BUY
TP: Rs 3,081 | ▲ 55%

LUPIN | Pharmaceuticals | 06 November 2026

Rich product pipeline in key markets; Valuations attractive

- **Sales/EBITDA/PAT reported -1.5%/3.8%/3% above our estimates. EBITDA Margin reported 127 bps above our estimate at 25%**
- **The management guided of achieving back 29-30% EBITDA Margin by FY30E. USD 1bn sales for US sustainable even in FY29E**
- **On roll forward to Sep'28 EPS, the stock trades at attractive PE of 17x and we ascribe a PE of 26x to arrive at a PT of Rs 3081**

Foram Parekh
Research Analyst
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Earnings in-line with our estimates – Sales grew by 11.1% YoY to Rs 78.27 bn, driven primarily by 9.3% YoY growth in the US region, 14.7% YoY growth in the domestic region, 45.7% YoY growth in Other Developed Markets, and 20.2% YoY growth in API, which was offset by a 3.5% YoY decline in EMs. A healthy product mix led to 11.4% YoY growth in Gross Profit to Rs 58.2 bn, resulting in a 24 bps YoY increase in Gross Margin to 74.3%. Employee cost grew by 28.8% YoY and SG&A (excluding R&D) grew by 8.6% YoY to Rs 18.2 bn, leading to an 8.4% decline in EBITDA to Rs 19.5 bn. Consequently, EBITDA Margin declined by 532 bps YoY to 25%. Depreciation grew by 53.4% YoY due to the integration of Visufarma, which was offset by a 41% YoY increase in Other Income and an 18% YoY decline in taxes, leading to a 21.8% YoY decline in PAT to Rs 11.5 bn.

US sales growth above our estimates – In 2QFY27, LPC's US sales came in 6% above our estimates at USD 317 mn. The growth was driven by the absence of expected competition in Mirabegron. The company has a rich pipeline of complex products, such as 505(b)(2), specialty, biosimilars, and complex injectables. In Tolvaptan, the company expects two more competitors in the US; however, it has retained its FY27 US sales target of USD 1.1-1.2 bn. In FY28E, the company expects USD 1 bn in sales to be sustained, with the launch of Apixaban (a big opportunity product with a TAM of USD 10 bn), Dalbavancin, and Pegfilgrastim. The management also expects USD 1 bn to be sustained in FY29 with the launch of specialty products.

Valuation- Despite factoring in no growth in the North America region from FY26-29 and a slowdown in Emerging Markets due to competition in Dapagliflozin in Brazil, we arrive at a Sales/EBITDA/PAT CAGR of 8%/12%/15% over FY27-29E. On a roll-forward to Sep'28 EPS of Rs 116 per share, the stock trades at an attractive PE of 17x. We continue to ascribe a PE of 26x, as we believe the no-growth scenario in the US and Emerging Markets will be offset by India and Other Developed Markets, and by the guidance of achieving a 29-30% EBITDA Margin by FY30. At 26x Sep'28 EPS of Rs 116, the stock arrives at a PT of Rs 3,020 (earlier PT: Rs 3,095).

Key changes

Target	Rating
▼	◀ ▶

Ticker/Price	LPC IN/Rs 1,988
Market cap	US$ 9.5bn
Free float	53%
3M ADV	US$ 17.7mn
52wk high/low	Rs 2,530/Rs 1,893
Promoter/FPI/DII	46%/14%/29%

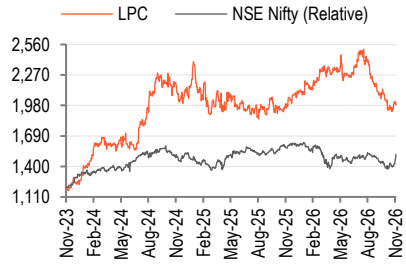
Source: NSE | Price as of 6 Nov 2026

Key financials

Y/E 31 Mar	FY26A	FY27E	FY28E
Total revenue (Rs mn)	279,580	299,985	330,801
EBITDA (Rs mn)	81,595	75,573	86,516
Adj. net profit (Rs mn)	52,343	42,624	49,886
Adj. EPS (Rs)	115.7	93.5	109.5
Adj. ROAE (%)	26.3	17.9	18.7
Adj. P/E (x)	17.2	21.3	18.2
EV/EBITDA (x)	11.2	12.6	11.4
Adj. EPS growth (%)	59.5	(19.1)	17.0

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

Domestic sales continue to surpass IPM growth – LPC's domestic business grew by 14.7% YoY. The core prescription business grew by 13.8% in 2QFY27, driven by 6.1% volume growth (in line with Sun's volume growth). LPC's Chronic share in 2QFY27 increased to 67%, with the Chronic business growing by 17.4% in the quarter. Although the management has hinted at achieving a 70% Chronic share within five years, we believe the target can be achieved sooner, given the buoyancy in IPM growth. However, the management has indicated that it would not stop at the 70% target. This should enable the domestic business to continue growing in double digits over the long haul.

Other Developed Marget healthy growth reported due to integration of Visufarma - In 2QFY27, Other Developed Markets sales grew by 46% YoY driven by the double digit growth of the base business. The core geographies in this segment are Europe, Canada, and Australia, of which Europe grew by 45% YoY. Through Visufarma, LPC is strengthening its presence in the Ophthalmology segment. The management believes that Europe is still underpenetrated and has huge potential to grow, driven by complex generics, biosimilars, and the specialty business.

Long term EBITDA Margin can inch back to 29-30% - In 2QFY27, EBITDA Margin declined by 532 bps YoY and 476 bps QoQ to 25%, which is in line with the management's stated guidance of 25%. The management guided that Apixaban, a big opportunity product, would enjoy exclusivity margins, and it expects a 29-30% EBITDA Margin to be achieved by FY30 with the aid of specialty, complex injectables, and biosimilar products.

Financial Highlights

Fig 1 – Quarterly Highlights

(Rs mn)	Q2FY27	Q2FY26	YoY (%)	Q1FY27	QoQ (%)	Q1FY27E	Var. (%)
Net Sales	78,273	70,475	11.1	82,769	(5.4)	79,468	(1.5)
Total Expenses	58,699	49,099	19.6	58,134	1.0		
(%) of net sales	75.0	69.7		70.2			
Raw material consumed	20,081	18,248	10.0	20,892	(3.9)		
(%) of net sales	25.7	25.9		25.2			
Gross Profit	58,191	52,227	11.4	61,877	(6.0)		
Staff cost	14,236	11,056	28.8	13,830	2.9		
(%) of net sales	18.2	15.7		16.7			
R&D cost	6,181	5,638	9.6	6,077	1.7		
(%) of net sales	7.9	8.0		7.3			
SG&A	18,200	14,158	28.6	17,335	5.0		
(%) of net sales	23.3	20.1		20.9			
EBITDA	19,574	21,376	(8.4)	24,635	(20.5)	18,863	3.8
Depreciation	4,859	3,168	53.4	4,529	7.3		
EBIT	14,715	18,208	(19.2)	20,106	(26.8)		
Interest	1,057	1,076	(1.7)	1,096	(3.6)		
Other Income	1,268	900	40.9	1,303	(2.7)		
PBT	14,926	18,032	(17.2)	20,313	(26.5)		
Less: Taxation	4,243	5,221	(18.7)	6,004			
Recurring PAT	10,683	12,811	(16.6)	14,309	(25.3)	10,373	3.0
Exceptional items	870	2,037	(57.3)	(139)			
PAT attributable to shareholders	11,550	14,779	(21.8)	14,150	(18.4)		
Key Ratios (%)			Bps		Bps		Bps
Gross Margin	74.3	74.1	24	74.8	(41)	100.0	(2,565.6)
EBITDA Margin	25.0	30.3	(532)	29.8	(476)	23.7	127.1
Tax / PBT	28.4	29.0	(53)	29.6	(113)		2,842.7
NPM	13.6	18.2	(453)	17.3	(364)	13.1	59.5
Recurring EPS (Rs)	23.5	28.2	(16.6)	31.5	(25.3)	22.8	3.0
Reported EPS (Rs)	25.4	32.5	(21.8)	31.2	(18.4)		

Source: Company, BOBCAPS Research

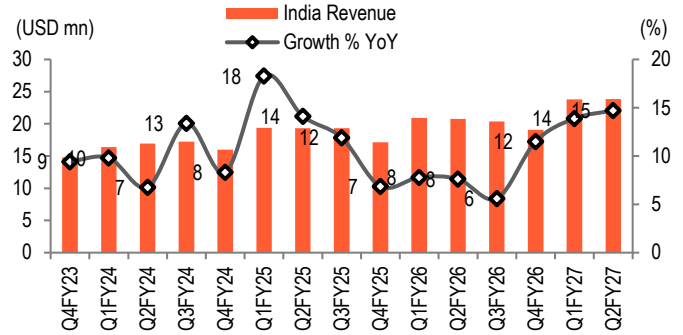
Fig 2 – Segmental Highlights

(Rs Mn)	Q2FY27	Q2FY26	YoY (%)	Q1FY27	QoQ (%)	Q1FY27E	Var. (%)
Formulations	74,769	65,746	13.7	79,535	(6.0)	76,300	(2.0)
US	30,202	27,624	9.3	34,348	(12.1)	28,662	5.4
India	23,836	20,777	14.7	23,796	0.2	23,686	0.6
Other Developed Markets	11,823	8,117	45.7	11,494	2.9	11,495	2.9
EM	8,908	9,228	(3.5)	9,897	(10.0)	12,458	(28.5)
APIs	3,086	2,568	20.2	2,637	17.0	2,773	11.3
Licensing Income	-	-		0		-	
Other Operating income	418	2,161	(80.7)	597	(29.9)	395	5.7
Net Sales	78,273	70,475	11.1	82,769	(5.4)	79,468	(1.5)

Source: Company, BOBCAPS Research

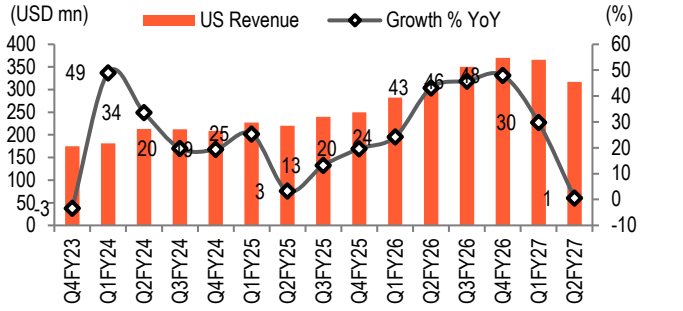
Financial Charts

Fig 3 – Domestic sales growth driven by higher Chronic share



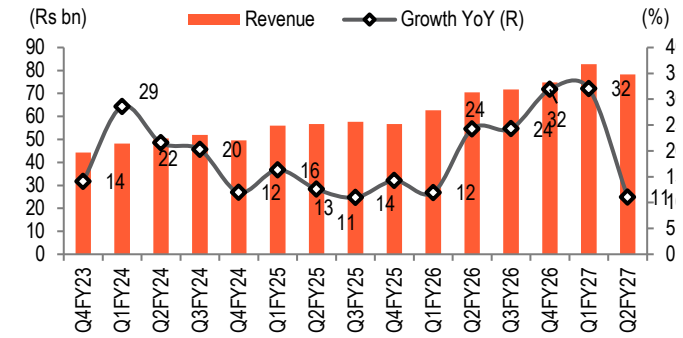
Source: Company, BOBCAPS Research

Fig 4 – US sales growth declined due to competition in key product like Tolvaptan



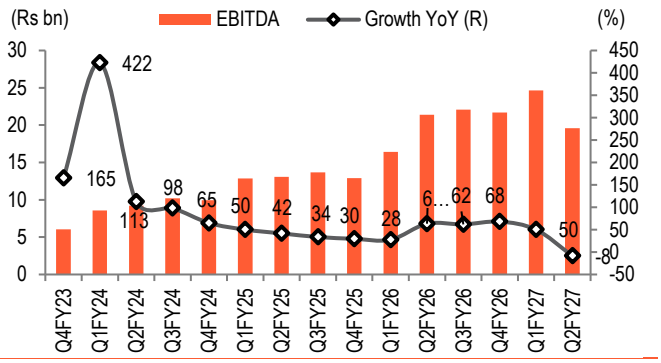
Source: Company, BOBCAPS Research

Fig 5 – Overall sales declined due to lower US sales



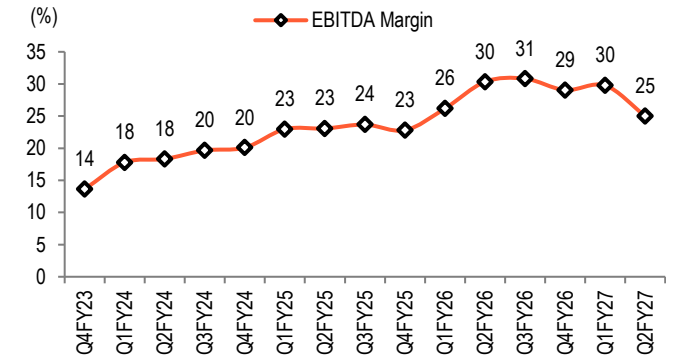
Source: Company, BOBCAPS Research

Fig 6 – EBITDA growth declined due to competition in the key products



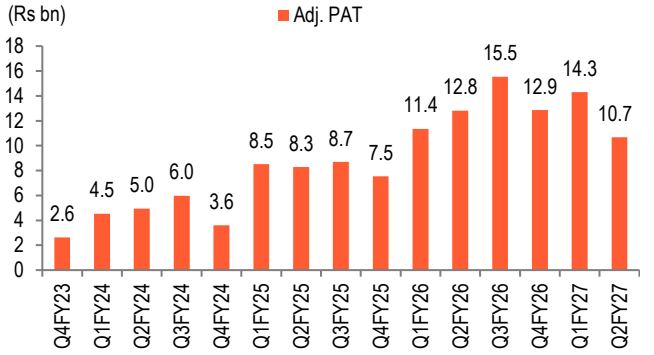
Source: Company, BOBCAPS Research

Fig 7 – High competition in key products led to lower margin



Source: Company, BOBCAPS Research

Fig 8 – Lower Operations led to lower PAT



Source: Company, BOBCAPS Research

Earnings Call Highlights

Guidance

EBITDA margin: FY27 guidance of about 24–25% is maintained. Margins are expected to moderate in coming quarters because of US competition, higher R&D and Middle East input costs.

R&D: about 8% of sales for FY27.

US revenue: $1.1–1.2 billion for FY27, maintained. Management said Q1 and Q2 both beat plan and that it will see whether any upside emerges. H1 US sales were $683 million.

Growth ex-US: about 20% organic in H2.

India: growth of 1.2–1.3x the Indian Pharmaceutical Market (IPM).

FY28: described as a year of investment, building capabilities and “consolidation”.

3. Segment Performance

United States

Sales were $317 million, down 13.4% quarter on quarter in constant currency. Year on year growth was about 9%.

The decline came from loss of exclusivity and increased competition in key products, partly offset by seasonal demand and volume growth in select products.

Tolvaptan (generic Jynarque):

Two more generic players entered this quarter, and further entrants are possible in coming quarters.

The impact is mainly on pricing. Lupin expects to keep share but revenue and margin contribution will fall significantly.

Mirabegron: Vinita clarified it has been relatively stable. More competition is expected after September 2027.

Pricing and mix: the base portfolio gained from higher volumes and seasonal products, but pricing pressure in some products, particularly Tolvaptan, offset this.

New injectable launches and pegfilgrastim are expected to help offset the competition.

FY28: US revenue should stay at $1 billion or more, though it may not match FY27 because of Tolvaptan and Mirabegron. Apixaban, dalbavancin and biosimilars (particularly pegfilgrastim) should help.

FY29: the US business is expected to grow as the full-year impact of durable pipeline products comes through. Management confirmed the $1 billion run rate should be maintained.

Strategy: double the share of complex products (respiratory, complex injectables, biosimilars).

Filings and launches:

More than 15 filings this fiscal year.

More than 60 launches over three years, including about 25 injectable and respiratory products, 5 biosimilars and 2–3 505(b)(2) products.

More than 55 injectable and respiratory products are under development.

4–5 biosimilar filings are planned over the next few years.

India

Sales grew 14.7% YoY. The core prescription business grew 13.8% in Q2 and 14.4% in H1, against IPM growth of 14.3% in H1.

IPM growth in Q2 was 14.7%, a six-quarter high.

Prescription volume growth was 6.1% in H1 (8.6% on a moving annual total basis).

Chronic: grew 19.5% in H1 against IPM chronic growth of 17.2%, and 17.4% in Q2. Chronic is now about 66% of the portfolio, up from 65% in FY26. The target is 70% in five years, and management said it would not stop there.

Therapy performance (H1): anti-diabetes grew 1.5x its category, cardiac 1.1x and dermatology 1.5x.

Diabetes: grew 25%+ in Q2, the third straight quarter above 20%. Growth was led by leadership in human insulin and the semaglutide injection launch (volumes are not large yet).

Gap to target: H1 growth was about 1.1x IPM, below the 1.2–1.3x goal. Respiratory (inhalers: MDI, DPI, nebulisation) was slow, and cardiac slowed. Management expects respiratory to pick up in H2, as it usually does, and cardiac to rebound.

In-licensed products: about 6% of sales, similar to FY26.

Launches: 12 in H1, with about 20 planned for FY27 (15 in FY26). The pipeline has more than 80 launches over the coming years.

Field force: about 11,400 prescription reps.

Long-term goal: novel proprietary products at one-third of India revenue within 10 years, built through in-house development and in-licensing.

Regulatory: approval of the first green propellant MDI in India.

Other Developed Markets (Europe, Canada, Australia)

Sales were about ₹1,180 cr (the transcript garbles the figure), up 46% YoY.

They were 15% of revenue, against 11% in FY26 and 14% in Q1.

Europe grew 45% YoY and was double digit even excluding VISUfarma.

Lupin signed an exclusive licence with Tenpoint Therapeutics for a once-daily dual-agent presbyopia eye drop in Europe (the product name is garbled as “UVC” in the transcript).

Ophthalmology is being built through the VISUfarma acquisition.

Europe remains under-indexed, with growth planned in complex generics, biosimilars and specialty.

Emerging Markets: down 4% YoY. Brazil and Latin America fell on new competition in dapagliflozin, a product that had been a big upside for two years. South Africa, the Philippines and Mexico grew at double digits.

API: grew about 20% YoY.

4. R&D and Pipeline

Apixaban Oral Suspension (505(b)(2)): tentative approval received this quarter, with launch expected in Q1 FY28.

The brand market is over $10 billion, and Lupin targets channels that are a good share of it.

It will be sold through targeted channels, not direct-to-consumer.

Lupin plans additional commercial investment in the next couple of quarters for market access.

Reimbursement and coverage will build over months and quarters.

Margins are expected to be fairly attractive, like an exclusive product but with commercial investment.

There is roughly a 10-month exclusivity window before ANDA generics. Lupin hopes to retain share afterwards in segments that value a liquid form.

Manufacturing is from Somerset. Management said capacity is sufficient for the upside scenario.

Management said it looked at partnering options and prefers its own commercial strategy.

It is included in the $1 billion-plus FY28 US outlook.

Respiratory: 7–8 filings are targeted, including Spiriva Respimat and Ellipta-platform products plus MDIs. Exhibit batches are done for Respimat, and the filing is on track. One product (the “Brio” product in the transcript) may slip into Q1 FY29, but the group should be filed within the fiscal year or within a couple of months after.

Peptides: glucagon and liraglutide are the launched products. Semaglutide and newer GLP-1s are not expected in the next five years because patents expire later.

Near-term injectables: Risperdal Consta generic, sugammadex (just launched) and dalbavancin (both 505(b)(2) and generic).

Biosimilars:

Pegfilgrastim is launched through a partner (named “Valorem” in the transcript, which could not be verified).

A biosimilar of the product transcribed as “tenorcept” or “turnercept” (likely etanercept) is to be filed in the US later this fiscal year, with first-wave entry expected in FY29.

Management sees a bigger opportunity in biosimilars than in injectables over 3–5 years.

Lessons so far: manufacturer price discounting helps less than in small molecules. Payer incentives drive substitution, and the market is now more open than it was 5–8 years ago.

Other: niche iron colloid launches are expected (details to follow from the IR team).

Other pending products:

Xywav generic: further out than FY29. Lupin believes it was first to file with sole exclusivity, though the brand could launch an authorised generic or partner with settled filers.

Diazepam nasal spray: expected next year.

Dulera: possible next year or early FY29, depending on FDA queries.

5. R&D Spend Outlook

Management is reviewing R&D to avoid compromising material products. It will moderate other cost lines, including R&D, as it invests in Europe specialty, apixaban and biosimilars.

6. Costs, Margins and Capital Allocation

Cost reversals: the settlement-related licence fees (Mirabegron) should reverse out.

Technology: Lupin is investing ahead in IT platforms and AI, and expects IT spend to fall as a percentage of sales over 3–4 years. Management framed the benefits as productivity gains rather than cuts in discretionary spend.

Margin path:

FY28 may be a consolidation year.

Margins could return to 29–30% over about five years as first-to-file products, biosimilars and specialty products scale.

M&A:

Lupin describes itself as acquisitive but judicious. Priority is specialty in Europe and the US, with equal importance on India, at appropriate prices.

Debt capacity is capped at about 2x EBITDA, roughly ₹16–17,000 cr of debt plus ₹3–4,000 cr of cash, so up to about ₹20,000 cr.

7. Quality and Compliance

Pithampur Unit-II: responses submitted and remediation on track.

Management was pleased with inspection outcomes across the network this calendar year.

8. ESG

Zero-waste-to-landfill certification at eight manufacturing sites, seven of them platinum-rated.

ESG assessment of 130 suppliers.

Continued work on diversity and leadership development.

9. Closing Message

Management is confident in building a more durable, sustainable developed-market portfolio and moving away from one-off exclusives. India remains the anchor. Next year is a year of investment and capability-building for a more resilient business, with a positive outlook for the next five years.

Valuation methodology

LPC's results were in line with our estimates on all fronts, with US sales growing above USD 300 mn in 2QFY27 and Other Developed Markets reporting strong numbers due to the integration of Visufarma. Going forward, the company has a rich pipeline, with plans to launch 50 new products with a focus on complex injectables and respiratory. The company mentioned that it can sustain USD 1 bn in sales in FY28 and FY29, despite the Tolvaptan cliff in FY28E and the Apixaban cliff in FY29E. The management also guided that it expects to achieve a 29-30% EBITDA Margin by FY30E.

Despite factoring in no growth in the North America region from FY26-29 and a slowdown in Emerging Markets due to competition in Dapagliflozin in Brazil, we arrive at a Sales/EBITDA/PAT CAGR of 8%/12%/15% over FY27-29E.

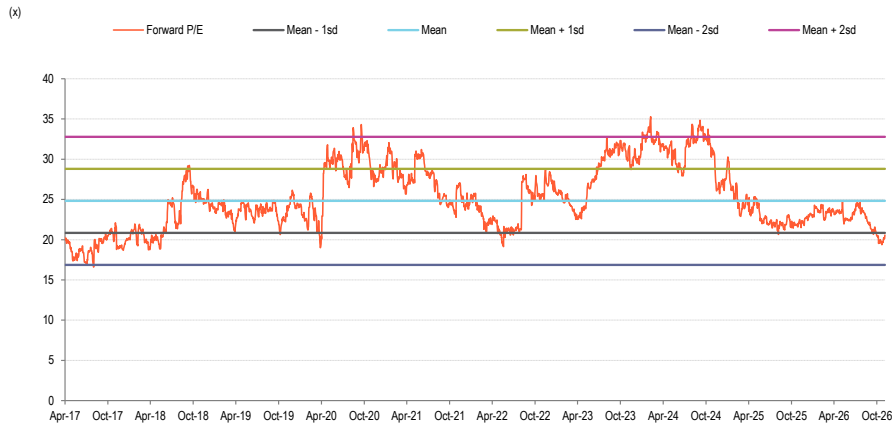
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Fig 9 –

Rs Mn	New			Old			Change		
Particulars	**FY27E**	**FY28E**	**FY29E**	**FY27E**	**FY28E**	**FY29E**	**FY27E**	**FY28E**	**FY29E**
Revenue	299985	330801	347694	307799	338779	378316	-2.5%	-2.4%	-8.1%
EBITDA	75573	86516	94480	77374	88430	102110	-2.3%	-2.2%	-7.5%
EBITDA Margin (%)	25%	26%	27%	25%	26%	27%	0.1bps	0.1bps	0.2bps
EPS	93.5	109.5	122.8	96.4	112.5	135.1	-3.0%	-2.7%	-9.1%

Source: Company, BOBCAPS Research

Fig 10 – 1 year forward PE band



Source: , Bloomberg

Key risks

Key downside risks to our estimates are:

- Lack of retaining USD 1bn sales in the US region by FY29
- Unable to achieve 29-30% EBITDA Margin by FY30
- Intense price erosion pressure in the US
- Higher input costs to affect margins.

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Total revenue	**227,079**	**279,580**	**299,985**	**330,801**	**347,694**
EBITDA	52,775	81,595	75,573	86,516	94,480
Depreciation	11,693	13,755	16,327	17,007	17,687
EBIT	41,083	67,840	59,246	69,509	76,793
Net interest inc./(exp.)	(2,949)	(4,345)	(4,185)	(3,908)	(3,652)
Other inc./(exp.)	2,016	4,245	3,700	3,200	4,100
Exceptional items	0	0	0	0	1
EBT	40,150	67,740	58,761	68,801	77,242
Income taxes	7,087	15,171	15,866	18,576	20,855
Extraordinary items	0	986	0	0	0
Min. int./Inc. from assoc.	246	226	272	339	407
Reported net profit	**32,816**	**53,329**	**42,624**	**49,886**	**55,979**
Adjustments	0	(986)	0	0	0
Adjusted net profit	**32,816**	**52,343**	**42,624**	**49,886**	**55,979**

Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Accounts payables	29,632	41,731	37,986	41,888	45,212
Other current liabilities	31,664	46,742	46,742	46,742	46,742
Provisions	7,093	10,939	21,746	25,038	27,953
Debt funds	53,409	64,051	59,779	55,828	52,170
Other liabilities	0	0	0	0	1
Equity capital	913	914	914	911	911
Reserves & surplus	171,964	224,152	250,891	282,184	317,300
Shareholders' fund	172,877	225,067	251,805	283,095	318,211
Total liab. and equities	**294,675**	**388,530**	**418,057**	**452,591**	**490,289**
Cash and cash eq.	31,357	56,441	92,731	121,731	160,468
Accounts receivables	54,971	66,041	64,922	71,591	75,247
Inventories	54,764	60,833	62,016	68,387	71,879
Other current assets	60,907	75,374	76,374	77,374	78,374
Investments	10,868	36,061	36,061	36,061	36,061
Net fixed assets	55,927	60,244	51,917	42,910	33,223
CWIP	3,555	6,952	7,452	7,952	8,452
Intangible assets	22,326	26,585	26,585	26,585	26,585
Deferred tax assets, net	0	0	0	0	0
Other assets	0	0	0	0	0
Total assets	**294,675**	**388,530**	**418,057**	**452,591**	**490,289**

Cash Flows

Y/E 31 Mar (Rs mn)	FY25A	FY26A	FY27E	FY28E	FY29E
Cash flow from operations	**11,796**	**70,924**	**69,132**	**63,955**	**75,411**
Capital expenditures	(13,205)	(25,728)	(8,500)	(8,500)	(8,500)
Change in investments	(122)	(25,193)	0	0	0
Other investing cash flows	0	0	0	0	1
Cash flow from investing	**(13,326)**	**(50,921)**	**(8,500)**	**(8,500)**	**(8,499)**
Equities issued/Others	2	1	0	(3)	0
Debt raised/repaid	26,710	10,642	(4,272)	(3,951)	(3,657)
Interest expenses	(2,949)	(4,345)	(4,185)	(3,908)	(3,652)
Dividends paid	(2,732)	(5,612)	(15,886)	(18,592)	(20,863)
Other financing cash flows	1,748	4,396	0	0	0
Cash flow from financing	**22,779**	**5,081**	**(24,342)**	**(26,454)**	**(28,173)**
Chg in cash & cash eq.	**21,249**	**25,084**	**36,289**	**29,000**	**38,739**
Closing cash & cash eq.	**31,357**	**56,441**	**92,731**	**121,731**	**160,470**

Per Share

Y/E 31 Mar (Rs)	FY25A	FY26A	FY27E	FY28E	FY29E
Reported EPS	72.0	117.0	93.5	109.5	122.8
Adjusted EPS	72.5	115.7	93.5	109.5	122.8
Dividend per share	8.1	43.9	35.1	41.1	46.1
Book value per share	380.0	495.9	555.0	624.2	701.8

Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26A	FY27E	FY28E	FY29E
EV/Sales	3.9	3.3	3.2	3.0	3.0
EV/EBITDA	17.0	11.2	12.6	11.4	10.9
Adjusted P/E	27.4	17.2	21.3	18.2	16.2
P/BV	5.2	4.0	3.6	3.2	2.8

DuPont Analysis

Y/E 31 Mar (%)	FY25A	FY26A	FY27E	FY28E	FY29E
Tax burden (Net profit/PBT)	81.7	77.3	72.5	72.5	72.5
Interest burden (PBT/EBIT)	97.7	99.9	99.2	99.0	100.6
EBIT margin (EBIT/Revenue)	18.1	24.3	19.7	21.0	22.1
Asset turnover (Rev./Avg TA)	21.2	20.5	18.6	19.0	18.4
Leverage (Avg TA/Avg Equity)	1.7	1.7	1.7	1.6	1.6
Adjusted ROAE	20.7	26.3	17.9	18.7	18.6

Ratio Analysis

Y/E 31 Mar	FY25A	FY26A	FY27E	FY28E	FY29E
YoY growth (%)					
Revenue	13.5	23.1	7.3	10.3	5.1
EBITDA	38.5	54.6	(7.4)	14.5	9.2
Adjusted EPS	71.4	59.5	(19.1)	17.0	12.2
Profitability & Return ratios (%)					
EBITDA margin	23.2	29.2	25.2	26.2	27.2
EBIT margin	18.1	24.3	19.7	21.0	22.1
Adjusted profit margin	14.5	18.7	14.2	15.1	16.1
Adjusted ROAE	20.7	26.3	17.9	18.7	18.6
ROCE	17.2	21.0	14.8	15.8	16.1
Working capital days (days)					
Receivables	82	79	79	79	79
Inventory	84	75	75	75	75
Payables	158	178	178	178	178
Ratios (x)					
Gross asset turnover	1.3	1.5	1.5	1.6	1.6
Current ratio	3.0	2.6	2.8	3.0	3.2
Net interest coverage ratio	13.9	15.6	14.2	17.8	21.0
Adjusted debt/equity	0.1	(0.1)	(0.3)	(0.4)	(0.5)

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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BUY – Expected return >+15%

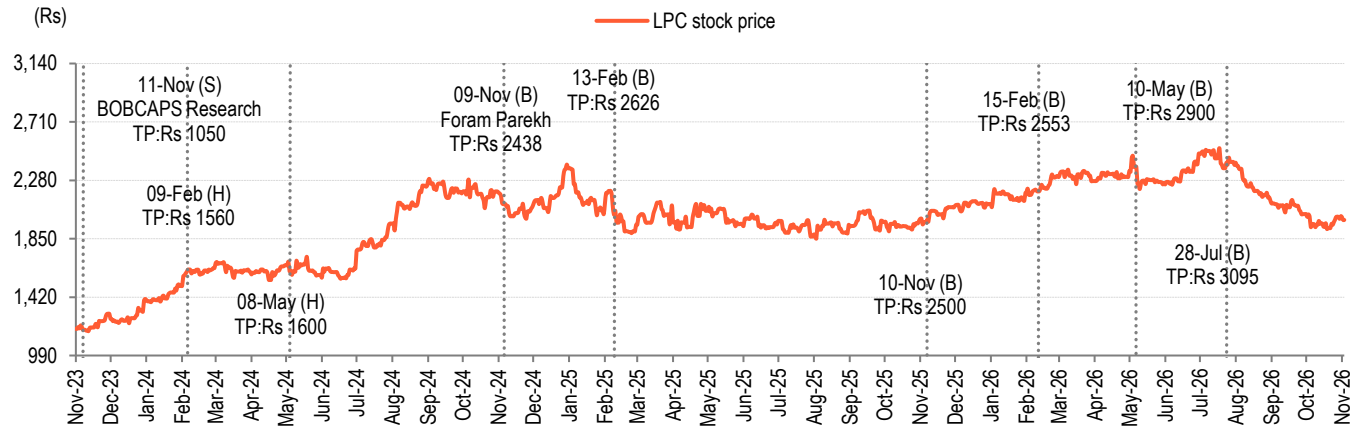
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SELL – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

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