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BUY
TP: Rs 14,679 | ▲ 23%

ULTRATECH CEMENT | Cement | 21 July 2026

Challenges handled well, likely to continue, Maintain BUY

- **UTCEM reinforces market share gains driven by ~13% YoY volume growth; ~3%YoY pricing recovery supports ~20%YoY revenue growth**
- **EBITDA increased ~9% YoY despite ~9% YoY rise in operating cost/tn, reflecting resilient profitability, however backed by healthy realisations**
- **Retain FY27E/FY28E/FY29E EBITDA, EBITDA/PAT CAGR ~20% each for FY27/FY28/FY29. Value at 18x EV/EBITDA, revise TP to Rs 14,679, BUY**

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Volume led growth supported by price recovery: UTCEM reported healthy ~20% YoY growth in revenue to ~Rs235bn, driven by ~13% YoY grey cement volume growth. Domestic grey cement volumes at ~39.2mt, helped capacity utilisation improvement to 81% vs 79% YoY helped by dry spell in June. White cement volumes grew ~13% YoY. Grey cement realisations improved ~3% YoY/QoQ to ~Rs5,075/t, aided by price hikes taken in Q1FY27. (Exit Q1 prices even higher).

Input cost inflation offsets operating efficiencies: Operating cost spiked ~9% /4%YoYQoQ to ~Rs4,821/t, led by higher purchase of finished goods and limestone mining cost inflation. RM Cost (adjusted for energy cost) rose ~11% YoY, while freight cost inflated ~4% YoY due to higher diesel prices. Power costs stayed well checked despite fuel cost rising to ~Rs1.90/kcal vs Rs 1.78/kcal, helped by a higher green power mix (45.6% vs 39.5% YoY) and optimisation of imported coal usage.

Despite cost pressure Margins sturdy: EBITDA increased ~9% YoY (-8% QoQ) to ~Rs45.8bn, EBITDA margin however, moderated to 19.5% vs 21.4% YoY amid cost inflation. EBITDA/tn declined ~4% YoY (flat QoQ) to ~Rs1,165/t, reflecting healthy cost control despite higher fuel and raw material costs. Effectively, APAT increased ~7% YoY to ~Rs24bn on account of higher depreciation.

Expansion remains on track: UTCEM reiterated its expansion roadmap to over 240mtpa over the next phase. Management also maintained confidence in delivering double-digit volume growth in FY27, supported by continued capacity ramp up.

Maintain earnings, no change in valuations: We retain our FY27E/FY28E/FY29E EBITDA to recalibrate demand supply dynamics and the importantly the cost inflation due to middle-east tension. Despite healthy Q1 we await more demand clarity. Our FY26-FY29E CAGR is baked at 13%/20%/20% for Revenue/EBITDA/PAT. UTCEM is focused on saving costs, to prepare it for short/long-term industry challenges and is the correct strategy for chasing prices. With healthy cost measures, strong growth and a steady balance sheet, we continue to assign UTCEM 18x EV/EBITDA multiple (rolling over to June 2028) to arrive at TP of Rs14,679 (from Rs 14,401) and maintain BUY.

Key changes

Target	Rating
▲	◀ ▶

Ticker/Price	UTCEM IN/Rs 11,903
Market cap	US$ 36.2bn
Free float	40%
3M ADV	US$ 40.4mn
52wk high/low	Rs 13,110/Rs 10,325
Promoter/FPI/DII	60%/15%/17%

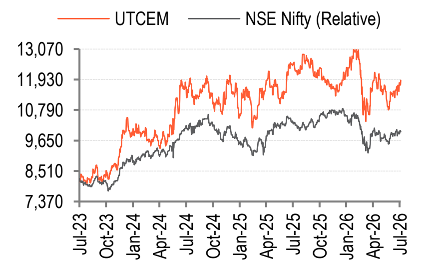
Source: NSE | Price as of 20 Jul 2026

Key financials

Y/E 31 Mar	FY26P	FY27E	FY28E
Total revenue (Rs mn)	8,21,697	9,64,853	10,69,432
EBITDA (Rs mn)	1,65,775	2,01,264	2,39,905
Adj. net profit (Rs mn)	75,090	89,489	1,07,330
Adj. EPS (Rs)	254.8	303.7	364.2
Adj. ROAE (%)	10.4	12.0	13.7
Adj. P/E (x)	46.7	39.2	32.7
EV/EBITDA (x)	21.7	17.8	14.7
Adj. EPS growth (%)	17.1	19.2	19.9

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE

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Fig 1 – Earnings call highlights

Parameter	Q1FY27	Q4FY26	Our view
Volumes and realisations	Consolidated sales volumes crossed ~41.3mt, domestic grey cement volumes grew ~13.1% YoY, outperforming industry growth of ~7-8%. Capacity utilisation improved to 81% vs ~79% YoY on an expanded 200.1mtpa base. Management highlighted that UltraTech brand grew ~21% YoY, aided by complete migration of India Cements and Kesoram brands to UltraTech ahead of schedule. Trade volumes and premium products continued to witness healthy traction, supporting blended realisations. Cement prices improved in Q1 with June exit prices higher across most regions, led by East and South, West and Central were steady and North performed well. UTCEM expects prices to remain stable in Q2 and strengthen further with the busy season. White cement demand remained healthy with premiumisation supporting growth.	UTCEM's consolidated sales volumes crossed ~44mt, while domestic grey cement sales volumes came at 42.4mt, rising ~9.3% YoY. Capacity utilisation was stable at ~89% vs ~90% YoY (~77% in Q3FY26). Management iterated that UltraTech brand volumes grew ~19% YoY. Trade mix remained stable at ~66%, on the back of stable rural demand. Industry demand growth for Q4FY26 is estimated at ~6–7% while the full year growth at ~6.5%. UTCEM expects to continue outperforming industry growth and is targeting double-digit volume growth in FY27.	UTCEM has maintained higher capacity utilisation, despite demand weakness only indicating that utilisation rates will improve from hereon. However, the extended dry spell in June also helped implying demand pain in 9MFY27. Management indicated cement prices improved by ~2.5% during the quarter across most geographies and Q price hikes have largely been retained to offset cost inflation. Importantly, exit prices higher than average Q1 prices augurs well for UTCEM .
Margins	Consolidated EBITDA came at Rs51.5bn, while operating EBITDA/t improved to Rs1,214/t. India Cements reported EBITDA/t of Rs603 (vs Rs497 in Q4FY26. India Cement revenue grew by 21% YoY to Rs 9.9bn (like-to-like basis). Imported fuel costs inflated sharply in Q1FY27 leading to Rs 25-40/t negative impact. UTCEM indicated a Rs130–140/t impact from fuel inflation. Packing bag costs also spiked from Rs 9/bag to Rs 12/bag. Additionally cost of limestone raising increased by 13-14% due to the increase in diesel cost. However, these headwinds were partly offset through higher renewable power usage 45.6% YoY with Q1FY27 ending rate of ~47%, prudent fuel mix optimisation, operating leverage and logistics efficiencies.	Consolidated EBITDA was at Rs 56.9bn, while operating EBITDA/ton improved to Rs 1,253/t (+11% YoY). Excluding acquired assets, EBITDA/ton was ~Rs 1,296/t vs Rs 1,225/t in Q4FY25. Management highlighted that domestic operations delivered ~Rs 1,240/t after adjusting for one-off bag cost inflation and forex MTM impact. India Cements reported EBITDA/t of Rs 497 in Q4FY26 (vs Rs 305 in Q3FY26), with underlying operational performance significantly higher after adjusting for tolling markup. Kesoram continued to operate at ~Rs 1,000/t level. Fuel cost remained controlled at ~Rs 1.77/kcal (Rs 1.75/kcal YoY) despite geopolitical volatility. Lead distance improved to ~367km (-18km YoY) with further logistics optimisation through bulk terminals. Packaging cost was a key near-term drag, with bag costs rising from Rs 9 to Rs 15/bag, creating ~Rs 900mn impact in March alone.	Thrust on cost savings on track with contributions by better clinker conversion ratio, prudent churn in fuel mix, logistics cost savings and higher usage of green energy. We expect UTCEM cost saving guidance may be marginally postponed given ICEM and KSI asset acquisition and the current cost pressures due to geo-political pressure. This is following Management indications of cost impact may be more visible from Q2 if West Asia disruptions persist
Capacity	Domestic grey cement capacity currently is 200.1mtpa (global capacity 205.5mtpa). Projects under execution are backed by ~Rs170bn and will increase total capacity beyond 242mtpa, including 212.7mtpa domestic grey cement capacity by FY27-end. Management reiterated that capacity expansion remains on schedule with no equipment or execution bottlenecks. Renewable power capacity increased to ~1.9GW after commissioning 71MW renewable and 19MW WHRS during the quarter. Management aims to reach 2.5-3GW of capacity by Q2YF27.	Domestic grey cement capacity is at 200.mtpa after commissioning 8 mtpa in FY26 plus an additional 8.7 mtpa in April 2026 (Shahjahanpur 2.7 mtpa, Visakhapatnam 3.0 mtpa, Patratu 3.0 mtpa). Global capacity reached 205.5 mtpa, making UltraTech the largest cement producer (outside China). The next phase of expansion is underway with addition of ~37mt taking total capacity to ~242.5mt by FY28. Clinker optimisation also remains a major focus, with conversion ratio currently at ~1.48x and management targeting ~1.54x by FY28.	Capacity expansion plans are on schedule. Both organic and inorganic growth would imply UTCEM's drive towards 242mn by FY28 according to the revised guidance. This only ensures that UTCEM will continue to grow at industry beat pace by a margin. This also in contrary to the industry mood of tapering capacity expansion plans and will further boost to UTCEM's capacity and volume market share

Parameter	Q1FY27	Q4FY26	Our view
Capex	Management reiterated its disciplined capital allocation strategy with growth capex funded through internal accruals while maintaining Net Debt/EBITDA at 0.87x (vs 0.94x in Q4FY26), well below its <1x target. Efficiency improvement capex deployed for India Cements continues to be ~Rs20bn planned for cost reduction initiatives, renewable energy and operational upgrades. The Wires & Cables project remains on schedule with commercial production expected during Q3FY27, while management ruled out any major incremental diversification beyond existing building material businesses.	FY26 capex was at ~Rs 96bn with management maintaining annual capex intensity of ~Rs 80–100bn for the foreseeable future, funded through internal accruals. India Cements efficiency improvement capex of Rs 15.9bn and capacity expansion capex of Rs 4bn is planned. Kesoram efficiency capex of Rs 4-5bn remains on track. Management reiterated balance sheet discipline with net debt/EBITDA at 0.94x on consolidated level and 0.92x at standalone level. The target level remains below 1x. The wire & cables business also remains on track, with ~Rs 8bn already spent out of planned Rs 18bn and commissioning likely in early Q3FY27.	Healthy cashflows and sharp focus on maintaining balance sheet health have been sustained despite aggressive capital expenditure plans. Additionally, transition of the acquired assets will be a key task in FY27. This is in addition to the current cost pressures emanating from external pressure. We keep a close watch on UTCEM's investment in Star Cement and the capital allocation in the Wires and cables business.
Other key points	Management reiterated confidence in double-digit volume growth in FY27, supported by strong housing, infrastructure and commercial construction demand. East India is witnessing an improving demand cycle, while Maharashtra infrastructure investments and urban construction remain major growth drivers. India Cements' turnaround continues ahead of plan, with premium product mix improving and clinker conversion ratio steadily rising.	The Board recommended a special dividend of Rs 240/share indicating cashflow and balance sheet strength. Renewable power capacity reached 1.39GW (36% YoY) including 414MW WHRS (18% YoY). Management is targeting 85% green power usage by FY30. RMC remains a strategic long-term growth driver and continues to expand with increasing urbanisation.	Demand continuity will be the key and could be under stress with macro-economic weakness owing to geo-political issues and importantly sub-par monsoon. Further, newly added capacity will imply focus on growth while maintaining difficult tasks of retaining margins when cost curve is inflated. UTCEM still remains best in pack to handle challenges.

Source: Company, BOBCAPS Research | CCI: Competition Commission of India

Fig 2 – Key quarterly metrics

	Q1FY27	Q1FY26	YoY (%)	Q4FY26	QoQ (%)	Q1FY27E	Deviation (%)
Volumes (mn mt)	39.3	34.8	13.1	42.5	(7.5)	40.3	(2.5)
Cement realisations (Rs/t)	5,075	4,918	3.2	4,926	3.0	4,996	1.6
Operating costs (Rs/t)*	4,821	4,439	8.6	4,618	4.4	4,753	1.4
EBITDA/t (Rs)	1,165	1,208	(3.6)	1,167	(0.2)	1,051	10.8

Source: Company, BOBCAPS Research | *Aggregate cost

Fig 3 – Quarterly performance

(Rs mn)	Q1FY27	Q1FY26	YoY (%)	Q4FY26	QoQ (%)	Q1FY27E	Deviation (%)
Net Sales	**2,35,355**	**1,96,353**	**19.9**	**2,45,821**	**(4.3)**	**2,34,091**	**0.5**
Expenditure							
Change in stock	(1,162)	(1,357)	(14.4)	2,114	(155.0)	(1,241)	(6.4)
Raw material	35,044	29,273	19.7	35,487	(1.3)	34,485	1.6
purchased products	17,149	7,923	116.5	17,147	0.0	16,980	1.0
Power & fuel	47,619	42,932	10.9	47,330	0.6	48,073	(0.9)
Freight	51,568	43,961	17.3	55,738	(7.5)	56,612	(8.9)
Employee costs	9,916	8,468	17.1	9,552	3.8	9,018	10.0
Other exp	29,429	23,136	27.2	28,869	1.9	27,763	6.0
Total Operating Expenses	1,89,563	1,54,335	22.8	1,96,236	(3.4)	1,91,690	(1.1)
EBITDA	**45,792**	**42,018**	**9.0**	**49,585**	**(7.6)**	**42,401**	**8.0**
EBITDA margin (%)	**19.5**	**21.4**	**(194bps)**	**20.2**	**(71bps)**	**18.1**	**134bps**
Other Income	1,212	1,544	(21.5)	678	78.7	681	77.8
Interest	3,963	3,698	7.2	4,309	(8.0)	4,441	(10.8)
Depreciation	10,515	9,752	7.8	10,541	(0.2)	10,594	(0.7)
PBT	32,526	30,112	8.0	35,412	(8.1)	28,047	16.0
Non-recurring items	0	0	0.0	(230)	0.0	0	
PBT (after non recurring items)	32,526	30,112	8.0	35,182	(7.5)	28,047	16.0
Tax	8,555	7,794	9.8	9,195	(7.0)	6,311	35.6
Reported PAT	23,971	22,318	7.4	25,986	(7.8)	21,737	10.3
Adjusted PAT	**23,971**	**22,318**	**7.4**	**26,217**	**(8.6)**	**21,737**	**10.3**
NPM (%)	**10.2**	**11.4**	**(118bps)**	**10.7**	**(48bps)**	**9.3**	**90bps**
Adjusted EPS (Rs)	**83.1**	**77.3**	**7.4**	**90.8**	**(8.6)**	**75.3**	**10**

Source: Company, BOBCAPS Research

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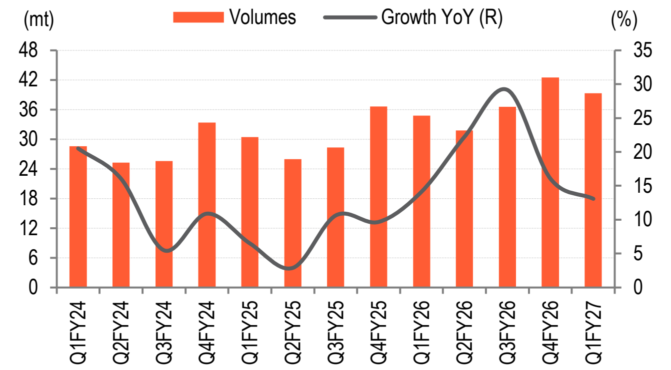
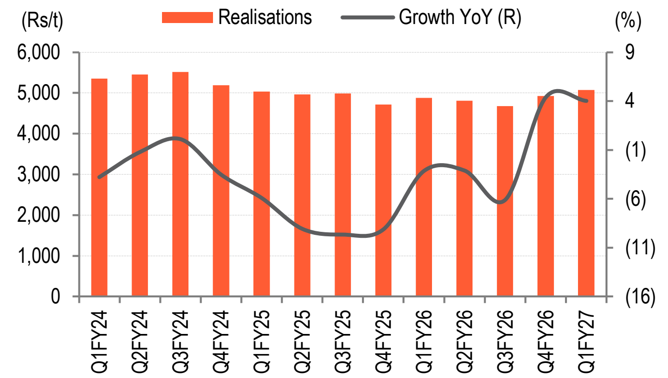
Fig 4 – Full integration of acquired assets and ramp up of new capacity should sustain growth



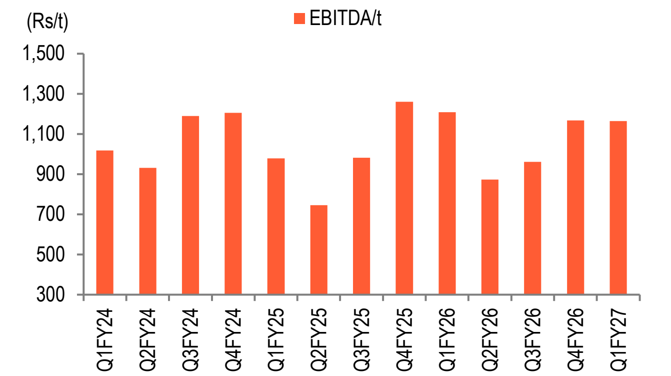
Source: Company, BOBCAPS Research

Fig 5 – Prices are expected to be stable despite monsoon period due to inflationary pressure



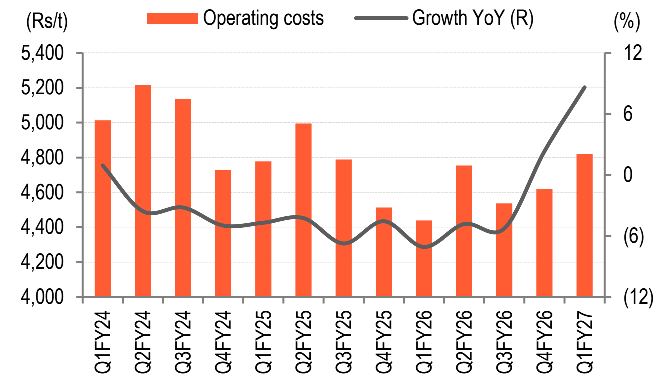
Source: Company, BOBCAPS Research

Fig 6 – Cost pressure yet to fully materialize impacting EBITDA/tonne further



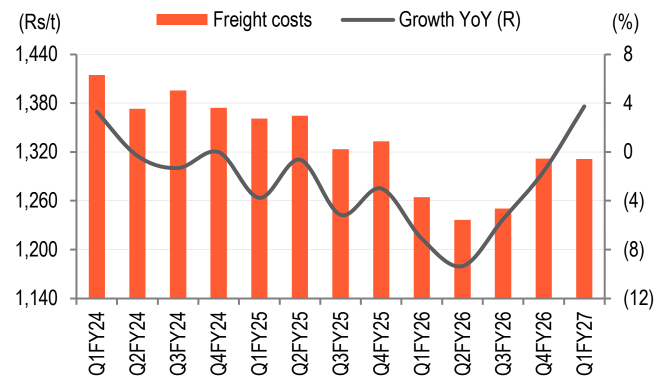
Source: Company, BOBCAPS Research

Fig 7 – Operational deleverage in seasonal quarter should add on inflationary pressure



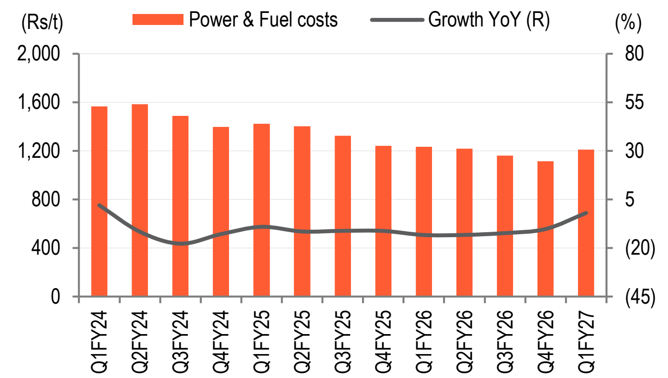
Source: Company, BOBCAPS Research

Fig 8 – Industrial Diesel price increase dampens logistics efficiency gains



Source: Company, BOBCAPS Research

Fig 9 – Increasing share of green energy to drive energy cost savings



Source: Company, BOBCAPS Research

Valuation Methodology

We retain our FY27E/FY28E/FY29E EBITDA to recalibrate demand supply dynamics and the importantly the cost inflation due to middle-east tension. Despite healthy Q1 we await more demand clarity. Our FY26-FY29E CAGR is baked at 13%/20%/20% for Revenue/EBITDA/PAT. UTCEM is focused on saving cost, to prepare it for short/long-term industry challenges and is the correct strategy for chasing prices. Recovery in FY27 will depend on demand continuity and remains key monitorable. With growth plans, intact and will sustain beyond FY28; guard on margins will be driven by focus on cost savings and healthy pricing.

Cost savings measure guidance augurs well for providing a boost to EBITDA/tn on a higher volume base in the next two years, even if prices stay listless. This offer has added levers to enhance margins, even as it is positioned as a capacity leader. Further, debt on balance sheet is in a manageable trajectory, though initially, the book may be mildly stressed.

Given the healthy cost measures, strong growth and a steady balance sheet, we continue to assign UTCEM 18x EV/EBITDA multiple (rolling over to June 2028) to arrive at TP of Rs14,679 (from Rs 14,401) and maintain BUY. The stock trades at a replacement value of $190/tn (Rs20.8bn/mn tonne), which is the deserved premium for a large size pan-India presence efficiently managed company.

Fig 10 – Key assumptions

Parameter	FY26P	FY27E	FY28E	FY29E
Volumes (mt)	143.86	161.27	175.78	193.36
Realisations (Rs/t)	5,278	5,384	5,505	5,615
Operating costs (Rs/t)	4,639	4,809	4,790	4,799
EBITDA/t (Rs/t)	1067	1168	1288	1365

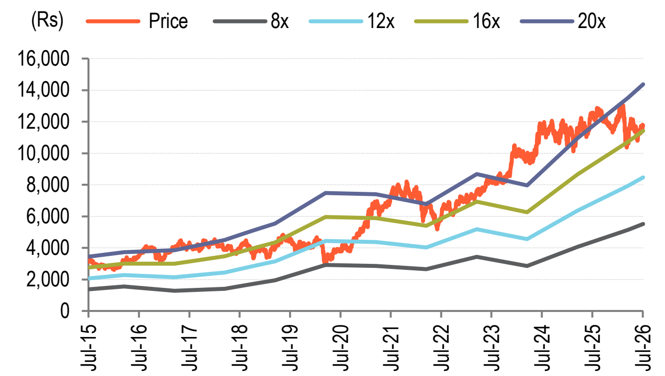
Source: Company, BOBCAPS Research

Fig 11 – Valuation summary

Business (Rs mn)	June 2028E
Target EV/EBITDA (x)	18.0
EBITDA	2,49,426
Target EV	**43,89,906**
Total EV	43,89,906
Net debt	64,452
Target market capitalisation	43,25,454
Target price (Rs/sh)	**14,679**
Weighted average shares (mn)	294.7

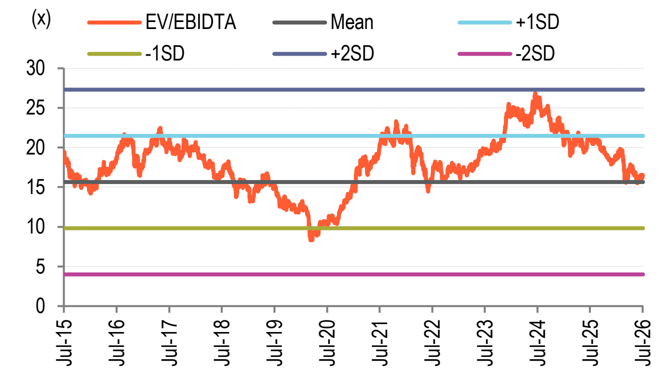
Source: Company, BOBCAPS Research Note: Valuations based on 1-year forward earnings (June 2028)

Fig 12 – EV/EBITDA band: Valuations to stay elevated for the largest cement company and top brand



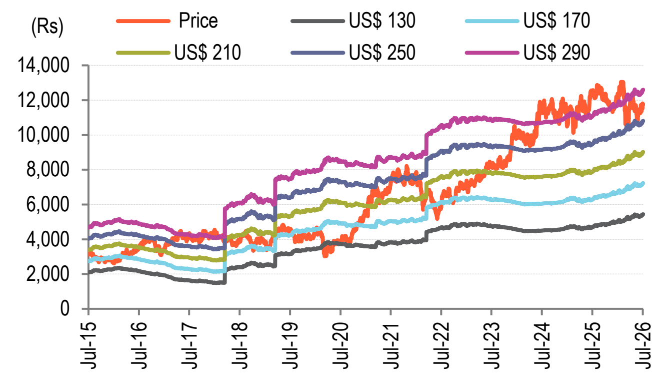
Source: Company, Bloomberg, BOBCAPS Research

Fig 13 – EV/EBITDA 1YF: Forward earnings converging with mean, pointing towards better headroom



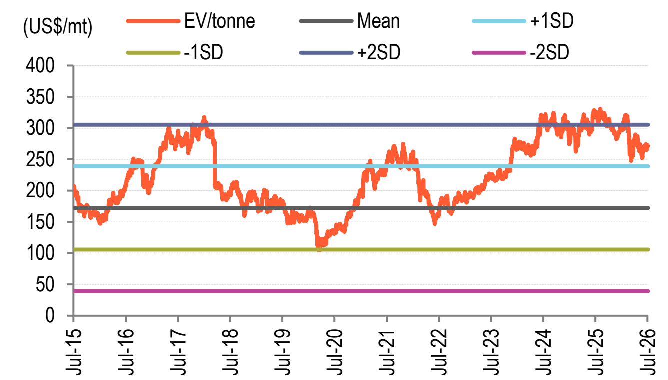
Source: Company, Bloomberg, BOBCAPS Research

Fig 14 – EV/tonne: Replacement cost at valuations for industry leader



Source: Company, Bloomberg, BOBCAPS Research

Fig 15 – EV/tonne 1YF: Valuations to stay elevated



Source: Company, Bloomberg, BOBCAPS Research

Key Risks

Key downside risks to our estimates:

- Increasing competitive intensity and capacity addition may have a negative impact on the cement sector pricing and could be detrimental for the industry and UTCEM.
- Delays in implementing capex plans could hamper growth.
- Energy cost spikes due to global uncertainties could dampen profitability.

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY25A	FY26P	FY27E	FY28E	FY29E
Total revenue	**7,08,573**	**8,21,697**	**9,64,853**	**10,69,432**	**11,92,949**
EBITDA	1,22,961	1,65,775	2,01,264	2,39,905	2,77,990
Depreciation	(37,391)	(40,551)	(46,633)	(55,960)	(67,152)
EBIT	92,504	1,17,606	1,61,280	1,90,749	2,17,691
Net interest inc./(exp.)	(14,653)	(16,300)	(38,390)	(41,736)	(42,553)
Other inc./(exp.)	6,934	(7,619)	6,649	6,804	6,853
Exceptional items	(881)	(1,038)	0	0	0
EBT	76,970	1,00,268	1,22,891	1,49,013	1,75,138
Income taxes	(15,044)	(26,215)	(33,402)	(41,684)	(48,737)
Extraordinary items	0	0	0	0	0
Min. int./Inc. from assoc.	0	0	0	0	0
Reported net profit	**61,926**	**74,052**	**89,489**	**1,07,330**	**1,26,401**
Adjustments	(881)	(1,038)	0	0	0
Adjusted net profit	**62,807**	**75,090**	**89,489**	**1,07,330**	**1,26,401**

Balance Sheet

Y/E 31 Mar (Rs mn)	FY25A	FY26P	FY27E	FY28E	FY29E
Accounts payables	1,21,662	1,46,637	1,70,167	2,00,976	2,21,447
Other current liabilities	99,027	84,385	1,02,978	1,05,058	1,07,138
Provisions	10,356	10,904	11,494	12,130	12,816
Debt funds	2,08,395	2,04,796	1,86,207	1,91,863	1,93,671
Other liabilities	81,976	85,058	86,508	87,958	89,408
Equity capital	2,947	2,947	2,947	2,947	2,947
Reserves & surplus	6,93,826	7,43,687	7,43,580	8,18,156	9,10,079
Shareholders' fund	6,91,988	7,46,687	7,46,527	8,21,103	9,13,026
Total liab. and equities	**12,13,404**	**12,78,467**	**13,03,881**	**14,19,087**	**15,37,506**
Cash and cash eq.	49,139	52,697	60,518	1,17,062	1,60,265
Accounts receivables	43,778	48,671	59,794	69,205	80,466
Inventories	85,668	83,873	1,01,129	1,15,020	1,31,573
Other current assets	96,720	88,293	98,300	1,08,130	1,18,943
Investments	1,23,886	1,25,911	1,26,411	1,33,411	1,33,411
Net fixed assets	6,89,193	7,19,062	7,16,726	7,39,942	7,81,218
CWIP	59,560	94,268	75,000	70,000	65,000
Intangible assets	65,460	65,691	66,004	66,317	66,630
Deferred tax assets, net	0	0	0	0	0
Other assets	0	0	0	0	0
Total assets	**12,13,404**	**12,78,467**	**13,03,881**	**14,19,087**	**15,37,506**

Cash Flows

Y/E 31 Mar (Rs mn)	FY25A	FY26P	FY27E	FY28E	FY29E
Cash flow from operations	**97,026**	**1,34,234**	**1,41,562**	**1,65,132**	**1,79,613**
Capital expenditures	(1,81,479)	(1,05,359)	(25,342)	(74,490)	(1,03,741)
Change in investments	(72,652)	(10,564)	(10,500)	(57,000)	(50,000)
Other investing cash flows	0	0	0	0	0
Cash flow from investing	**(2,54,131)**	**(1,15,923)**	**(35,842)**	**(1,31,490)**	**(1,53,741)**
Equities issued/Others	0	0	0	0	0
Debt raised/repaid	1,12,796	(3,600)	(18,589)	5,656	1,808
Interest expenses	10	10	10	10	10
Dividends paid	(14,131)	(83,097)	(30,691)	(32,754)	(34,478)
Other financing cash flows	58,734	63,404	(58,620)	0	0
Cash flow from financing	**1,57,399**	**(23,292)**	**(1,07,899)**	**(27,098)**	**(32,669)**
Chg in cash & cash eq.	**294**	**(4,981)**	**(2,180)**	**6,544**	**(6,797)**
Closing cash & cash eq.	**49,139**	**52,697**	**60,518**	**1,17,062**	**1,60,265**

Per Share

Y/E 31 Mar (Rs)	FY25A	FY26P	FY27E	FY28E	FY29E
Reported EPS	214.5	251.3	303.7	364.2	428.9
Adjusted EPS	217.6	254.8	303.7	364.2	428.9
Dividend per share	69.9	240.0	90.0	95.0	100.0
Book value per share	2,397.0	2,533.5	2,533.3	2,786.4	3,098.4

Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26P	FY27E	FY28E	FY29E
EV/Sales	5.0	4.4	3.7	3.3	2.9
EV/EBITDA	28.7	21.7	17.8	14.7	12.6
Adjusted P/E	54.7	46.7	39.2	32.7	27.7
P/BV	5.0	4.7	4.7	4.3	3.8

DuPont Analysis

Y/E 31 Mar (%)	FY25A	FY26P	FY27E	FY28E	FY29E
Tax burden (Net profit/PBT)	80.5	73.9	72.8	72.0	72.2
Interest burden (PBT/EBIT)	84.2	86.1	76.2	78.1	80.5
EBIT margin (EBIT/Revenue)	13.1	14.3	16.7	17.8	18.2
Asset turnover (Rev./Avg TA)	65.0	66.0	74.7	78.5	80.7
Leverage (Avg TA/Avg Equity)	1.7	1.7	1.7	1.7	1.7
Adjusted ROAE	9.8	10.4	12.0	13.7	14.6

Ratio Analysis

Y/E 31 Mar	FY25A	FY26P	FY27E	FY28E	FY29E
YoY growth (%)					
Revenue	4.9	16.0	17.4	10.8	11.5
EBITDA	(2.6)	34.8	21.4	19.2	15.9
Adjusted EPS	(10.0)	17.1	19.2	19.9	17.8
Profitability & Return ratios (%)					
EBITDA margin	17.1	19.9	20.6	22.2	23.1
EBIT margin	13.1	14.3	16.7	17.8	18.2
Adjusted profit margin	8.9	9.1	9.3	10.0	10.6
Adjusted ROAE	9.8	10.4	12.0	13.7	14.6
ROCE	10.7	11.7	15.7	18.0	19.0
Working capital days (days)					
Receivables	23	22	23	24	25
Inventory	44	37	38	39	40
Payables	75	80	80	87	87
Ratios (x)					
Gross asset turnover	0.8	0.8	0.9	1.0	1.0
Current ratio	1.2	1.1	1.1	1.3	1.4
Net interest coverage ratio	6.3	7.2	4.2	4.6	5.1
Adjusted debt/equity	0.3	0.3	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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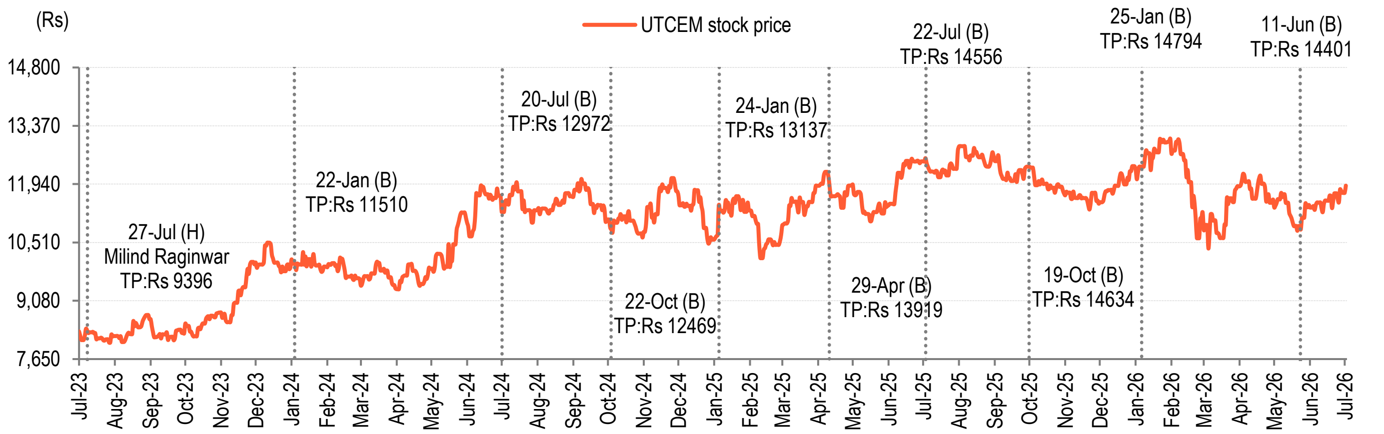

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