BUY
TP: Rs 281 | ⮝ 41%

STAR CEMENT | Cement | 10 August 2026

Guarded for demand uncertainty and cost inflation; Retain BUY

- **Revenue growth (~3%) muted as volume growth (~7%) stays impacted by election disruption; realisation improvement also remains sluggish**
- **Fuel cost inches up to Rs 1.55/kcal vs 1.35/kcal YoY led by higher spot coal procurement, though EBITDA/tn resilient at Rs 1,196**
- **Cut FY27E/FY28E/FY29E EBITDA by 9%/12%7%; value STRCEM at 11x Jun 28 EV/EBITDA with revised TP of Rs281 (Rs308). Maintain BUY**

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Volume growth moderates, realisations remain supportive: STRCEM revenue grew ~3% YoY (-20% QoQ) to ~Rs9.4bn, as cement volumes increased ~7% YoY (-20% QoQ) to ~1.3mt, marginally below industry growth, while overall sales including clinker rose ~5% YoY. Volume growth was impacted by election-related disruptions in Assam and West Bengal. Average realisations improved ~5% YoY to ~Rs6,724/t, cushioning the impact of softer volumes and supporting topline growth.

Cost inflation remains contained despite higher input costs: Overall cost/tn spiked by ~5% YoY to Rs5,527/t, driven by a ~2% YoY increase in raw material cost to Rs1,625/t. Freight cost also inched up at Rs1,280/t (+4% YoY), energy cost increased ~3% YoY to Rs1,122/t. Other expenses rose ~15% YoY to ~Rs1.25bn, mainly due to election-related donations and maintenance expenses, however this may partially reverse easing the cost pressure compared to Q1.

Effectively margins soften: EBITDA slipped ~15% YoY (-38% QoQ) to ~Rs1.95bn, with margins contracting ~440bps/622bps YoY/QoQ as slower volumes and higher fixed/other costs offset the benefit of improved realisations. However, EBITDA/tn remained resilient at ~Rs1,196/t (+5% YoY), as the underlying cost control and pricing stayed supportive driven by north-east presence (67% vs 70% in Q4FY26).

Expansion pipeline: North expansion with planned ~3.3/5.5mnt clinker/grinding capacity in Rajasthan and Haryana may receive statutory clearances by Q2FY27 (completion by Q2FY29); Siliguri addition (2mnt) may be prioritised over Bihar GU.

Growth prospects stay intact; value at 11x; maintain BUY: We revise our FY27E/FY28E/FY29E EBITDA by 9%/12%7%, factoring in the revised business dynamics. However, STRCEM stays structurally healthy with capacity addition plans, continued market leadership in the north-east region and regional spread. Our 3-year EBITDA/PAT CAGR is 14% each, factoring healthy revenue growth, capex plans and cost-saving initiatives. We assign an 11x June 2028, EV/EBITDA and revise TP to Rs 281 versus Rs308 to factor in the revised earnings estimates and rollover to June 2028. Our TP implies replacement of Rs 7.5bn/mt. Maintain BUY.

Key changes

Target	Rating
▼	◀ ▶

Ticker/Price	STRCEM IN/Rs 199
Market cap	US$ 878.3mn
Free float	33%
3M ADV	US$ 0.7mn
52wk high/low	Rs 309/Rs 197
Promoter/FPI/DII	67%/1%/6%

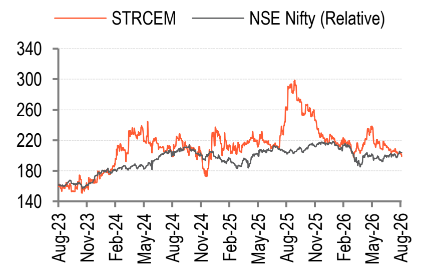
Source: NSE | Price as of 10 Aug 2026

Key financials

Y/E 31 Mar	FY26P	FY27E	FY28E
Total revenue (Rs mn)	37,414	41,949	47,112
EBITDA (Rs mn)	8,587	9,396	10,915
Adj. net profit (Rs mn)	3,245	3,829	4,354
Adj. EPS (Rs)	7.7	9.1	10.4
Consensus EPS (Rs)	7.7	9.6	10.7
Adj. ROAE (%)	10.9	11.6	11.7
Adj. P/E (x)	25.7	21.8	19.2
EV/EBITDA (x)	10.2	9.5	8.2
Adj. EPS growth (%)	92.2	18.0	13.7

Source: Company, Bloomberg, BOBCAPS Research | P – Provisional

Stock performance



Source: NSE

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Important disclosures and analyst certifications are provided at the end of the report.

Fig 1 – Earnings Call Highlights

Parameter	Q1FY27	Q4FY26	Our view
Volume and realisation	Cement sales grew ~6.7% YoY to ~1.30mt, with Northeast volumes broadly flat at ~0.87mt while outside Northeast volumes grew ~21% YoY to ~0.43mt. Management attributed the muted Northeast performance to Assam elections and early monsoon/flooding rather than market-share losses. OPC mix was stable YoY at ~15%; Premium mix improved to 15.9% vs 12% YoY; Trade share moderated marginally to ~80% vs 81% YoY. July has seen a degrowth of ~12% while full-year cement volume growth guidance was moderated to 8–9% (vs 10–12% earlier), with stronger growth expected in H2FY27 on pent-up demand. Clinker sales are guided to stagnant or degrow. Management iterated that prices have been flat from Q1FY27 exit as demand has fallen leaving no headroom for price increase.	Cement production grew to ~1.65mt vs ~1.48mt YoY, while clinker production remained broadly flat at ~1.16mt (vs ~1.14mt YoY). Cement sales volumes rose ~10% YoY to ~1.62mt while clinker sales doubled to ~0.12mt (vs ~0.06mt YoY). Northeast volumes were at ~1.13mt (vs ~1.10mt YoY), while outside Northeast, sales rose sharply to ~0.49mt (vs ~0.37mt YoY). OPC mix increased to ~18% (14% YoY); trade share moderated to ~78% (vs ~81% YoY) due to higher institutional demand. Premium cement mix was 15.1% (vs12% YoY). Management has guided for 10-12% growth in FY27. However, Q1FY27 demand was impacted by elections in Assam and West Bengal; improvement has been visible in May. Pricing improved sequentially with ~Rs6–7/bag hike in Northeast and ~Rs10/bag increase in East markets (Bihar).	We expect volumes to be in a healthy recovery mode, given the central government's focus on building up infrastructure in the Northeast and the resolution of clinkerisation unit issues. Further. STRCEM is well poised to take advantage of the same. Additionally, new government in West Bengal will further boost the infrastructure spend.
Margins	Fuel cost increased to ~Rs1.55/kcal (vs Rs1.35/kcal in Q1FY26) as Coal India supplies were diverted towards power generation, forcing higher spot-coal procurement. Management expects fuel cost to moderate to ~Rs1.45/kcal in Q2 as FSA rake availability improves. Despite near-term pressure, management remains confident of ~Rs1,500–1,600 EBITDA/t over the full year, with Q2 potentially at ~Rs1,400/t due to monsoon-led lower utilisation and shutdown costs. STRCEM has ~Rs1.3bn of incentive receivables outstanding from Assam. The impact on incentive due to GST rationalization was to the tune of Rs 400mn in Q1FY27. Full year incentive income is revised downwards to Rs 1.15bn vs Rs 1.45bn earlier. STRCEM is undertaking operational and logistic upgrades viz. wagon tipler in Siliguri yielding saving of Rs 150/tn and railway siding at Silchar. Plans to introduce EV along 5-6 routes to reduce transportation costs further.	Fuel cost improved to ~Rs1.24/kcal (vs Rs 1.54/kcal YoY) aided by higher biomass usage (~21.5%) and ~78.5% FSA linkage coal. Though management highlighted temporary fuel cost pressure in Q1FY27 due to coal shortages and rake diversion toward thermal power plants. Estimated near-term cost inflation impact could be ~Rs250–300/tn, partially offset through recent price hikes. Lead distance improved to ~220km vs ~229km YoY. Freight efficiency improved due to lower lead distance, although diesel inflation and logistics disruptions remain key monitorables. Incentive income for FY26 came at ~Rs1.84bn, though management expects FY27 subsidy accrual to fall by ~Rs400-500mn due to lower GST-linked incentives. Management expects FY27 EBITDA/tn is expected to be ~Rs 1,500-1,700 though it may fall to Rs 1,300-1,400 in near term as Rajasthan operations start.	Focus on cost efficiencies will only help guard margins in case of increase in competitive intensity that may put pressure on prices in the interim phase. However, we feel competition will only be in the short/ medium term as STRCEM will continue dominance in the region. Prudent mix with addition of near east markets help diversify and strengthen earnings quality.
Capacity	Rajasthan remains the key long-term growth project, with ~3.3mt clinker and ~3mt grinding capacity planned at Nimbol; total project cost is estimated at ~Rs27bn, potentially ~Rs29bn including GST. Land acquisition is complete, public hearing is scheduled for Aug'26 and EC are expected by Oct'26, with ground execution targeted from Oct/Nov'26. Management expects commissioning in ~18–20 months, implying Q4FY28/Q1FY29. Bihar 2mt GU remains an alternative, with the final decision potentially influenced by West Bengal's upcoming industrial policy; existing Siliguri land and railway siding provide a potential brownfield opportunity. The	Bihar 2mnt grinding unit aimed for commissioning in FY29 and clinker will be supplied from Meghalaya via railway-linked logistics. Rajasthan expansion remains the key strategic project with planned ~3.3mt clinker capacity at Nimbol along with ~5mt grinding capacity across Rajasthan/Haryana over the medium term. Management expects EC approvals and land acquisition for Rajasthan, Haryana and Bihar projects to be completed by Oct'26. Green power share improved to ~33.8% aided by higher WHRS utilization; management	Capacity expansion is modified with Bihar GU now may be replaced by Siliguri expansion. Jorhat is postponed beyond 2030. In Rajasthan, Nimbol will be the priority with Haryana GU. This will help STRCEM stay on the growth trajectory. Additionally, cost saving efforts will only aid in improving earnings.

Parameter	Q1FY27	Q4FY26	Our view
	current industry clinker capacity is ~15.5mnt and grinding capacity at ~23-24mnt in northeast.	is also evaluating captive renewable power sourcing options.	
Capex	FY27 capex guidance revised ~Rs5bn, of which ~Rs0.93bn was incurred in Q1FY27, while FY28 capex is expected at ~Rs15bn. The bulk of the near-term spending will be directed towards the Rajasthan project and related expansion. Management remains comfortable funding the programme through internal accruals and intends to maintain net debt/EBITDA at ~1.5–1.6x; QIP plan is not being actively pursued.	Management guided FY27 capex at ~Rs6–7bn, primarily toward land acquisition, approvals and initial construction activities for Bihar, Rajasthan and Haryana projects. FY28 capex is expected to rise to ~Rs15bn as execution accelerates. Cash & liquid investments were ~Rs3.8bn, net debt/EBITDA was Rs2bn Q4FY26 end.	STRCEM has managed capex well with the minimum burden on balance sheet. It has targeted growth with new additions in lucrative markets like Assam. Entry in the North markets with capacity plans in Rajasthan in the medium term will increase presence but will be margin-dilutive.
Other key points	Green power share was ~30% vs 20% YoY; the company is evaluating solar/captive power options. ACC demand was sluggish impacting revenue which is tracking below the ARR of Rs 1.5bn. However, STRCEM is expanding RMC plants and expects to hit the ARR by Q4FY27 end.	AAC block business generated ~Rs170mn revenue during Q4FY26 and ~Rs430mn in FY26. Non-cement business revenue target for FY27 at ~Rs1.5bn with initial EBITDA margin target of ~7–8%. Management remains confident about the pricing stability in northeast, despite the larger peers entering the market.	Earnings divergence will guard the quality of earnings. Accrual of higher incentives will keep the borrowings in check, even in capex mode, which will be a key positive.

Source: Company, BOBCAPS Research | OPC: Ordinary Portland Cement; PPC: Portland Pozzolana Cement; FSA: Fuel Supply Agreement; WHRS: Waste heat recovery system; AAC: Autoclaved Aerated Concrete

Fig 2 – Key metrics

	Q1FY27	Q1FY26	YoY (%)	Q4FY26	QoQ (%)	Q1FY27E	Deviation (%)
Volumes (million tonnes)	1.4	1.3	4.6	1.7	(21.9)	1.35	0.3
Cement realisations (Rs/t)	6,724	6,428	4.6	6,437	4.5	6,657	1.0
Operating costs (Rs/t)	5,527	5,284	4.6	4,954	11.6	5,356	3.2
EBITDA/t (Rs)	1,196	1,144	4.6	1,483	(19.3)	1,301	(8.0)

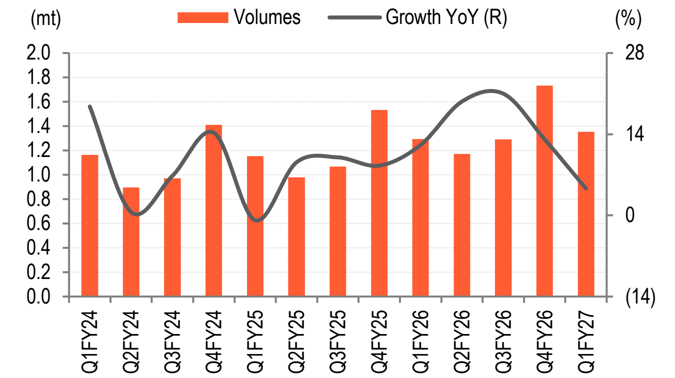
Source: Company, BOBCAPS Research

Fig 3 – Quarterly performance

(Rs mn)	Q1FY27	Q1FY26	YoY (%)	Q4FY26	QoQ (%)	Q1FY27E	Deviation (%)
Net Sales	**9,429**	**9,120**	**3.4**	**11,736**	**(19.7)**	**8,987**	**4.9**
Expenditure							
Change in stock	97	80	21.6	267	(63.7)	99	(2.0)
Raw material	2,104	1,987	5.9	2,478	(15.1)	2,066	1.9
Purchased products							
Power & fuel	1,520	1,414	7.5	1,577	(3.7)	1,139	33.5
Freight	1,732	1,600	8.3	2,175	(20.3)	1,708	1.4
Employee costs	774	668	15.9	690	12.2	711	8.9
Other exp	1,257	1,090	15.4	1,397	(10.0)	1,509	(16.7)
Total Operating Expenses	**7,484**	**6,838**	**9.4**	**8,585**	**(12.8)**	**7,231**	**3.5**
EBITDA	**1,945**	**2,282**	**(14.8)**	**3,151**	**(38.3)**	**1,756**	**10.8**
EBITDA margin (%)	20.6	25.0	(439.6)	26.8	(622.1)	19.5	108.8
Other Income	82	18	357.5	91	(10.0)	47	74.6
Interest	138	102	35.4	129	6.4	129	6.4
Depreciation	914	852	7.3	987	(7.4)	999	(8.5)
PBT	975	1,346	(27.6)	2,126	(54.1)	675	44.6
Non-recurring items			0.0		0.0		
PBT (after non recurring items)	975	1,346	(27.6)	2,068	(52.8)	675	44.6
Tax	236	365	(35.3)	597	(60.5)	182	29.6
Reported PAT	739	982	(25)	1,470	(49.7)	492	50.1
Adjusted PAT	**739**	**982**	**(25)**	**1,528**	**(51.6)**	**492**	**50.1**
NPM (%)	**7.8**	**10.8**	**(292bps)**	**13.0**	**(518bps)**	**5.5**	**236bps**
Adjusted EPS (Rs)	**1.8**	**2.4**	**(24.7)**	**3.7**	**(51.6)**	**1.2**	**50.1**

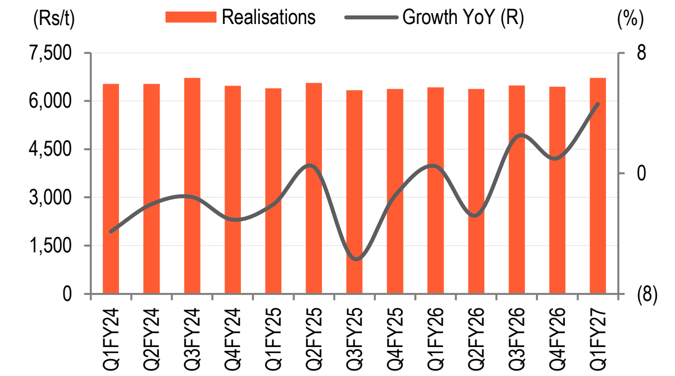
Source: Company, BOBCAPS Research

Fig 4 – Volume softness Q1FY27 due to state elections, though a pickup should follow H2FY27 onwards



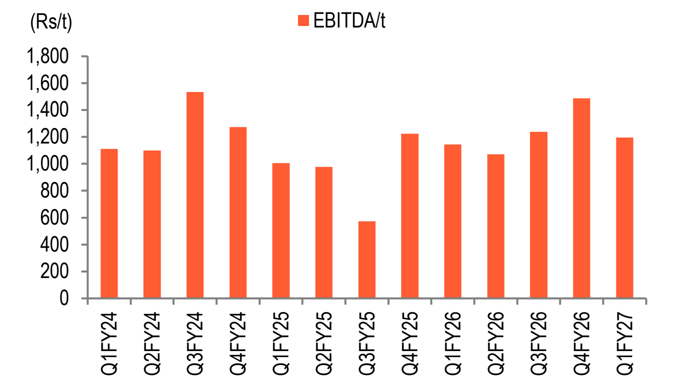
Source: Company, BOBCAPS Research

Fig 5 – Focus on trade penetration to help realisations, along with timely price hikes to pass on cost inflation



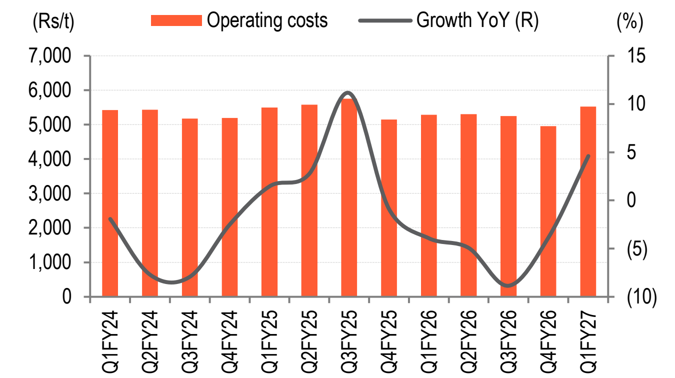
Source: Company, BOBCAPS Research

Fig 6 – EBITDA/tn at the targeted level; further improvement to be led by cost measures



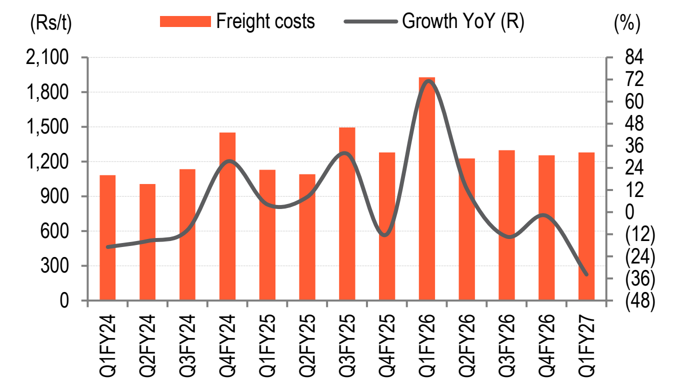
Source: Company, BOBCAPS Research

Fig 7 – Near-term pressure trickle in on expenses



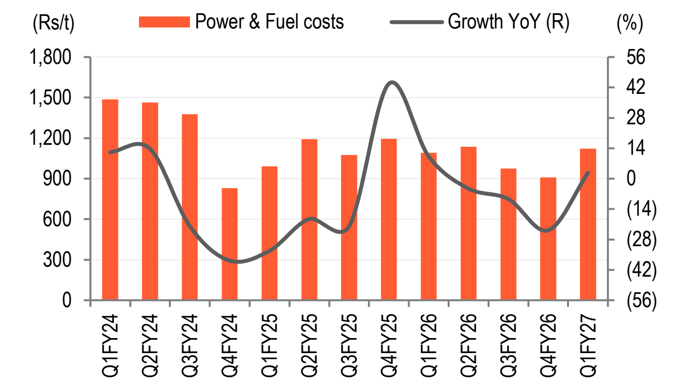
Source: Company, BOBCAPS Research

Fig 8 – Logistics efficiency improvement will kick in post Silchar railway siding



Source: Company, BOBCAPS Research

Fig 9 – Focus on green share and renewable sources as near-term FSA supply faces disruption



Source: Company, BOBCAPS Research

Valuation Methodology

We revise our FY27E/FY28E/FY29E EBITDA by 9%/12%7%, factoring in the revised business dynamics. However, STRCEM stays structurally healthy with capacity addition plans, continued market leadership in the north-east region and regional spread. Our 3-year EBITDA/PAT CAGR is 14% each, factoring healthy revenue growth, capex plans and cost-saving initiatives.

Additionally, government's focus on infrastructure in STRCEM's core Northeast India market will boost volumes in the medium term in the core markets.

However, capacity expansion is modified with 2mnt Bihar GU may be replaced by the expansion of Siliguri unit and Jorhat postponement beyond 2030. This follows the internal assessment of the demand scenario in the respective regions; diversification will help STRCEM stay on the growth trajectory. The Rajasthan, Nimbol will be the priority, and the north expansion is likely to be completed by H2 FY29E

However, we believe the cost pinch will have an impact in the short term for STRCEM too, although the magnitude will be ~ Rs100 lower vs the industry, given the higher usage of domestic coal (Rs 200-250 cost impact vs industry impact of Rs300-350). We also believe that the cost will normalize post H2 as volume picks up and operating leverage benefits kick in. Focus on expanding footprint over the medium term (till FY31, plans to gain a size of 20 mn tonnes capacity) will ensure growth.

We assign an 11x June 2028, EV/EBITDA and revise TP to Rs 281 versus Rs308 to factor in the revised earnings estimates and rollover to June 2028. Our TP implies replacement of Rs 7.5bn/mt. Maintain BUY

Fig 10 – Revised estimates

(Rs mn)	New			Old			Change (%)		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Revenue	41,949	47,112	55,627	44,991	52,242.0	58,741.0	(6.8)	(9.8)	(5.3)
EBITDA	9,396	10,915	13,282	10,287	12,389.0	14,258.0	(8.7)	(11.9)	(6.8)
Adj PAT	3,829	4,354	4,910	4,280	5,019.0	5,978.0	(10.5)	(13.2)	(17.9)
Adj EPS (Rs)	9.1	10.4	11.7	10.2	12.0	14.3	(10.4)	(13.4)	(18.1)

Source: BOBCAPS Research

Fig 11 – Key assumptions

	FY26P	FY27E	FY28E	FY29E
Volumes (mnt)	5.5	6.0	6.8	8.0
Growth (%)	15.9	10.0	12.0	18.0
Realisations (Rs/t)	6,484	6,484	6,549	6,615
Growth (%)	0.0	0.0	1.0	1.0
Operating costs (Rs/t)	5,324	5,464	5,424	5,374
Growth (%)	(2.6)	2.6	(0.7)	(0.9)
EBITDA/t (Rs/t)	1,567	1,495	1,554	1,609
Growth (%)	28.1	(4.6)	4.0	3.5

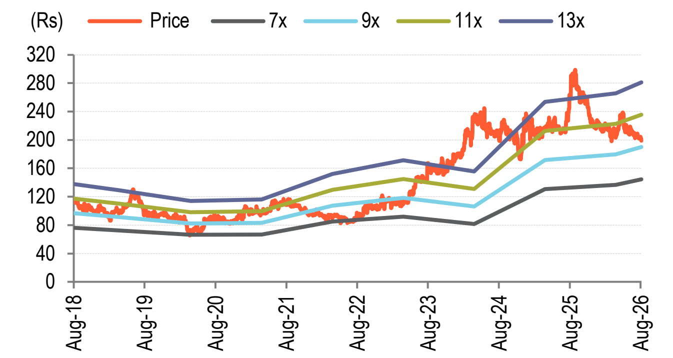
Source: Company, BOBCAPS Research

Fig 12 – Valuation summary

(Rs mn)	Q1FY29E
Target EV/EBITDA (x)	11.0
EBITDA	11,506
Target EV	120,936
Total EV	120,936
Net debt	(7,304)
Target market capitalisation	113,631
Target price (Rs/sh)	**281**
Weighted average shares (mn)	404

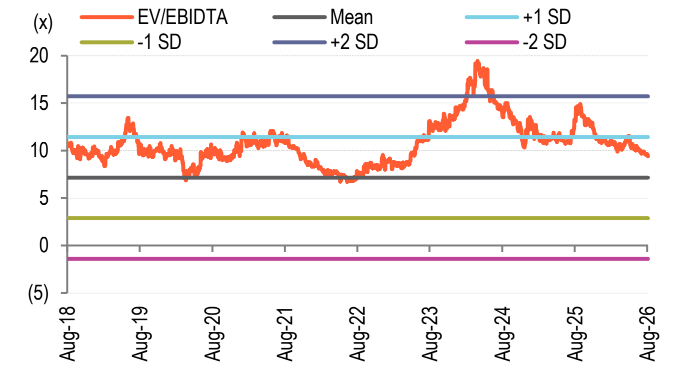
Source: Company, BOBCAPS Research| Note: Valuation based on Jun-28 Earnings

Fig 13 – EV/EBITDA band: Recent moderation in valuation will revert with a pull back



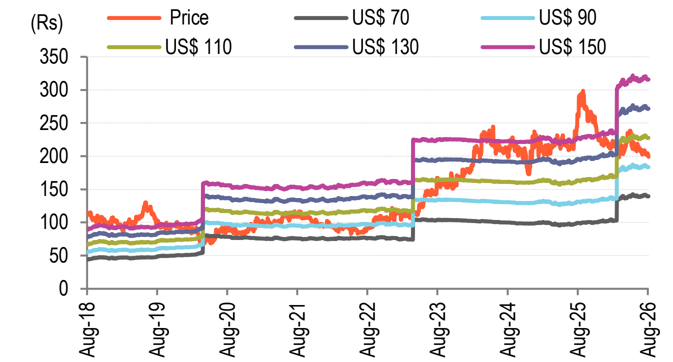
Source: Bloomberg, BOBCAPS Research

Fig 14 – EV/EBITDA 1YF: Moderation healthy for the next leap



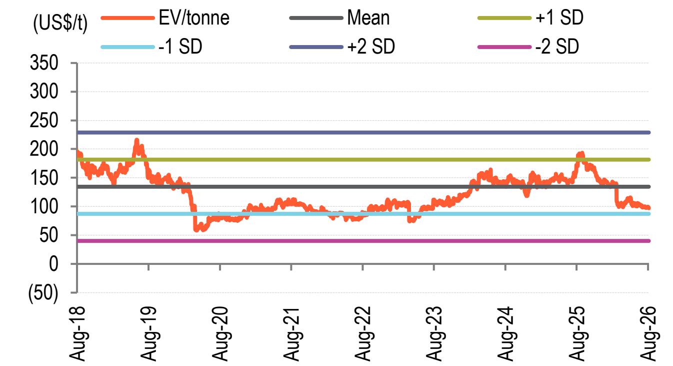
Source: Bloomberg, BOBCAPS Research

Fig 15 – EV/tonne: Replacement cost follows earnings woes on increasing competitive intensity



Source: Company, Bloomberg, BOBCAPS Research

Fig 16 – EV/tonne: 1YF valuations will revert back with a push after the near term worries recede



Source: Company, Bloomberg, BOBCAPS Research

Key Risks

Key downside risks to our estimates:

- Slower-than-expected demand revival in Northeast India could lead to downward risk to earnings.
- Fierce competitive pressure from companies in eastern India could strain pricing, representing a downside risk to our estimates.
- Any cost reversal upwards poses a risk to earnings.

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Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY25A	FY26P	FY27E	FY28E	FY29E
Total revenue	**29,878**	**37,414**	**41,949**	**47,112**	**55,627**
EBITDA	5,786	8,587	9,396	10,915	13,282
Depreciation	(3,319)	(3,653)	(3,942)	(4,612)	(6,129)
EBIT	2,573	5,127	5,674	6,527	7,363
Net interest inc./(exp.)	(316)	(463)	(506)	(645)	(725)
Other inc./(exp.)	106	193	219	224	210
Exceptional items	0	113	0	0	0
EBT	2,257	4,777	5,168	5,882	6,638
Income taxes	(569)	(1,418)	(1,339)	(1,528)	(1,728)
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	**1,688**	**3,359**	**3,829**	**4,354**	**4,910**
Adjustments	0	(113)	0	0	0
Adjusted net profit	**1,688**	**3,245**	**3,829**	**4,354**	**4,910**

Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26P	FY27E	FY28E	FY29E
Accounts payables	2,325	2,958	3,339	3,612	4,223
Other current liabilities	5,857	5,590	5,543	5,422	5,274
Provisions	195	257	214	235	259
Debt funds	3,901	5,862	6,007	7,199	8,272
Other liabilities	0	0	0	0	0
Equity capital	404	404	404	404	404
Reserves & surplus	28,385	30,704	34,531	38,881	43,787
Shareholders' fund	28,792	31,140	34,969	39,323	44,233
Total liab. and equities	**41,069**	**45,775**	**50,038**	**55,754**	**62,219**
Cash and cash eq.	524	553	248	131	258
Accounts receivables	1,995	2,417	2,414	2,807	3,315
Inventories	4,464	4,656	5,861	6,454	7,620
Other current assets	5,230	6,465	7,262	7,624	8,385
Investments	20	2,584	2,584	2,584	2,584
Net fixed assets	24,074	25,126	25,889	26,148	30,062
CWIP	2,199	1,806	3,406	7,406	7,146
Intangible assets	131	134	136	138	141
Deferred tax assets, net	2,431	2,035	2,238	2,462	2,708
Other assets	0	0	0	0	0
Total assets	**41,068**	**45,775**	**50,038**	**55,754**	**62,219**

Cash Flows

Y/E 31 Mar (Rs mn)	FY25A	FY26P	FY27E	FY28E	FY29E
Cash flow from operations	**2,217**	**5,985**	**5,860**	**7,568**	**8,843**
Capital expenditures	(5,268)	(4,314)	(6,307)	(8,874)	(9,786)
Change in investments	0	(2,563)	0	0	0
Other investing cash flows	0	0	0	0	0
Cash flow from investing	**(5,269)**	**(6,878)**	**(6,307)**	**(8,874)**	**(9,786)**
Equities issued/Others	(1)	(926)	(3)	(3)	(4)
Debt raised/repaid	2,603	1,961	145	1,192	1,073
Interest expenses	10	10	10	10	10
Dividends paid	0	0	0	0	0
Other financing cash flows	0	(113)	0	0	0
Cash flow from financing	**2,602**	**922**	**142**	**1,189**	**1,069**
Chg in cash & cash eq.	**(450)**	**29**	**(305)**	**(117)**	**127**
Closing cash & cash eq.	**523**	**553**	**248**	**131**	**258**

Per Share

Y/E 31 Mar (Rs)	FY25A	FY26P	FY27E	FY28E	FY29E
Reported EPS	4.0	8.0	9.1	10.4	11.7
Adjusted EPS	4.0	7.7	9.1	10.4	11.7
Dividend per share	0.0	0.0	0.0	0.0	0.0
Book value per share	68.7	74.2	83.3	93.7	105.4

Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26P	FY27E	FY28E	FY29E
EV/Sales	2.9	2.3	2.1	1.9	1.6
EV/EBITDA	14.7	10.2	9.5	8.2	6.8
Adjusted P/E	49.4	25.7	21.8	19.2	17.0
P/BV	2.9	2.7	2.4	2.1	1.9

DuPont Analysis

Y/E 31 Mar (%)	FY25A	FY26P	FY27E	FY28E	FY29E
Tax burden (Net profit/PBT)	74.8	70.3	74.1	74.0	74.0
Interest burden (PBT/EBIT)	87.7	91.0	91.1	90.1	90.1
EBIT margin (EBIT/Revenue)	8.6	13.7	13.5	13.9	13.2
Asset turnover (Rev./Avg TA)	77.5	86.2	87.6	89.1	94.3
Leverage (Avg TA/Avg Equity)	1.4	1.4	1.5	1.4	1.4
Adjusted ROAE	6.0	10.9	11.6	11.7	11.8

Ratio Analysis

Y/E 31 Mar	FY25A	FY26P	FY27E	FY28E	FY29E
YoY growth (%)					
Revenue	3.4	25.2	12.1	12.3	18.1
EBITDA	4.2	48.4	9.4	16.2	21.7
Adjusted EPS	(42.6)	92.2	18.0	13.7	12.8
Profitability & Return ratios (%)					
EBITDA margin	18.3	22.7	22.2	23.0	23.7
EBIT margin	8.1	13.6	13.4	13.7	13.1
Adjusted profit margin	5.7	8.7	9.1	9.2	8.8
Adjusted ROAE	6.0	10.9	11.6	11.7	11.8
ROCE	8.4	14.7	14.6	14.9	14.9
Working capital days (days)					
Receivables	24	24	21	22	22
Inventory	55	45	51	50	50
Payables	33	37	37	36	36
Ratios (x)					
Gross asset turnover	0.9	0.9	0.9	0.9	0.9
Current ratio	1.5	1.6	1.7	1.8	2.0
Net interest coverage ratio	8.1	11.1	11.2	10.1	10.2
Adjusted debt/equity	0.1	0.2	0.2	0.2	0.2

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

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BUY – Expected return >+15%

HOLD – Expected return from -6% to +15%

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Note: Recommendation structure changed with effect from 21 June 2021

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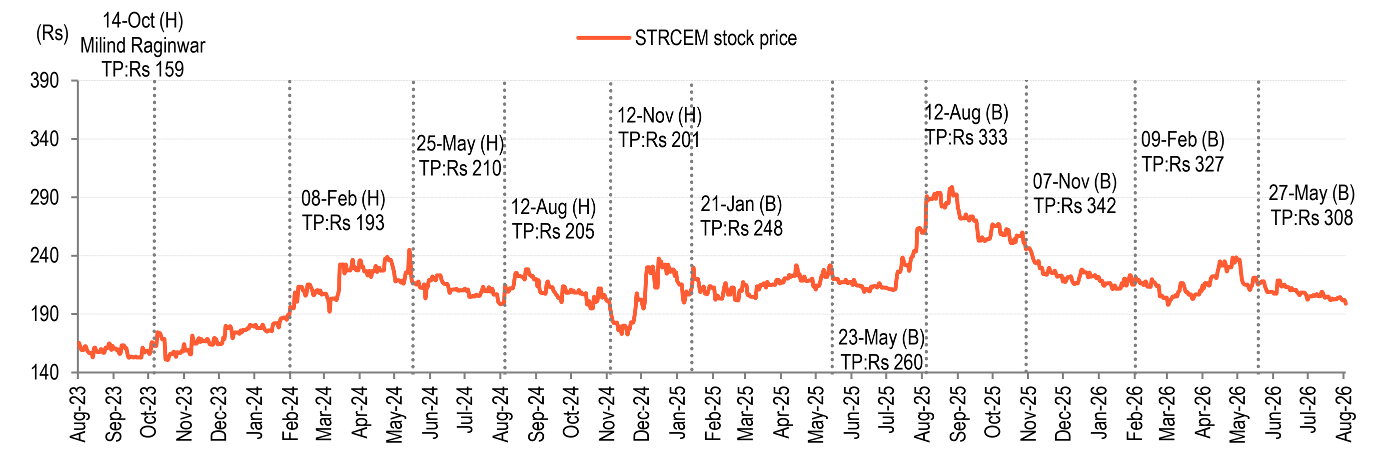

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