large vendor consolidation deal with a leading US insurer, powered by HCLT's GenAI platform.
- Pipeline remains healthy, with continued strength in application modernization, data solutions, and large-scale system integration.
- Rapid growth in the Applications business is being driven by strong execution capabilities.
- For FY26, revenue growth guidance was changed to 4-4.5% YoY in CC (vs. 3-5% earlier). Services revenue growth is expected to be around 4.75% to 5.25% (vs. 4-5% earlier). EBIT margin guidance was maintained at 17-18%.
- AI conversations have meaningfully matured YoY from experimentation to enterprise-wide reimagination of business processes. Clients are increasingly

prioritizing data lifecycle management and foundational “Day-minus-1” services ahead of scaled AI deployments.

- Enterprise-wide AI adoption remains early; acceleration is currently the strongest in AI readiness, infrastructure, and data engineering, rather than large-scale production deployments.
- **Retail:** No contribution from recent mega deals in 3Q; ramp-up expected from 4Q in a few large clients.
- **Life Sciences & Healthcare:** Growth moderated after Covid; US healthcare pressure persists. Management expects stabilization over the next few quarters.

Margin performance

- For 3QFY26, EBIT margin was 18.6%, up 110bp QoQ. This included an 81bp impact from restructuring costs and excluded the one-time impact of new labor codes of INR9,560m.
- **QoQ margin walk (~110bp):** QoQ margin improvement of ~110bp was driven by improved software segment profitability and higher utilization. Project Actian contributed ~104bp from utilization gains. Wage hikes impacted margins by ~80bp. Furlough seasonality impacted margins by ~45bp. Forex gains from INR depreciation contributed ~40bp. Restructuring had an incremental adverse impact of ~26bp in the quarter.
- Restructuring is expected to impact margins by ~50bp for FY26, with a similar impact in 4Q.
- Minimal incremental impact is expected from new labor codes (10-20bp at most going forward).
- Continued SG&A investments in AI and GTM initiatives.

Valuation and view

- We expect HCLT to deliver a CAGR of 5.3%/7.2% in USD revenue/INR PAT over FY25-27E. The company remains the fastest-growing large-cap IT services firm, and we like its all-weather portfolio. We have largely kept our estimates unchanged. Reiterate **BUY** with a TP of INR1,800 (based on 24x Jun’27E EPS).

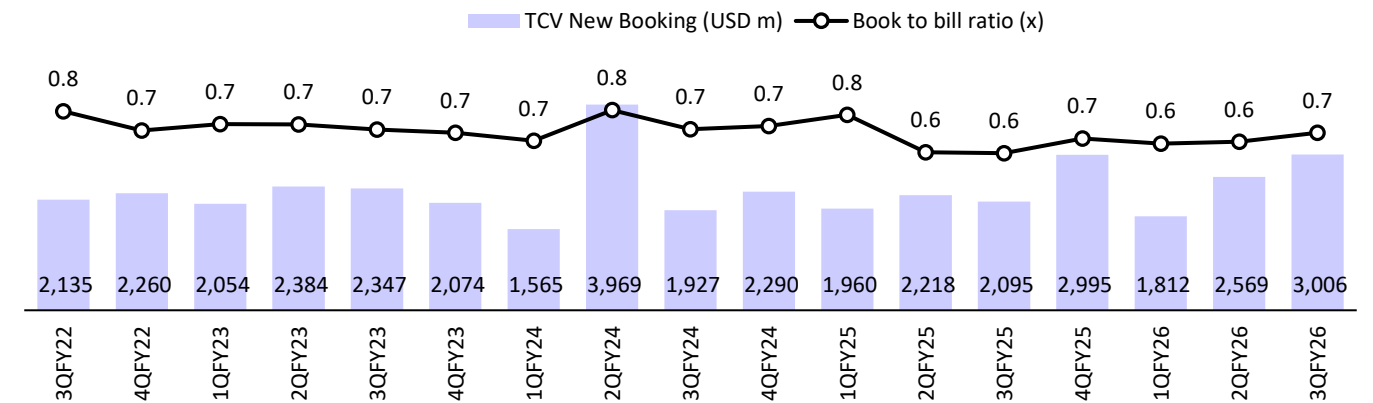
Exhibit 8: Revised estimates

	Revised			Earlier			Change		
	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E	FY26E	FY27E	FY28E
INR/USD	88.1	90.0	92.0	88.0	90.0	92.0	0.1%	0.0%	0.0%
USD Revenue - m	14,768	15,598	16,820	14,672	15,468	16,782	0.7%	0.8%	0.2%
Growth (cc %)	4.6	5.4	7.8	4.0	5.2	8.5	60bps	20bps	-70bps
EBIT margin - Overall (%)	17.4	17.9	17.9	17.3	17.8	17.8	0bps	0bps	0bps
PAT (INR B)	178	204	224	176	202	224	1.1%	1.0%	0.3%
EPS	65.7	75.3	82.9	64.9	74.4	82.5	1.2%	1.2%	0.5%

Source: MOFSL

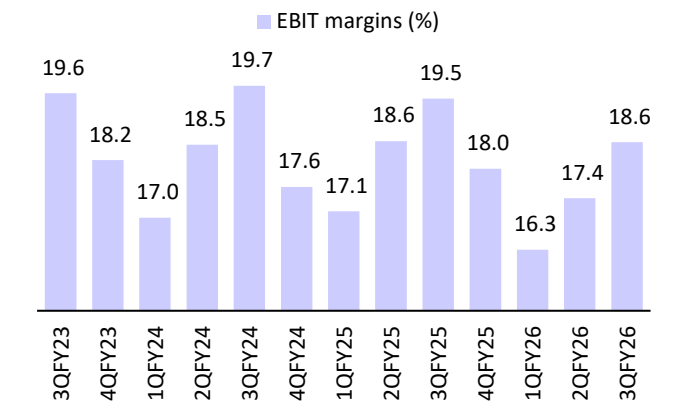
Story in charts

Exhibit 9: TCV (new deal wins) at USD3,006m; up 43.5% YoY



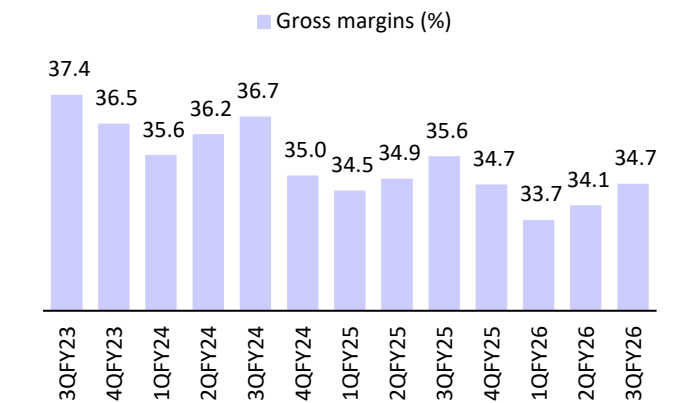
Source: Company, MOFSL

Exhibit 10: EBIT margin stood at 18.6%, up 110 bp QoQ.



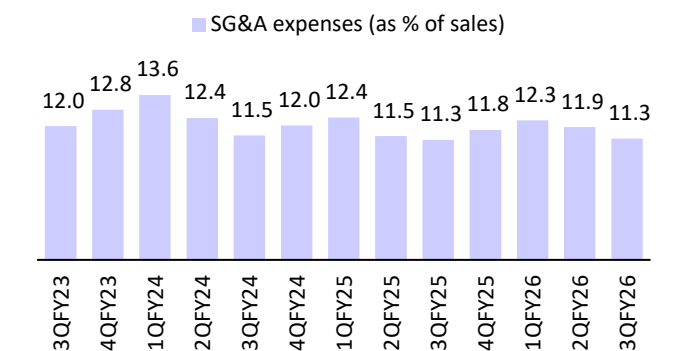
Source: Company, MOFSL

Exhibit 11: Gross margins expanded 60bp QoQ



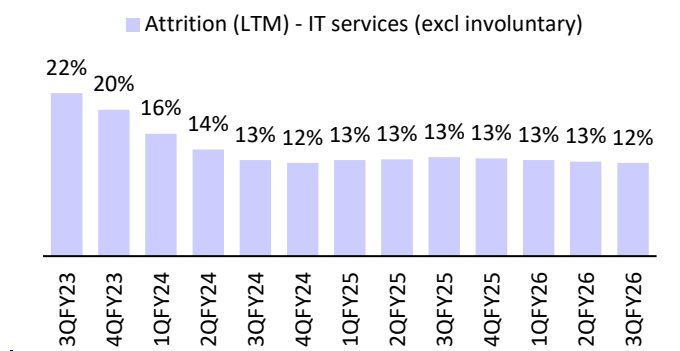
Source: Company, MOFSL

Exhibit 12: SG&A expenses declined 60bp QoQ



Source: Company, MOFSL

Exhibit 13: LTM attrition declined 20bp QoQ



Source: Company, MOFSL

Operating metrics

Exhibit 14: Operating metrics

	3QFY24	4QFY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26
Service-wise (%)									
IT and Business Services	71.7	74.4	74.5	74.6	73.0	73.3	74.0	74.2	72.3
Engineering and R&D Services	16.4	16.1	15.9	15.8	16.0	17.1	17.0	17.0	16.8
Products and Platform	11.9	9.5	9.6	9.9	11.3	9.6	9.0	9.1	11.2
Vertical-wise (Services) (%)									
BFSI	21.7	21.6	21.0	20.5	20.3	21.1	21.6	21.7	21.1
Manufacturing	20.1	20.4	19.4	19.5	19.1	18.6	18.6	18.3	18.8
Technology and Services	12.8	12.3	13.0	13.1	13.3	13.4	14.0	14.0	14.2
Retail and CPG	9.6	9.1	9.4	9.6	10.6	9.7	9.7	9.6	9.9
Telecom MP&E	9.7	11.5	12.2	12.1	12.3	13.9	13.1	12.7	12.5
Life Sciences	16.4	16.3	15.9	16.0	15.5	14.7	14.5	14.7	14.4
Public Services	9.7	8.8	9.1	9.2	8.9	8.6	8.5	8.9	9.1
Geography-wise (Services) (%)									
US	64.5	65.2	59.6	65.1	65.5	57.4	56.5	56.2	56.3
Europe	29.0	28.9	25.9	28.4	28.2	27.5	28.3	28.3	27.7
RoW	6.4	5.9	11.0	6.5	6.3	12.0	11.9	12.4	12.8
India*						3.1	3.3	3.2	3.3
Client-wise (%)									
Top five clients	9.8	10.4	11.4	12.1	12.6	12.7	12.6	12.4	12.2
Top 10 clients	17.7	18.8	19.6	20.1	20.3	20.2	20.2	19.9	19.7
Top 20 clients	28.0	29.0	30.1	30.8	30.9	30.4	29.9	29.5	29.1

Source: Company, MOFSL

Financials and valuations

Income Statement								(INR b)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Sales	754	857	1,015	1,099	1,171	1,301	1,404	1,547
Change (%)	6.7	13.6	18.5	8.3	6.5	11.2	7.9	10.2
Cost of Goods Sold	467	546	662	721	778	875	928	1,022
Gross Profit	287	311	353	378	392	426	476	525
Selling & Admin Exp.	93	109	127	136	137	156	175	193
EBITDA	193	202	226	242	255	270	300	332
% of Net Sales	25.6	23.6	22.3	22.0	21.8	20.8	21.4	21.5
Depreciation	40	40	41	42	41	44	49	56
EBIT	153	162	185	200	214	226	251	276
% of Net Sales	20.4	18.9	18.2	18.2	18.3	17.4	17.9	17.9
Other Income	7	8	10	9	18	10	21	23
PBT	160	170	195	210	233	236	272	299
Tax	41	34	46	53	59	60	68	75
Rate (%)	25.4	20.3	23.8	25.1	25.2	25.4	25.0	25.0
EO Item (net)	0	0	0	0	0	8	0	0
Adjusted PAT	119	135	148	157	174	176	204	224
Change (%)	7.4	13.7	9.9	5.7	10.8	1.2	15.9	10.1

Balance Sheet								(INR b)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Reserves	615	620	654	683	697	687	677	665
Net Worth	615	620	654	683	697	687	677	665
Loans	39	39	21	22	1	1	1	1
Other liabilities	55	43	45	66	78	84	87	93
Capital Employed	709	703	720	771	775	772	765	759
Gross Block	546	560	596	643	694	720	748	779
Less : Depreciation	168	208	249	291	332	376	425	481
Net Block	378	352	347	352	362	344	323	298
Other assets	69	57	51	52	71	75	77	80
Investments	140	85	112	178	206	206	206	206
Curr. Assets	291	397	425	416	416	458	495	545
Debtors	175	207	255	255	258	285	304	332
Cash & Bank Balance	65	105	91	95	82	90	101	114
Other Current Assets	50	85	80	66	75	83	90	99
Current Liab. & Prov	168	188	214	227	280	312	336	371
Net Current Assets	123	209	211	189	136	146	159	175
Application of Funds	709	703	720	771	775	772	765	759

Financials and valuations

Ratios								
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Diluted (INR)								
EPS	43.8	49.8	54.8	57.9	63.9	65.7	75.3	82.9
Cash EPS	58.5	64.6	70.1	73.3	78.9	81.2	93.4	103.4
Book Value	226.7	228.6	241.6	252.1	256.0	253.8	250.1	245.7
DPS	26.0	44.0	48.0	48.0	60.0	59.1	67.7	74.6
Payout (%)	59.4	88.3	87.6	82.9	93.9	90.0	90.0	90.0
Valuation (x)								
P/E	38.1	33.5	30.4	28.8	26.1	25.4	22.2	20.1
Cash P/E	28.5	25.8	23.8	22.8	21.1	20.5	17.8	16.1
EV/EBITDA	23.3	22.1	19.6	18.4	17.5	16.4	14.7	13.3
EV/Sales	6.0	5.2	4.4	4.0	3.8	3.4	3.1	2.8
Price/Book Value	7.4	7.3	6.9	6.6	6.5	6.6	6.7	6.8
Dividend Yield (%)	1.6	2.6	2.9	2.9	3.6	3.5	4.1	4.5
Profitability Ratios (%)								
RoE	21.0	21.9	23.3	23.5	25.2	25.7	29.9	33.5
RoCE	18.7	19.6	21.1	21.7	22.9	24.6	27.6	30.8
Turnover Ratios								
Debtors (Days)	85	88	92	85	81	80	79	78
Asset Turnover (x)	2.0	2.4	2.9	3.1	3.2	3.8	4.3	5.2

Cash Flow Statement								(INR b)
Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
CF from Operations	166	174	193	201	213	222	253	280
Chg. in Working Capital	30	-5	-13	23	10	-1	0	0
Net Operating CF	196	169	180	224	223	221	253	280
Net Purchase of FA	-18	-16	-14	-10	-11	-26	-28	-31
Net Purchase of Invest.	-40	30	-25	-57	-38	0	0	0
Net Cash from Inv.	-57	15	-39	-67	-49	-26	-28	-31
Issue of shares/other adj.	0	0	0	0	0	0	0	0
Proceeds from LTB/STB	-79	-31	-29	-14	-23	0	0	0
Dividend Payments	-33	-114	-130	-141	-163	-187	-215	-236
Net CF from Finan.	-112	-145	-159	-154	-186	-187	-215	-236
Free Cash Flow	179	153	166	214	212	195	225	249
Net Cash Flow	27	39	-18	3	-12	8	11	13
Forex difference	1	1	4	1	0	0	0	0
Opening Cash Balance	38	66	106	91	95	83	91	102
Closing Cash Balance	66	106	91	95	83	91	102	115

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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
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