

Estimate change



TP change



Rating change



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Bloomberg	CIPLA IN
Equity Shares (m)	805
M.Cap.(INRb)/(USDb)	762.4 / 10.3
52-Week Range (INR)	997 / 702
1, 6, 12 Rel. Per (%)	-6/4/-14
12M Avg Val (INR M)	5507

#### Financials & Valuations (INR b)

Y/E MARCH	2021	2022E	2023E
Sales	191.6	215.2	235.4
EBITDA	42.5	47.1	52.0
Adj. PAT	24.1	28.4	32.0
EBIT Margin (%)	16.6	16.7	17.1
Cons. Adj. EPS (INR)	30.0	35.4	39.9
EPS Gr. (%)	52.7	18.1	12.7
BV/Sh. (INR)	227.2	255.4	291.6

#### Ratios

Net D:E	0.0	0.0	-0.1
RoE (%)	13.1	13.8	13.6
RoCE (%)	12.9	13.8	14.1
Payout (%)	10.0	10.5	9.1

#### Valuations

P/E (x)	31.6	26.7	23.7
EV/EBITDA (x)	17.9	16.2	14.3
Div. Yield (%)	0.3	0.3	0.3
FCF Yield (%)	3.6	0.6	2.9
EV/Sales (x)	4.0	3.6	3.2

#### Shareholding pattern (%)

As On	Jun-21	Mar-21	Jun-20
Promoter	36.7	36.7	36.7
DII	16.2	17.1	21.3
FII	25.0	23.4	18.7
Others	22.2	22.8	23.4

FII Includes depository receipts

**CMP: INR946**
**TP: INR1,000 (+6%)**
**Neutral**

### COVID / Operational efficiency drives earnings

#### Adding peptide injectables to Respiratory pipeline for US market

- CIPLA delivered better-than-expected 1QFY22 earnings, led by a superior product mix, operational cost efficiency, a healthy off-take of COVID-related products, and one-time income from the API segment. Cipla is poised to outperform the Domestic Formulation (DF) market and is progressing well on building a complex product pipeline for North America (NA).
- We raise our EPS estimate by 6%/4% for FY22E/FY23E, factoring in a) strong traction in prescription/trade generics in the DF segment, b) an extended benefit from cost savings, and c) lower R&D spend. We continue to value Cipla at 24x 12M forward earnings to arrive at Target Price of INR1,000. Cipla continues to enhance its niche pipeline for the US market – by building peptide-based products (in addition to respiratory assets) – as well as gain share in the DF market. Nevertheless, we maintain a Neutral rating on a limited upside from current levels.

#### Highest ever revenue run-rate in a quarter

- Cipla's 1QFY22 adjusted revenues grew 25.5% YoY to INR54.5b (our est.: INR55.3b). It saw one-time profit share income from its commercial partner in the API segment.
- DF sales grew 69% YoY to INR27b (50% of sales). Adj. for one-time profit share, API revenue grew 22% YoY to INR2.2b (4% of sales). SAGA revenue grew 10% YoY to INR8.4b (15% of sales). North America sales grew 2% YoY to INR10.4b (USD141m; up 5% in CC terms; 19% of sales).
- International market sales declined 13% YoY to INR6b (11% of sales).
- The gross margin (GM) contracted ~130bp YoY to 62.1% due to a change in the product mix.
- The EBITDA margin declined at a lower rate of ~40bp YoY to 23.7% due to lower employee expenses (down 150bp YoY).
- EBITDA grew ~23% YoY to INR12.9b (our est.: INR10.7b).
- The quarter included a one-time impairment charge of INR1.2b on account of a second Complete Response Letter (CRL) from the USFDA regarding Avenue Therapeutics' IV Tramadol.
- Adjusted for the same, PAT grew 38% YoY to INR7.9b (our est.: INR6.2b) on account of better profitability, lower depreciation, and lower interest expense.

#### Highlights from management commentary

- CIPLA guided for EBITDA margins of 22.5–23% for FY22 (adjusted for COVID-related benefit).
- It has lined up a few complex products to improve the US sales trajectory. However, meaningful improvement is expected only from FY23.
- It has three peptides in the pipeline. CIPLA has an in-licensing strategy to start building peptide-based products. It has filed an NDA and ANDA for two of the three products to date.

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- The India Pharma Market (IPM) is expected to grow 10–12% (ex-COVID impact). CIPLA hopes to outperform IPM.
- The share of COVID products in overall sales was in the high single digits for the quarter.

#### Valuation and view

- We raise our EPS estimate by 6%/4% for FY22/FY23E, reflecting higher business from COVID products, cost savings, growing market share in g-Albuterol Sulfate, and better growth in the API segment.
- We expect a 15% earnings CAGR, led by an 18%/9%/10% sales CAGR in US Generics / DF / South Africa (SAGA) over FY21–23E.
- We value CIPLA at 24x 12M forward earnings to arrive at TP of INR1,000 on a 12M forward earnings basis. We believe the potential upside in earnings owing to (a) a buildup in the complex portfolio and (b) the outperformance of the DF segment (v/s the industry) is adequately factored in at current valuations and provides a limited upside from current levels. Maintain **Neutral**.

#### Quarterly performance (Consolidated)

(INR m)

Y/E March	FY21				FY22E				FY21	FY22E	Est. 1QE	% Var
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
<b>Net Revenues</b>	<b>43,462</b>	<b>50,383</b>	<b>51,687</b>	<b>46,065</b>	<b>54,532</b>	<b>53,044</b>	<b>55,417</b>	<b>52,208</b>	<b>191,596</b>	<b>215,201</b>	<b>55,335</b>	<b>-1.5</b>
YoY Change (%)	9.0	14.6	18.2	5.3	25.5	5.3	7.2	13.3	11.8	12.3	27.3	
Total Expenditure	32,973	38,617	39,378	38,102	41,585	41,268	43,336	41,883	149,071	168,072	44,655	
<b>EBITDA</b>	<b>10,488</b>	<b>11,766</b>	<b>12,309</b>	<b>7,962</b>	<b>12,947</b>	<b>11,776</b>	<b>12,081</b>	<b>10,325</b>	<b>42,525</b>	<b>47,129</b>	<b>10,680</b>	<b>21.2</b>
YoY Change (%)	15.9	29.4	62.3	25.7	23.4	0.1	-1.9	29.7	32.6	10.8	1.8	
Margins (%)	24.1	23.4	23.8	17.3	23.7	22.2	21.8	19.8	22.2	21.9	19.3	
Depreciation	2,690	2,651	2,484	2,852	2,611	2,700	2,870	2,993	10,677	11,175	2,880	
<b>EBIT</b>	<b>7,799</b>	<b>9,115</b>	<b>9,825</b>	<b>5,110</b>	<b>10,336</b>	<b>9,076</b>	<b>9,211</b>	<b>7,332</b>	<b>31,849</b>	<b>35,954</b>	<b>7,800</b>	
YoY Change (%)	22.5	45.5	104.5	59.7	32.5	-0.4	-6.2	43.5	54.3	12.9	0.0	
Interest	460	393	479	275	296	270	240	232	1,607	1,037	290	
Other Income	655	535	869	601	649	610	620	641	2,660	2,520	550	
<b>Profit before Tax</b>	<b>7,993</b>	<b>9,257</b>	<b>10,215</b>	<b>5,437</b>	<b>10,689</b>	<b>9,416</b>	<b>9,591</b>	<b>7,741</b>	<b>32,901</b>	<b>37,437</b>	<b>8,060</b>	
One-time (expense)/income	0	0	0	0	-734	0	0	0	0	-734	0	
<b>PBT after EO expense</b>	<b>7,993</b>	<b>9,257</b>	<b>10,215</b>	<b>5,437</b>	<b>9,955</b>	<b>9,416</b>	<b>9,591</b>	<b>7,741</b>	<b>32,901</b>	<b>36,703</b>	<b>8,060</b>	<b>23.5</b>
Tax	2,278	2,638	2,690	1,282	2,837	2,354	2,302	1,679	8,888	9,172	1,878	
Rate (%)	28.5	28.5	26.3	23.6	26.5	25.0	24.0	21.7	27.0	24.5	23.3	
Minority Interest	-64.8	-35.8	43.6	21.3	-29.2	-40.0	-30.0	-50.8	-36.0	-150.0	5.0	
<b>Reported PAT</b>	<b>5,780</b>	<b>6,654</b>	<b>7,481</b>	<b>4,134</b>	<b>7,147</b>	<b>7,102</b>	<b>7,319</b>	<b>6,113</b>	<b>24,050</b>	<b>27,681</b>	<b>6,177</b>	<b>15.7</b>
<b>Adj PAT</b>	<b>5,780</b>	<b>6,654</b>	<b>7,481</b>	<b>4,134</b>	<b>7,881</b>	<b>7,102</b>	<b>7,319</b>	<b>6,113</b>	<b>24,050</b>	<b>28,415</b>	<b>6,177</b>	<b>27.6</b>
YoY Change (%)	20.9	41.2	113.1	50.5	36.4	6.7	-2.2	47.9	52.7	18.1	6.9	

**Key performance indicators (Consolidated)**

Y/E March	FY21				FY22E				FY21	FY22E	Est.
INR m	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE
Domestic formulation	16,080	20,900	22,310	18,065	27,100	21,945	22,533	19,520	77,362	91,098	25,728
YoY Change (%)	15.9	16.8	21.6	3.2	68.5	5.0	1.0	8.1	14.8	10.0	60.0
North America	10,210	10,490	10,370	10,015	10,458	11,026	11,470	12,306	40,912	45,259	10,516
YoY Change (%)	-8.8	10.1	9.6	14.4	2.4	5.1	10.6	22.9	5.6	10.6	3.0
South Africa	7,630	9,240	9,130	8,475	8,256	9,610	10,134	9,930	34,482	37,930	8,469
YoY Change (%)	10.4	24.9	9.9	1.9	8.2	4.0	11.0	17.2	11.7	10.0	11.0
Emerging market	6,970	7,210	7,400	6,805	6,054	7,649	8,338	7,376	28,404	29,417	7,782
YoY Change (%)	45.1	12.5	44.2	11.1	-13.1	6.1	12.7	8.4	24.5	3.6	11.7
API	1,840	1,890	2,010	2,240	2,240	2,155	2,251	2,292	7,980	8,938	2,079
YoY Change (%)	1.1	20.4	21.8	-14.7	13.0	14.0	12.0	2.3	6.1	12.0	13.0
<b>Cost Break-up</b>											
RM Cost (% of Sales)	36.6	38.6	38.6	39.6	37.9	37.4	37.2	37.9	36.6	38.6	38.4
Staff Cost (% of Sales)	17.8	16.3	16.3	17.7	16.3	17.2	16.8	16.9	17.8	16.3	17.0
R&D Expenses(% of Sales)	4.6	4.5	4.3	6.0	4.8	5.2	6.4	7.2	4.6	4.5	4.5
Other Cost (% of Sales)	16.9	17.2	17.0	19.5	17.2	18.0	17.8	18.2	16.9	17.2	17.6
Gross Margins(%)	63.4	61.4	61.4	60.4	62.1	62.6	62.8	62.1	63.4	61.4	61.6
EBITDA Margins(%)	24.1	23.4	23.8	17.3	23.7	22.2	21.8	19.8	22.2	21.9	19.3
EBIT Margins(%)	17.9	18.1	19.0	11.1	19.0	17.1	16.6	14.0	16.6	16.7	14.1

**Conference call highlights**

- Gross margins for COVID-related products were lower than company-level gross margins.
- Cipla's Consumer business in SA is healthy and profitable. However, the India Consumer business is in the incubation phase.
- Adjusted for COVID products, Cipla's DF sales grew 47% YoY in 1QFY22.
- It launched g-Brovana in the US in 1QFY22.
- It is working closely with the USFDA on g-Advair and would respond to the queries this month.
- An antibody cocktail has shown good results overseas and may be useful for unvaccinated / partially vaccinated COVID patients.
- CIPLA does not have a commercial arrangement with Moderna for a COVID vaccine. The agreement is only on importing donated vaccines.
- The Branded Formulations business contributed 70–75% to India sales.
- Capex of INR7–9b is planned for FY22, including some for automation and digitization at current facilities, unless there is greenfield enhancement.

**Efforts towards outperforming DF / building niche US pipeline****US: Next phase of growth hinges on limited-competition approvals**

CIPLA's US revenues grew 5% YoY to USD141m in 1QFY22. Growth was largely driven by a further ramp-up in g-Albuterol sales and early traction in g-Brovana. CIPLA has 74 ANDAs pending approval in the US currently. Furthermore, it has three peptide products in the US pipeline, two of which it has already filed in FY21. FY23 is expected to be an exciting year for CIPLA, with potential approvals for g-Advair and g-Revlimid. CIPLA would respond to the USFDA's queries on g-Advair this month. However, CIPLA is seeing higher price erosion in the base business in the

interim. As a result, we expect a sales CAGR of 18% to USD765m in the US over FY21–23E.

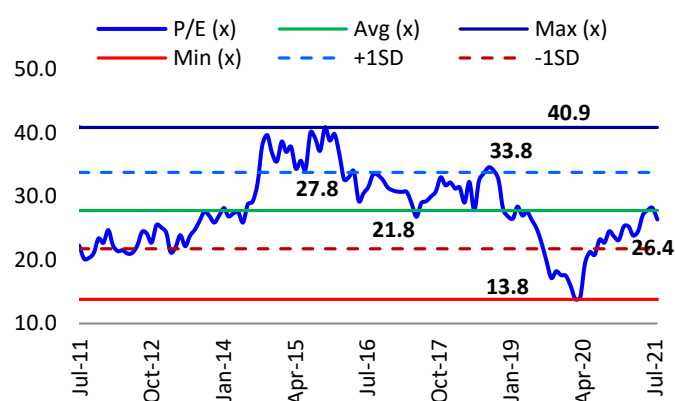
### DF: Broad-based growth across categories, complemented by COVID portfolio

CIPLA posted robust growth of 69% YoY to INR27b in India in 1QFY22, led by good business from COVID products – such as Remdesivir, Actemra (Tocilizumab/Roche), Amphotericin B, and Budecort (Inhaled Budesonide) – and the low base of 1QFY21. Ex-COVID products, sales grew 47% YoY in 1QFY22. The Trade Generics segment also posted a strong performance, with lockdowns disrupting doctor-patient connect. The One-India strategy saw tailwinds, with (a) Cofsils, Cipcal, and Omnigel showing strong YoY growth and (b) new brands such as ORS and Cipladine seeing a strong uptick in sales. CIPLA expects to outperform IPM in FY22 (ex-COVID impact), led by its strength in the Respiratory therapy. We expect the benefit from COVID across domestic segments to drive higher growth in DF in FY22, followed by muted growth in FY23. Accordingly, we expect CIPLA to deliver a sales CAGR of 9% to INR91b in DF over FY21–23E.

### Expect 15% earnings CAGR over FY21–23, but growth already priced-in

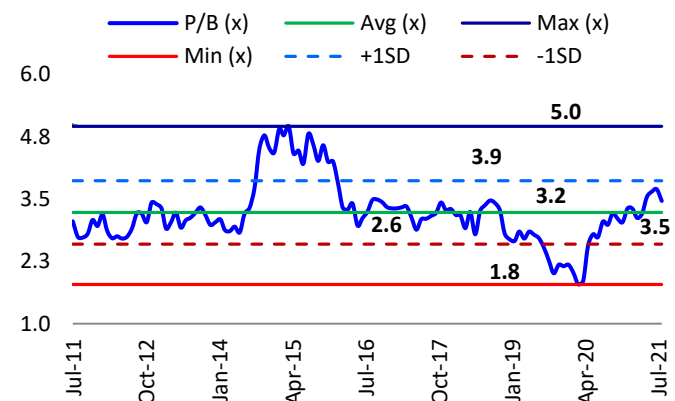
- We raise our EPS estimate by 6%/4% for FY22E/FY23E, factoring in a) strong traction in prescription/trade generics in the DF segment, b) an extended benefit from cost savings, and c) lower R&D spend. We continue to value Cipla at 24x 12M forward earnings to arrive at Target Price of INR1,000.
- We expect a 15% earnings CAGR, led by an 18%/9%/10% sales CAGR in US Generics / DF / SAGA over FY21–23E.
- Cipla continues to enhance its niche pipeline for the US market – by building peptide-based products (in addition to respiratory assets) – as well as gain share in the DF market. Nevertheless, we maintain a Neutral rating on a limited upside from current levels.

Exhibit 1: P/E chart



Source: MOFSL, Company, Bloomberg

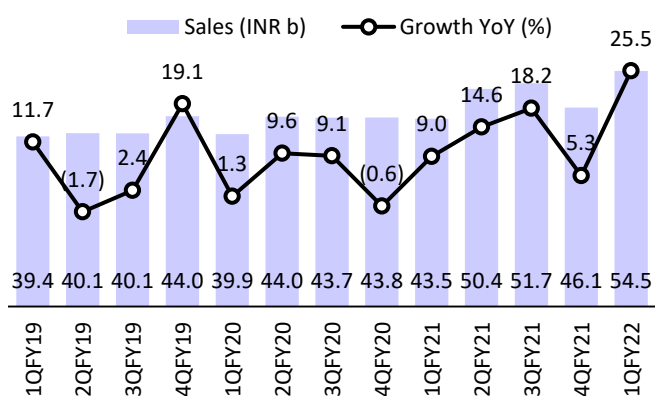
Exhibit 2: P/B chart



Source: MOFSL, Company, Bloomberg

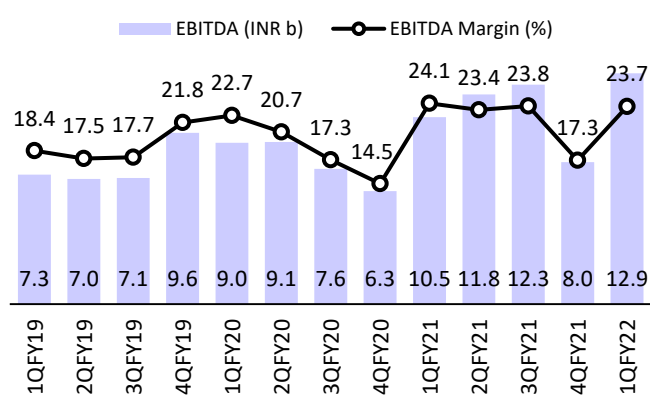
## Story in charts

**Exhibit 3: Revenues up ~26% in 1QFY22**



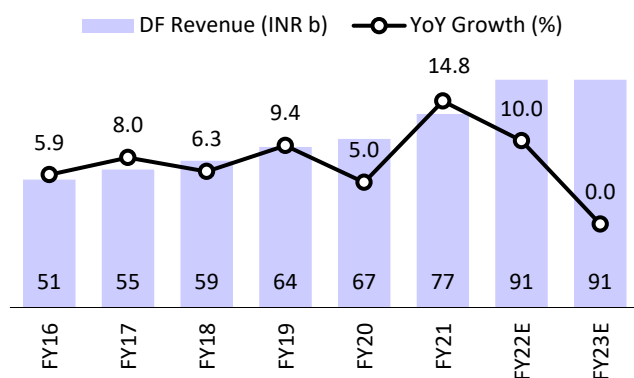
Source: MOFSL, Company

**Exhibit 4: EBITDA margin contracts 40bp YoY in 1QFY22**



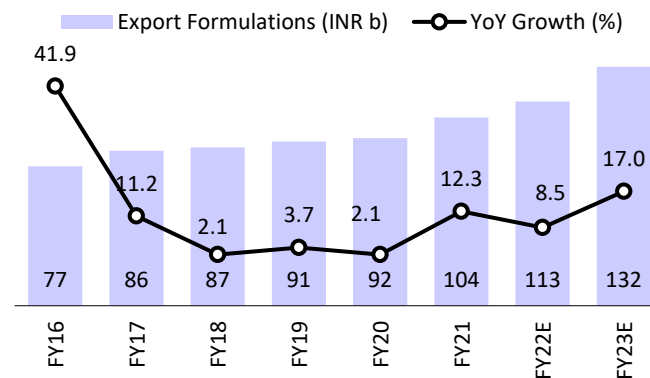
Source: MOFSL, Company

**Exhibit 5: Expect DF sales CAGR of 9% over FY21–23...**



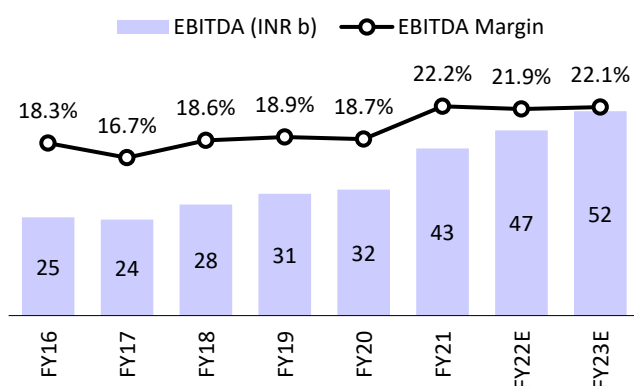
Source: MOFSL, Company

**Exhibit 6: ...and CAGR of 13% in export sales over FY21–23**



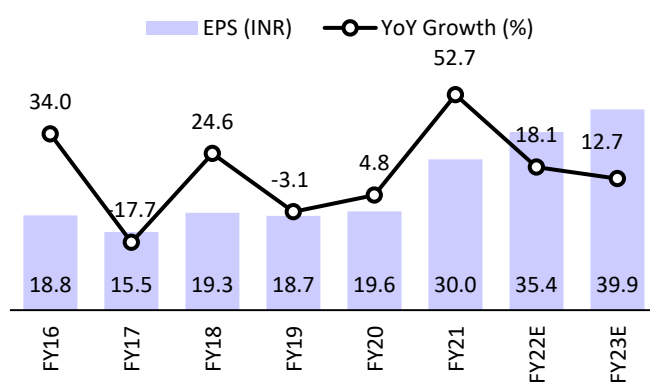
Source: MOFSL, Company

**Exhibit 7: EBITDA margin to sustain at current levels**



Source: MOFSL, Company

**Exhibit 8: Expect 15% earnings CAGR over FY21–23**



Source: MOFSL, Company

## Financials and valuations

Income Statement							(INR m)	
Y/E March	FY15	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
<b>Net Income</b>	<b>113,454</b>	<b>145,980</b>	<b>152,200</b>	<b>163,624</b>	<b>171,320</b>	<b>191,596</b>	<b>215,201</b>	<b>235,379</b>
Change (%)	12.3	6.7	4.3	7.5	4.7	11.8	12.3	9.4
<b>EBITDA</b>	<b>21,617</b>	<b>24,436</b>	<b>28,271</b>	<b>30,973</b>	<b>32,060</b>	<b>42,526</b>	<b>47,129</b>	<b>52,019</b>
Change (%)	1.3	-2.3	15.7	9.6	3.5	32.6	10.8	10.4
Margin (%)	19.1	16.7	18.6	18.9	18.7	22.2	21.9	22.1
Depreciation	5,047	9,229	11,491	11,163	11,423	10,677	11,175	11,860
<b>EBIT</b>	<b>16,570</b>	<b>15,207</b>	<b>16,780</b>	<b>19,810</b>	<b>20,637</b>	<b>31,849</b>	<b>35,954</b>	<b>40,159</b>
Int. and Finance Charges	726	1,594	1,142	1,684	1,974	1,607	1,037	1,021
Other Income - Rec.	1,226	2,287	3,577	2,796	3,442	2,660	2,520	2,590
<b>PBT before EO Items</b>	<b>17,069</b>	<b>15,900</b>	<b>19,214</b>	<b>20,922</b>	<b>22,105</b>	<b>32,902</b>	<b>37,437</b>	<b>41,728</b>
One-time (Expense)/Income	527	0	-2,512	-130	324	0	734	0
<b>PBT but after EO Exp.</b>	<b>16,543</b>	<b>15,900</b>	<b>16,702</b>	<b>20,792</b>	<b>21,782</b>	<b>32,902</b>	<b>36,703</b>	<b>41,728</b>
Tax	4,000	3,094	2,501	5,695	6,312	8,888	9,172	10,015
Tax Rate (%)	24.2	19.5	15.0	27.4	29.0	27.0	25.0	24.0
Minority Interest	482	290	60	(353)	(470)	(164)	(250)	(350)
Income from associates	-253	-70	-28	-171	-475	-128	-100	-50
<b>Reported PAT</b>	<b>11,808</b>	<b>12,446</b>	<b>14,113</b>	<b>15,278</b>	<b>15,465</b>	<b>24,050</b>	<b>27,681</b>	<b>32,013</b>
<b>Adj PAT</b>	<b>11,281</b>	<b>12,446</b>	<b>15,511</b>	<b>15,032</b>	<b>15,752</b>	<b>24,050</b>	<b>28,415</b>	<b>32,013</b>
Change (%)	-18.6	-17.7	24.6	-3.1	4.8	52.7	18.1	12.7
Margin (%)	9.9	8.5	10.2	9.2	9.2	12.6	13.2	13.6

Balance Sheet							(INR m)	
Y/E March	FY15	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
Equity Share Capital	1,606	1,609	1,610	1,611	1,613	1,613	1,610	1,610
Preference Share Capital								
Reserves	106,197	123,645	140,682	152,298	157,630	179,264	204,045	233,159
Revaluation Reserves	90	0	0	0	0	0	0	0
<b>Net Worth</b>	<b>107,892</b>	<b>125,254</b>	<b>142,292</b>	<b>150,123</b>	<b>157,630</b>	<b>183,265</b>	<b>205,656</b>	<b>234,770</b>
Loans	17,018	41,126	40,980	43,162	28,164	15,375	10,375	5,375
Deferred Liabilities	2846	5888	3157	2239	1254	-181	-181	-181
Minority Interest	1927	4382	3524	3320	2943	2591	2591	2591
<b>Capital Employed</b>	<b>129,684</b>	<b>176,650</b>	<b>189,953</b>	<b>198,844</b>	<b>189,992</b>	<b>201,050</b>	<b>218,440</b>	<b>242,554</b>
Gross Block	95,935	114,562	120,454	126,353	138,480	147,454	149,996	158,496
Less: Accum. Deprn.	27,178	10,204	16,273	27,436	38,859	49,536	60,711	72,570
<b>Net Fixed Assets</b>	<b>68,757</b>	<b>104,358</b>	<b>104,181</b>	<b>98,916</b>	<b>99,621</b>	<b>97,918</b>	<b>89,285</b>	<b>85,925</b>
Capital WIP	5,349	7,192	5,124	3,311	4,210	5,708	5,124	5,124
Investments	6,398	141	107	2,963	3,593	3,501	3,501	3,501
<b>Curr. Assets</b>	<b>76,201</b>	<b>96,159</b>	<b>117,318</b>	<b>132,429</b>	<b>126,804</b>	<b>141,244</b>	<b>152,659</b>	<b>183,849</b>
Inventory	37,806	34,853	40,447	39,648	43,776	46,692	51,786	59,033
Account Receivables	20,043	24,974	31,025	41,507	38,913	34,457	43,901	50,371
Cash and Bank Balance	5,643	6,242	9,656	6,188	10,039	14,012	7,224	20,665
Others	12,710	30,090	36,190	45,085	34,076	46,083	49,748	53,780
<b>Curr. Liability &amp; Prov.</b>	<b>27,021</b>	<b>31,201</b>	<b>36,776</b>	<b>38,775</b>	<b>44,236</b>	<b>47,322</b>	<b>32,129</b>	<b>35,845</b>
Account Payables	21,215	27,982	30,505	31,408	34,755	36,539	21,346	25,062
Provisions	5,806	3,219	6,271	7,368	9,482	10,783	10,783	10,783
<b>Net Current Assets</b>	<b>49,180</b>	<b>64,959</b>	<b>80,542</b>	<b>93,654</b>	<b>82,568</b>	<b>93,922</b>	<b>120,530</b>	<b>148,004</b>
<b>Appl. of Funds</b>	<b>129,684</b>	<b>176,650</b>	<b>189,953</b>	<b>198,844</b>	<b>189,992</b>	<b>201,050</b>	<b>218,440</b>	<b>242,554</b>



## Financials and valuations

### Ratios

Y/E March	FY15	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
<b>EPS</b>	<b>14.0</b>	<b>15.5</b>	<b>19.3</b>	<b>18.7</b>	<b>19.6</b>	<b>30.0</b>	<b>35.4</b>	<b>39.9</b>
Cash EPS	20.3	26.9	33.5	32.5	33.7	43.1	49.2	54.5
BV/Share	134.3	155.7	176.7	186.3	195.5	227.2	255.4	291.6
DPS	2.0	2.0	2.0	3.0	2.5	2.5	3.0	3.0
Payout (%)	16.4	15.6	13.4	18.6	15.6	10.0	10.5	9.1

### Valuation (x)

P/E	67.3	61.0	49.0	50.5	48.2	31.6	26.7	23.7
Cash P/E	46.5	35.1	28.2	29.1	28.1	22.0	19.2	17.4
P/BV	7.0	6.1	5.4	5.1	4.8	4.2	3.7	3.2
EV/Sales	6.8	5.5	5.2	4.9	4.5	4.0	3.6	3.2
EV/EBITDA	35.7	32.6	28.0	25.8	24.3	17.9	16.2	14.3
Dividend Yield (%)	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3

### Return Ratios (%)

RoE	10.5	9.9	10.9	10.0	10.0	13.1	13.8	13.6
RoCE	11.0	7.9	9.4	8.4	8.8	12.9	13.8	14.1
RoIC	11.6	7.5	8.4	8.0	8.2	13.3	14.2	14.7

### Working Capital Ratios

Fixed Asset Turnover (x)	1.7	1.4	1.5	1.6	1.7	1.9	2.3	2.7
Debtor (Days)	64	62	74	93	83	66	74	78
Inventory (Days)	122	87	97	88	93	89	88	92
Working Capital (Days)	144	162	193	209	176	179	203	227

### Leverage Ratio (x)

Current Ratio	2.8	3.1	3.2	3.4	2.9	3.0	4.8	5.1
Debt/Equity	0.1	0.3	0.2	0.2	0.1	0.0	0.0	-0.1

### Cash Flow Statement

(INR m)

Y/E March	FY15	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E
EBITDA	21,617	24,436	28,271	30,973	32,060	42,526	47,129	52,019
Interest/Dividends Recd.	1,226	2,287	3,577	2,796	3,442	2,660	2,520	2,590
Direct Taxes Paid	-4,244	-6,176	-5,232	-6,613	-7,297	-10,323	-9,172	-10,015
(Inc)/Dec in WC	-5,060	-3,937	-12,169	-16,580	14,937	-7,381	-33,396	-14,033
<b>CF from Operations</b>	<b>13,539</b>	<b>16,609</b>	<b>14,447</b>	<b>10,576</b>	<b>43,142</b>	<b>27,482</b>	<b>7,081</b>	<b>30,561</b>
EO expense	527	0	-2,512	-130	324	0	734	0
<b>CF from Oper. incl EO Expense</b>	<b>11,734</b>	<b>23,818</b>	<b>14,628</b>	<b>16,911</b>	<b>32,296</b>	<b>37,552</b>	<b>6,346</b>	<b>30,561</b>
(inc)/dec in FA	-9,769	-6,487	-9,246	-4,085	-13,027	-10,472	-1,956	-8,500
<b>Free Cash Flow</b>	<b>1,965</b>	<b>17,331</b>	<b>5,381</b>	<b>12,826</b>	<b>19,268</b>	<b>27,080</b>	<b>4,390</b>	<b>22,061</b>
(Pur)/Sale of Investments	688	1,622	35	-2,857	-629	91	0	0
<b>others</b>	<b>-330</b>	<b>-8,237</b>	<b>671</b>	<b>-9,745</b>	<b>14,697</b>	<b>-13,491</b>		
<b>CF from Investments</b>	<b>-9,411</b>	<b>-13,102</b>	<b>-8,540</b>	<b>-16,687</b>	<b>1,041</b>	<b>-23,872</b>	<b>-1,956</b>	<b>-8,500</b>
Issue of Shares								
Inc/(Dec) in Debt	4,409	-10,790	-146	2,183	-14,998	-12,790	-5,000	-5,000
Interest Paid	-726	-1,594	-1,142	-1,684	-1,974	-1,607	-1,037	-1,021
Dividend Paid	-1,940	-1,936	-1,893	-2,841	-2,416	-2,416	-2,899	-2,899
Others	-95	1,062	-673	-1,145	-11,713	3,513	-2,241	300
<b>CF from Fin. Activity</b>	<b>1,647</b>	<b>-13,257</b>	<b>-3,855</b>	<b>-3,487</b>	<b>-31,100</b>	<b>-13,299</b>	<b>-11,178</b>	<b>-8,620</b>
<b>Inc/Dec of Cash</b>	<b>3,971</b>	<b>-2,541</b>	<b>2,233</b>	<b>-3,263</b>	<b>2,236</b>	<b>381</b>	<b>-6,788</b>	<b>13,441</b>
Add: Beginning Balance	1,751	8,714	6,242	9,656	6,188	10,039	14,012	7,224
Bank balances	6	6	983	-17	-1,104	3,593	0	0
Bank balances and FX impact	-79	69	1,181	-205	1,614	3,592	0	0
<b>Closing balance</b>	<b>5,643</b>	<b>6,242</b>	<b>9,656</b>	<b>6,188</b>	<b>10,039</b>	<b>14,012</b>	<b>7,224</b>	<b>20,665</b>

## NOTES



Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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