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distributor of this report

Capital Goods

Initiating coverage

Target price: Rs3,610

Shareholding pattern

	Jun '22	Sep '22	Dec '22
Promoters	50.0	50.0	50.0
Institutional investors	37.9	56.0	39.6
MFs and other	21.6	21.8	25.4
FIs/Ins Co	0.0	0.1	0.2
FIs	16.3	17.1	14.0
Others	12.1	11.0	10.4

Source: BSE

ESG disclosure score

Year	2020	2021	Chg
ESG score	NA	NA	NA
Environment	NA	NA	NA
Social	NA	NA	NA
Governance	NA	NA	NA

Note - Score ranges from 0 - 100 with a higher score indicating higher ESG disclosures.

Source: Bloomberg, I-sec research

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INDIA

 **ICICI Securities**

Voltamp Transformers

BUY

Key beneficiary of industrial capex revival

Rs2,669

We initiate coverage on Voltamp Transformers (Voltamp) with a BUY rating and an SOTP-based target price of Rs3,610 (35% upside). Company is a key player in the transformer manufacturing space with a domestic market share of 15% (as per management), catering to diversified sectors (85% of revenue comes from private customers). Over the years, Voltamp has developed strong relationship with clients, which has helped it have a large installed base of >60,000 transformers (as of Mar'22) across sectors in India and overseas markets. We believe Voltamp stands to be a key beneficiary of energy transition, private capex revival and PLI initiatives of the government in the manufacturing space. Company's current orderbook at ~Rs9bn, strong balance sheet and improved outlook on profitability would likely keep earnings growth strong in the next three years. We have modelled a revenue/earnings CAGR of 11%/16% over FY22-FY25E. Further, pick-up in power distribution capex and investments in the manufacturing sector could lead to growth in Voltamp's orderbook.

- **Diversified business model:** Voltamp supplies transformers to various industries including data centres, water, oil & gas / refinery, steel / mining / minerals, infrastructure, solar / wind, FGD, private utilities, cement, sugar cogen, pharma / F&B, and auto / auto-ancillaries. Company has a diversified clientele, including private players and select PSUs, with the former accounting for a majority of its revenue. Top-10 client contribution to FY22 revenue was ~22%.
- **Orderbook at an all-time high:** Order inflow during 9MFY23 grew 18% YoY to Rs11.7bn. This helped Voltamp report its highest-ever order backlog of Rs9bn for transformers totalling ~8,160MVA, more than 85% of which is from private operators and the rest from SEBs and utilities. We expect the momentum to continue with strong opportunities coming up in manufacturing, industrial capex on capacity expansion and energy transition.
- **Prudent execution track record:** Voltamp has been a preferred vendor amongst its clients due to its prudent execution track record and working capital management despite the cyclical nature of the business. Company has been able to manage its cashflows better than peers and command healthy return ratios. It has net cash of Rs6.4bn (23% of current market cap) as at Dec'22-end.
- **Initiate with BUY:** The stock trades at 11.8x FY24E and 10x FY25E EV/EBITDA. RoIC stands at 34%/36% for FY24E/FY25E. We believe the orderbook would improve with capex revival and greater distribution capex. More sales would ensure better profitability on the back of improving utilisation of the industry's installed capacity. We believe any new capacity addition plans by the company could be a positive trigger going ahead. **Risks:** Intense competition, higher raw material prices and slow-down in industrial capex are the key risks.

Market Cap	Rs27bn/US\$330mn	Year to Mar	FY22	FY23E	FY24E	FY25E
Reuters/Bloomberg	VOTL.BO / VAMP IN	Revenue (Rs mn)	11,272	12,672	13,861	15,259
Shares Outstanding (mn)	10.1	Rec. Net Income (Rs mn)	1,328	1,633	1,838	2,081
52-week Range (Rs)	3496/1783	EPS (Rs)	131.3	161.4	181.7	205.7
Free Float (%)	50.0	% Chg YoY	18.4	22.9	12.6	13.2
FII (%)	14.0	P/E (x)	20.3	16.5	14.7	13.0
Daily Volume (US\$/000)	719	CEPS (Rs)	139.1	170.3	191.6	216.7
Absolute Return 3m (%)	3.9	EV/EBITDA (x)	18.7	13.8	11.8	10.0
Absolute Return 12m (%)	41.7	Dividend Yield (%)	0.9	1.3	1.3	1.3
Sensex Return 3m (%)	(6.7)	RoCE (%)	15.0	16.2	16.1	16.0
Sensex Return 12m (%)	6.2	RoE (%)	15.0	16.2	16.1	15.9

Please refer to important disclosures at the end of this report

Outlook and valuation

Prudent execution track-record and focus on balance sheet have consistently been the key success factors behind Voltamp's growth story. We expect the company to be a strong beneficiary of India's increasing power requirements due to increasing urbanisation, improving capacity utilisations and thereby higher industrial capex across sectors. The government's emphasis on infrastructure development is likely to further push growth for last-mile connectivity in the country. The energy transition initiative of the government would further result in strong demand for the company's products.

Voltamp's diversified product portfolio gives it a competitive edge over its peers. Company has consistently enjoyed debt-free status, which indicates its strong focus on better working-capital management. It has a diversified clientele, including private players and select PSUs, with private players accounting for a majority of its revenue. Cash & cash equivalents as at Dec'22-end stood at Rs6.4bn (24% of the market cap).

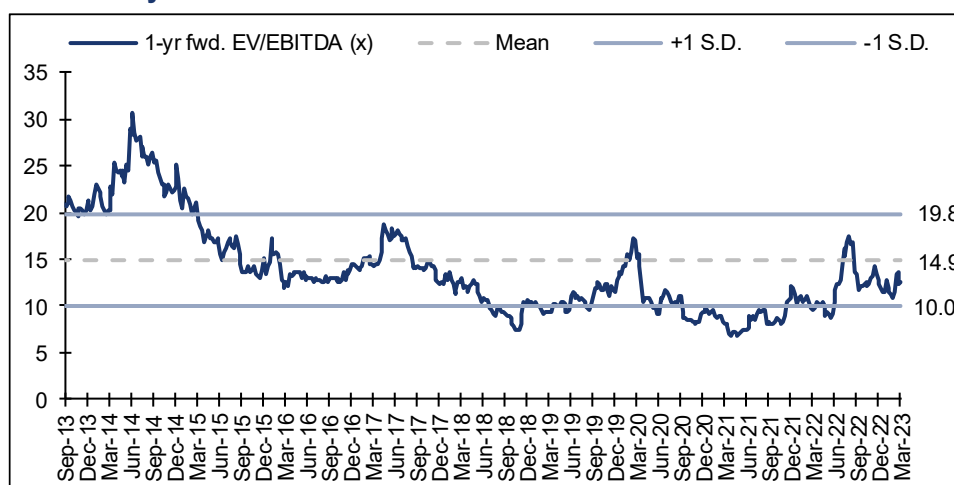
We model earnings CAGR of 16% over FY22-FY25E. The stock trades at 11.8x FY24E and 10x FY25E EV/EBITDA. The company has healthy ratios with post-tax RoIC at 34%/36% FY24E/FY25E. We initiate coverage on the stock with a **BUY** recommendation. Our SOTP based target price is **Rs3,610**, valuing the business at 13x EV/EBITDA FY25E (10% discount to the long term average) and adding cash.

Table 1: SOTP based target price

	FY25E EBITDA (Rs mn)	Multiple (x)	FY25E EV (Rs mn)	Value per share (Rs)
Valuation	2,316	13	30,110	
Net Debt / Cash			6,400	
Equity Value			36,510	3,610

Source: I-Sec research

Chart 1: 1-year forward valuation chart

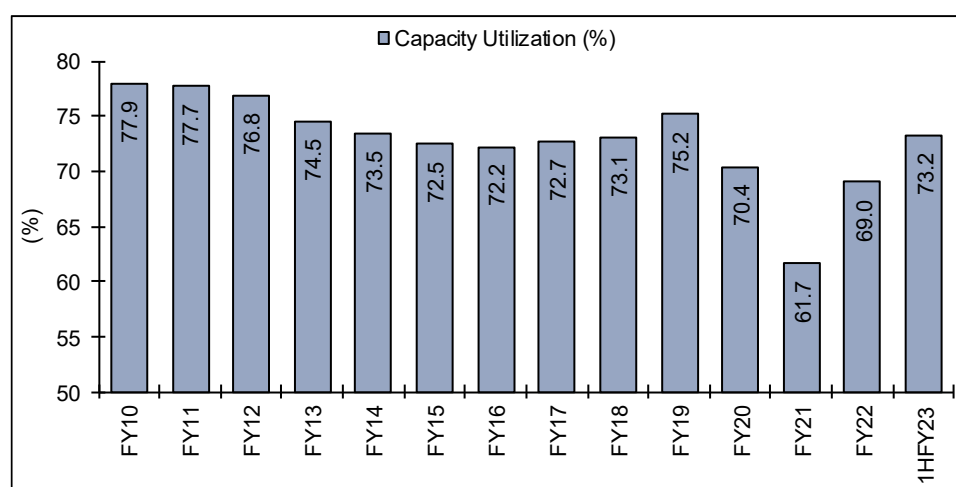


Source: Company data, I-Sec research

Investment rationale

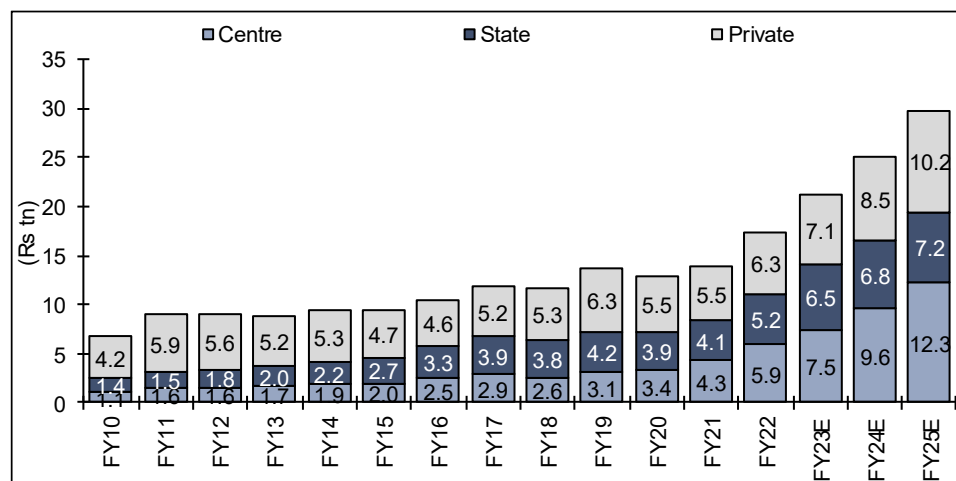
- Demand momentum to sustain:** Voltamp is a preferred vendor for many companies in the private sector to supply distribution transformers. It supplies mainly to the industrial segment, renewables and state transcos. Company has got supply approvals to major industries like textile, thermal power, auto, and cement. We expect Voltamp to benefit from higher private capex due to increasing capacity utilisation levels, government's PLI schemes to boost domestic manufacturing across several sectors, and the 'China+1' strategy. We believe the sharp 37% YoY increase in capex (to Rs100trn) in the FY24 Union Budget, is likely to result in a strong push for private capex along with entire chain in the power sector (mainly distribution).

Chart 2: Manufacturing capacity utilisation continues to rise after dip due to covid in FY21

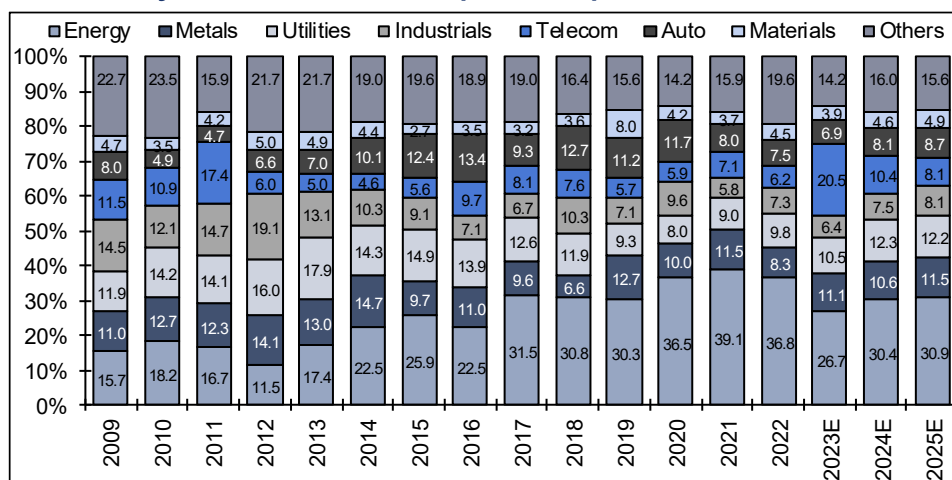


Source: RBI, I-Sec research

Chart 3: Private capex CAGR of 17% expected over FY22-FY25E



Source: Industry, ICICI Securities

Chart 4: Key sector-wise share of private capex in India

Source: Industry, ICICI Securities

As per Central Electricity Authority (CEA), India's generation capacity is likely to be 623 GW in FY27 and 865 GW in FY32 from 382GW end of FY22. A significant increase is likely in renewable energy generation as the percentage of renewables in the generation capacity mix is expected to grow from 25% in FY22 to 57% in FY27 and 68% in FY32. Projects such as a green-energy corridor (I&I) for power generation through renewable energy, coupled with a revamped distribution sector scheme (RDSS) (spend of Rs3trn over five years) would lead to increase in capex in transmission and distribution infrastructure.

PLI schemes augur well: Government continues to focus on increasing the contribution of manufacturing to the GDP from 17% currently to 25% by 2025. The production-linked incentive (PLI) schemes are likely to encourage private capex in the manufacturing space. Government has earmarked almost Rs2trn for PLI schemes in 13 key sectors with highest allocations to auto, mobile manufacturing, advanced chemistry cell battery, pharmaceutical and telecom. We view the increased capex in manufacturing space as a key driver of higher demand for power, hence transformers.

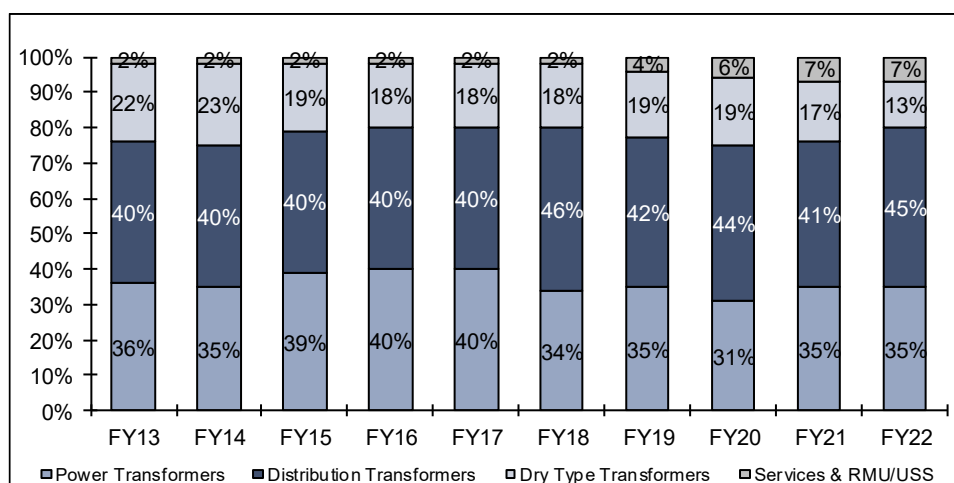
Table 2: Sector-wise capex announcements

Sector	Outlay (Rs bn)
Automobiles & Auto Components	570
Mobile manufacturing & Special Electronic Components	410
Advanced Chemistry Cell Battery	181
Pharmaceutical Drugs	150
Telecom & Networking Products	122
Food Products	109
Textile Products	107
Drug Intermediaries & Pharma Ingredients	69
Specialty Steel	63
White Goods	62
Electronic/Technology Products	50
High Efficiency Solar PV Modules	45
Manufacturing of Medical Devices	34
TOTAL	1,973

Source: Government of India, I-Sec research

- Demand-led capacity expansion:** The transformers sector is cyclical in nature where capacity expansion is seen in line with upturn in the industrial capex cycle. With strong upcoming demand, Voltamp recently (after a gap of more than decade) expanded its installed capacity (through debottlenecking) by 1,000MVA to 14,000MVA. Similarly, CG Power & Industrial Solutions (CG Power) recently announced 11,000MVA capacity expansion plan at a capex of Rs1.26bn. For Q3FY23, Voltamp reported capacity utilisation (volume-based) of 90% and is expected to increase further given higher order backlog. Management does not foresee any immediate capacity expansion and will take a call based on the demand environment. It can increase capacity by 2,000-2,500MVA depending on demand. Management remains cautious on expansion and is very selective in picking up orders considering the cyclical nature of the business.
- Diversified business model:** Voltamp operates in three different segments: power transformers (35% of sales), distribution transformers (45%) and dry transformers (13%). Oil-filled transformers constitute 81% of sales and dry transformers ~19%.

Chart 5: Sales-mix trend



Source: Company, I-Sec research

Dependence on three segments allows the company to diversify into different kinds of transformers. Power-generation capex and utilities companies are the major growth drivers in power transformers. Distribution capex is the major growth driver for distribution transformers. Industrial capex and commercial construction are the major growth drivers for dry transformers.

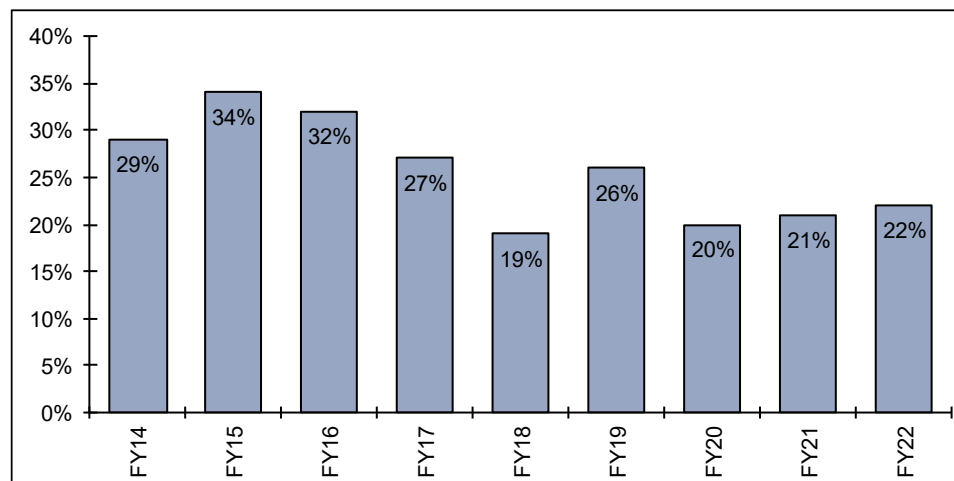
Exhaustive clientele

Voltamp is the trusted vendor for leading business houses across industries, well-known PSUs and large cooperatives. Its marquee client base includes GETCO, BPCL, IOCL, UltraTech Cement, Reliance Industries, Torrent Power, Infosys Technologies and EPC contractors like Larsen & Toubro, ABB, Siemens, TATA Projects, Thyssenkrupp, ISGEC to name few.

Voltamp has long-term relations with most clients and secures a large part of its business (up to ~70%) in repeats from large clients.

The top-10 clients accounted for ~22% (of revenue) in FY22 compared to 21% in FY21.

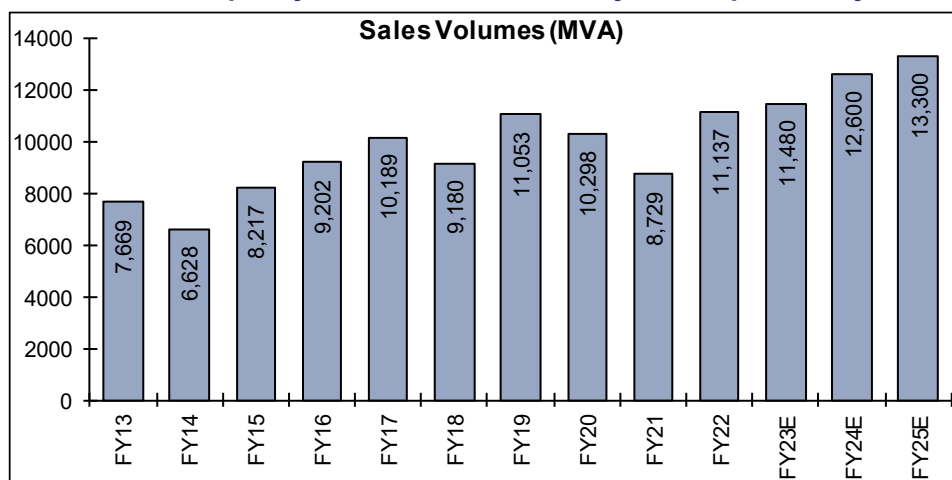
Chart 6: Top-10 clients' contribution to sales



Source: Company, I-Sec research

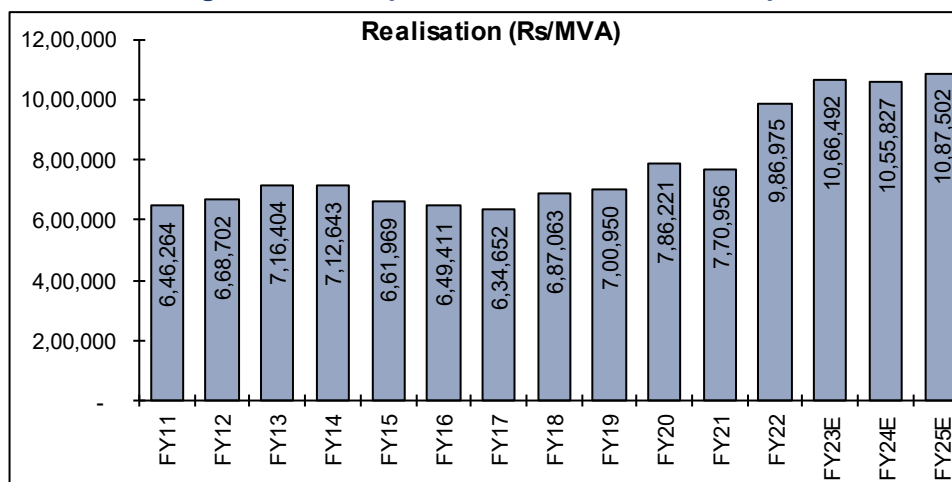
Top clients (based on FY22 revenue)

- GETCO
 - UltraTech Cement
 - Rungta Mines
 - Larsen & Toubro
 - Thyssenkrupp Industries India
 - Atul Products
 - Siemens
 - Isgec Heavy Engineering
 - Micron Electricals
- **Stable volume growth:** We expect power and distribution transformers to continue to constitute a major chunk of Voltamp's orderbook. A large number of clients in the private sector would help the company sustain realisations at present levels. Interaction with the management suggests that Voltamp would continue to seek profitable orders over the next three years and not compromise on profitability to achieve volume growth. Voltamp achieved volumes of 11,137MVA (up 28% YoY) along with its all-time high order inflow of Rs13.5bn in FY22. For 9MFY23, volumes stood at 8,231MVA, up 2.3% YoY. We expect volumes to pick up in the coming quarters with strong order-backlog and improving utilisation at its Savli plant.

Chart 7: Total capacity of transformers sold by Voltamp annually


Source: Company, I-Sec research

- Realisations to stabilise:** Competitive pricing by MNCs and new entrants from China has led to pricing pressures in the transformer segment. Further, declining raw-material prices have pulled down realisations in the last two years. Because of intense competition, most of the softening in raw-material costs has been passed on to customers. However, we believe realisations have stabilised in the past one year and are likely to hold at those levels, and perhaps improve with greater demand in the transformers sector.

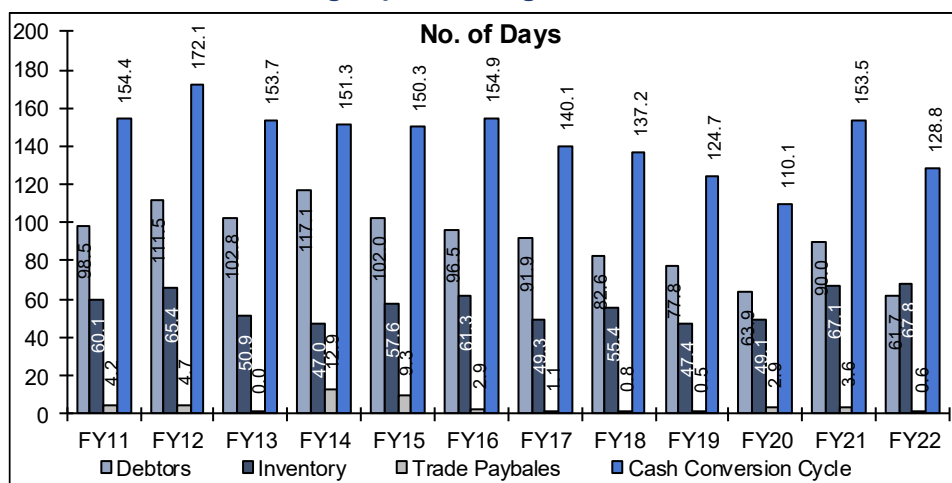
Chart 8: Average realisation per MVA continue to move up


Source: Company, I-Sec research

- Improving profitability through better sales mix and higher service income:** Over the past five years, Voltamp's EBITDA margin remained in the range of 11-12% (14.5% in 9MFY23) despite covid and sharp rise in commodity prices. This was driven by better operating leverage, better sales mix and increasing share of services. Going ahead, the management expects to maintain margins in a similar range on the back of better cost controls, sales mix and higher service income. Company targets to increase its services income to Rs750mn in FY27 from Rs401mn in FY22 along with an EBITDA margin of >14% by FY24.

- **Comfortable capital structure and healthy balance sheet:** Voltamp has maintained its debt-free status for more than 20 years now by virtue of its minimal exposure to state electricity boards. This has enabled it to maintain a comfortable working capital cycle along with generation of free cashflows. It will continue to focus on short-cycle products and will not undertake project-based business until cashflow certainty is ensured.

Chart 9: Prudent working capital management

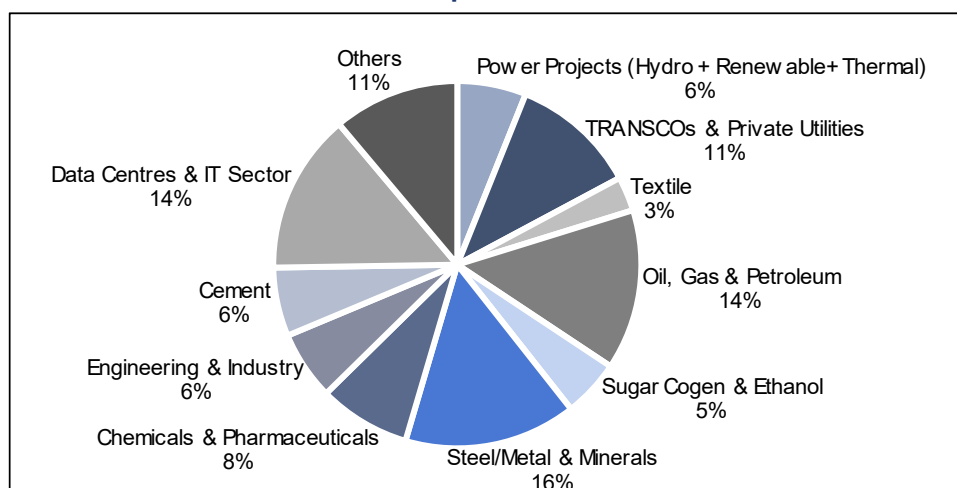


Source: Company, I-Sec research

Timely collection of receivables has been a prime concern for the company. However, it has maintained a better cash-conversion cycle. It maintains low creditor days for competitive pricing and preference in delivery for timely execution.

- **Strong marketing and service network:** Voltamp has a well-established nationwide network of 16 offices staffed by more than 75 marketing professionals and 25 service executives in all major industrial cities and metros.

Chart 10: Sector-wise revenue dependence



Source: Company, I-Sec research

- **Competitive intensity remains elevated:** During FY03-FY04, there was a sudden influx of transformer demand with the CEA announcing thermal power capacity expansion, which led to Chinese players entering the Indian market and domestic players expanding capacity. Currently, after acquisition by Murugappa

Group, CG Power & Industrial Solutions is a key competitor to Voltamp and other domestic players. The current market share of Voltamp stands at 15%. We believe with new opportunities like energy transition, pick-up in private capex, strong clientele, robust balance sheet, Voltamp is likely to gradually increase its market share despite the intense competition.

Table 3: Market size and competition landscape

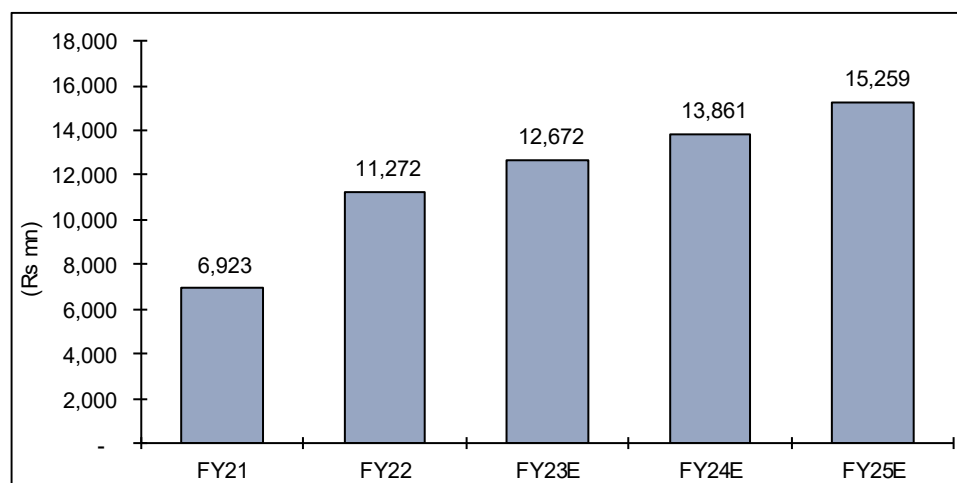
Particulars	Market size	Key players
Power Transformers	Rs62bn	Hitachi Energy, GE T&D, CG Power, Siemens, Schneider
Distribution Transformers	Rs80bn	Hitachi Energy, Voltamp, GE T&D, CG Power, Siemens, Schneider

Source: IEEMA, I-Sec research

Financial discussion

Over the past four years, Voltamp registered a volume CAGR of 5% (FY18-FY22), majorly contributed in FY22 with 28% YoY growth. Growth was moderate due to covid-related disruption. Over FY22-FY25, we model 6% YoY (on higher base) growth in volumes on expanded utilisation from 86% in FY22 to 95% in FY25. With 3.5% CAGR in realisation, we pencil a revenue CAGR of ~11% over FY22-FY25E.

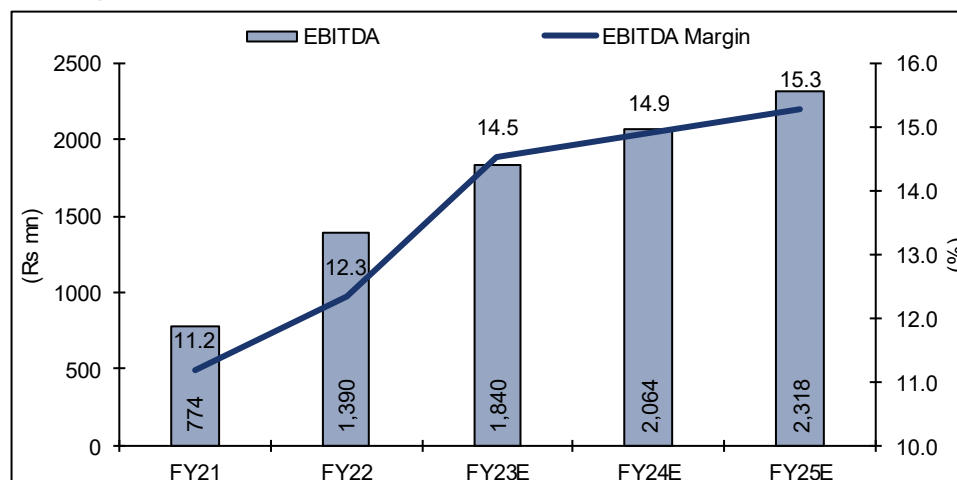
Chart 11: Revenue CAGR modelled at 11% over FY22-25E



Source: Company data, I-Sec research.

Voltamp has witnessed a sharp 480bps YoY improvement in the EBITDA margin to 14.6% in 9MFY23. We believe this has been led by increasing gross margin, operating leverage and higher service income. We have modelled EBITDA margin 14.5% / 14.9% / 15.2% for FY23E / FY24E / FY25E.

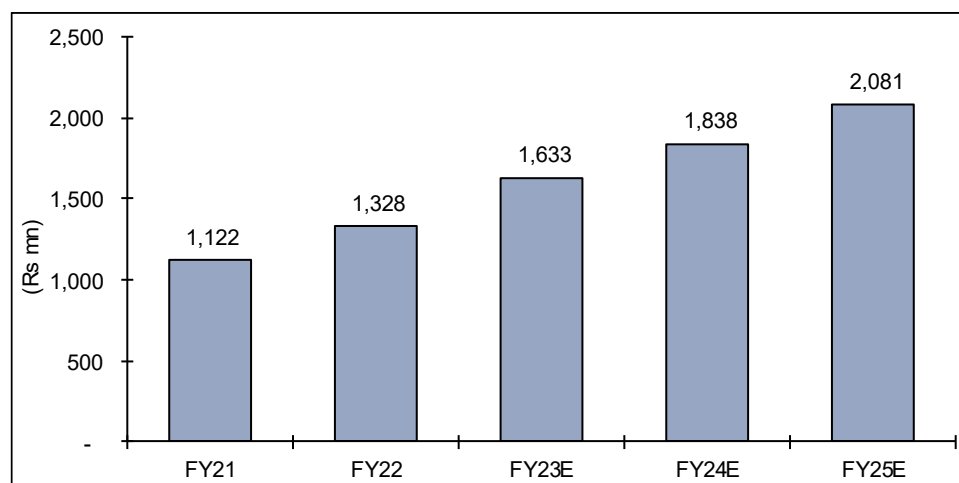
Chart 12: EBITDA margin seen to improve due to better mix and operating leverage



Source: Company data, I-Sec research

With strong operating performance, we model PAT CAGR at 16% over FY22-FY25E

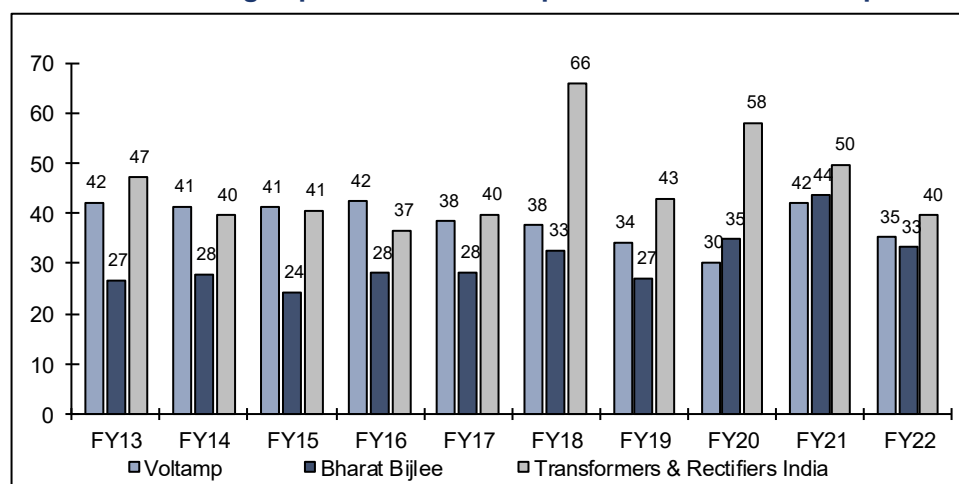
Chart 13: PAT CAGR modelled at 16% over FY22-25E



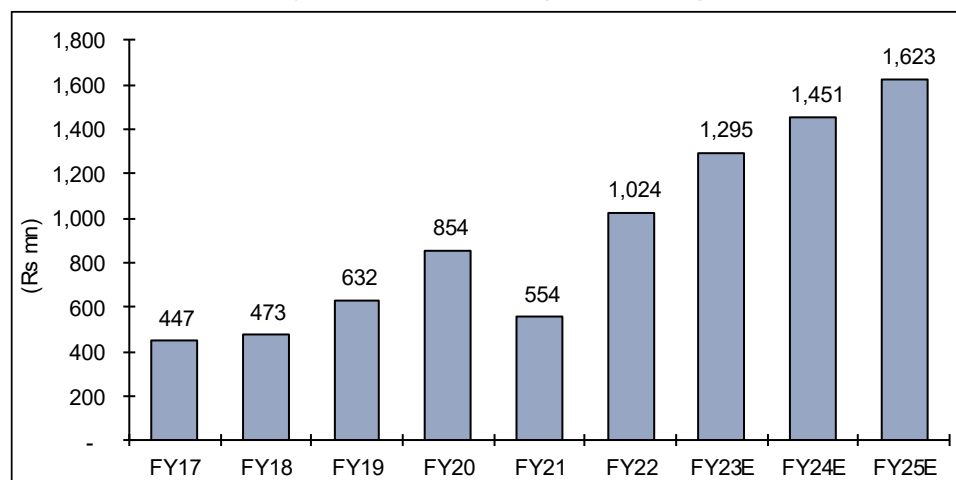
Source: Company data, I-Sec research.

Robust balance sheet: Voltamp has been a debt-free company for more than a decade and continues to be so. This is attributable mainly to prudent management of working capital compared to peers. Company leverages its strong cash base (Rs6.4bn at Dec 22-end), to keep creditor days low, which helps it get better pricing from vendors and secure timely deliveries of raw material. The operating cashflow generation has been strong with 11% CAGR over FY18-FY22. We expect the momentum to continue with 26% CAGR over FY22-FY25E.

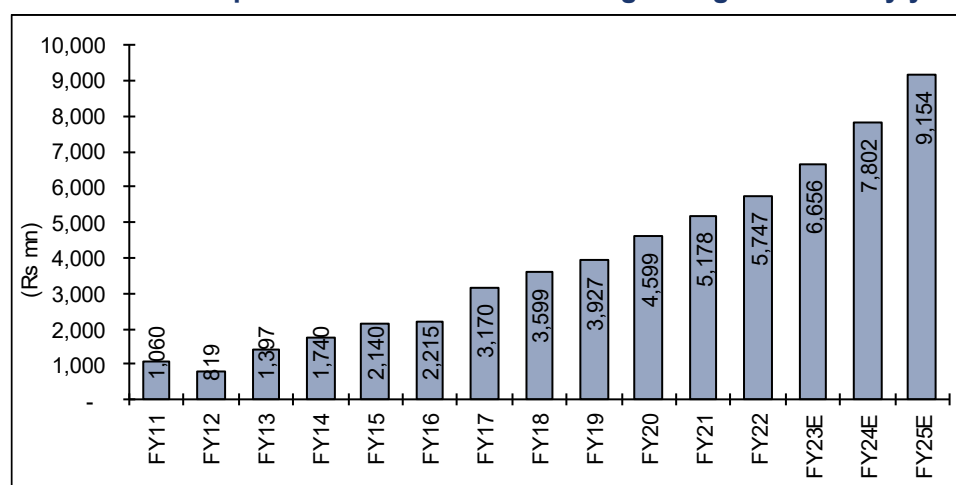
Chart 14: 'Working capital to sales' comparison between Voltamp and its peers



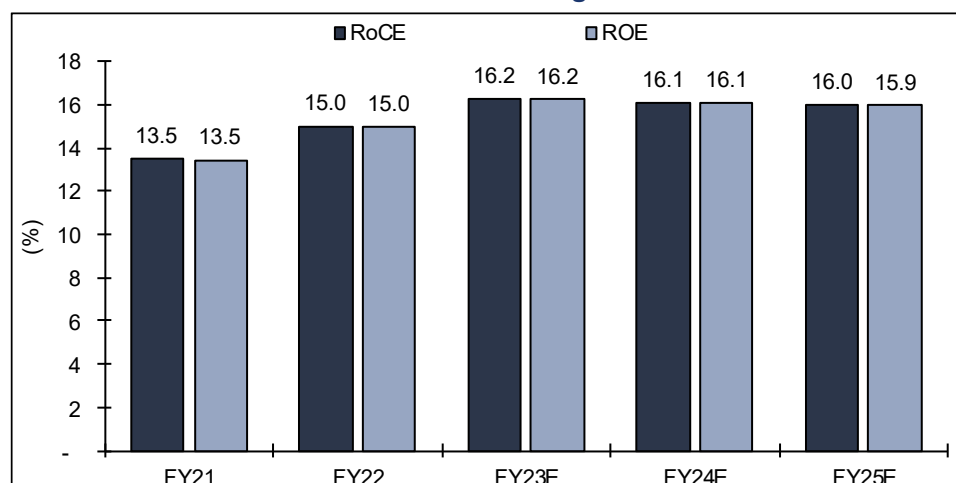
Source: Company data, I-Sec research

Chart 15: Consistently positive operating cashflow generation


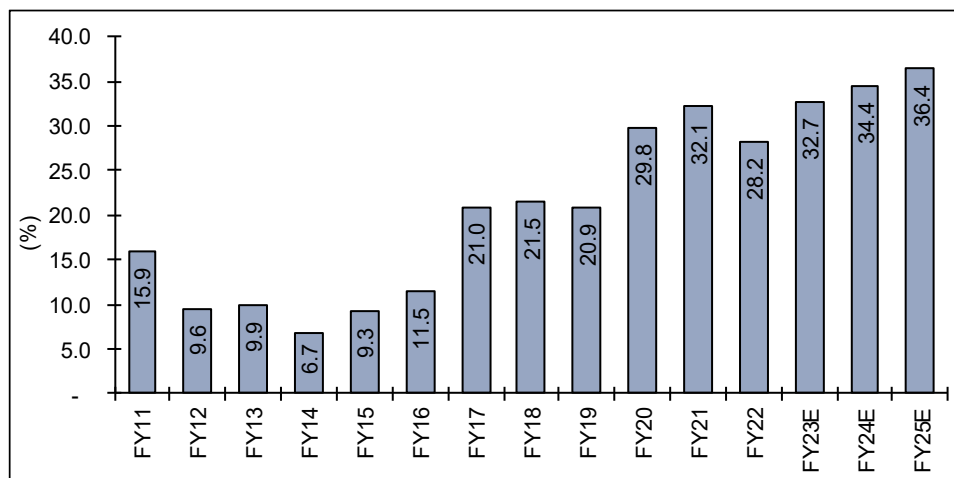
Source: Company data, I-Sec research

Chart 16: Voltamp's cash reserves have been growing consistently year by year


Source: Company data, I-Sec research

Chart 17: Return ratios continue to inch higher


Source: Company data, I-Sec research

Chart 18: RoIC continues to improve with improving profitability

Source: Company data, I-Sec research

Key risks

Significant increase in raw material prices to impact profitability: Copper, silicon steel, cold rolled grain oriented (CRGO) steel and transformer oil are key raw materials required for Voltamp's operations. Their prices are volatile in nature. This exposes Voltamp's profitability to raw material price fluctuations since majority of the company's orders are at fixed prices. Any significant rise in raw material prices are likely to have a material impact on the profitability of the company.

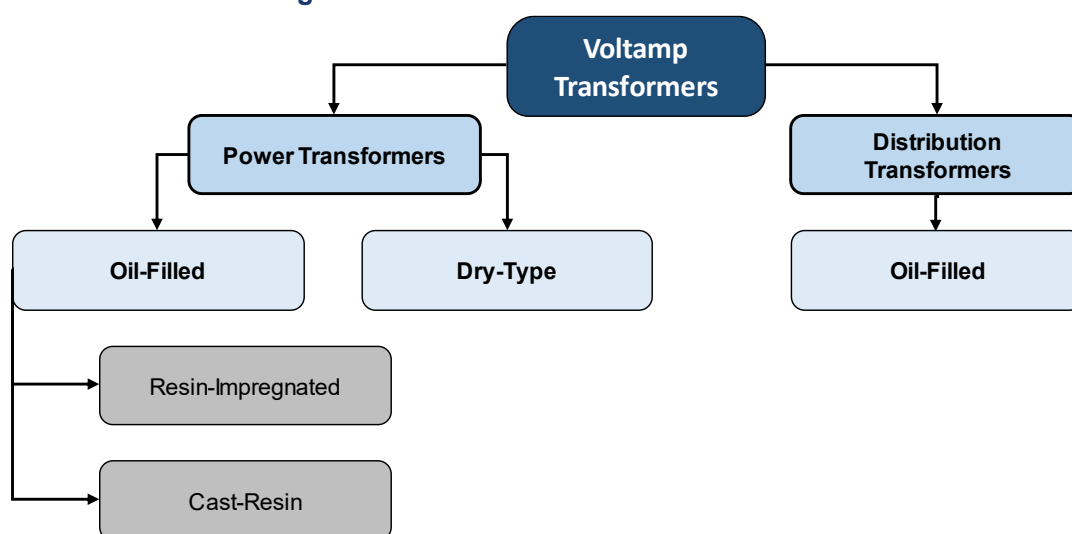
Slowdown in industrial capex: Voltamp mainly caters to the industrial/private customers (~85% of revenue). Any slowdown/delays in industrial capex could impact the order inflow and revenue growth of the company.

Reliance on non-fund-based working capital limits: Voltamp is reliant on non-fund-based working capital limits since it has to extend performance bank guarantees (PBGs) to its customers. The average tenure of PBGs extended by it for transformers sold range from 3 to 6 years. However, there have not been any instances of invocation of such guarantees extended by the company over several years due to very low of failure rates of its products.

About the company

Voltamp Transformers Ltd. (Voltamp) is a leading manufacturer of oil-filled power and distribution transformers. Its product portfolio comprises these transformers up to 160 MVA, 220 KV class, and dry-type transformers up to 12.50 MVA, 33 KV class. Oil-filled transformers constitute 84% of sales and dry transformers about 16%. The products have applications in varied industries, including power, refineries, real estate, automobile, infrastructure and steel. Marquee client-base includes GETCO, BPCL, IOCL, UltraTech Cement, Reliance Industries, Torrent Power, Infosys Technologies and EPC contractors like Larsen & Toubro, ABB, Siemens, TATA Projects, Thyssenkrupp, Isgec Heavy Engineering to name few. Voltamp's production facilities are located at Makarpura and Savli in Vadodara, Gujarat, with an aggregate installed capacity of 14,000MVA per annum.

Chart 19: Product range



Source: Company, I-Sec research

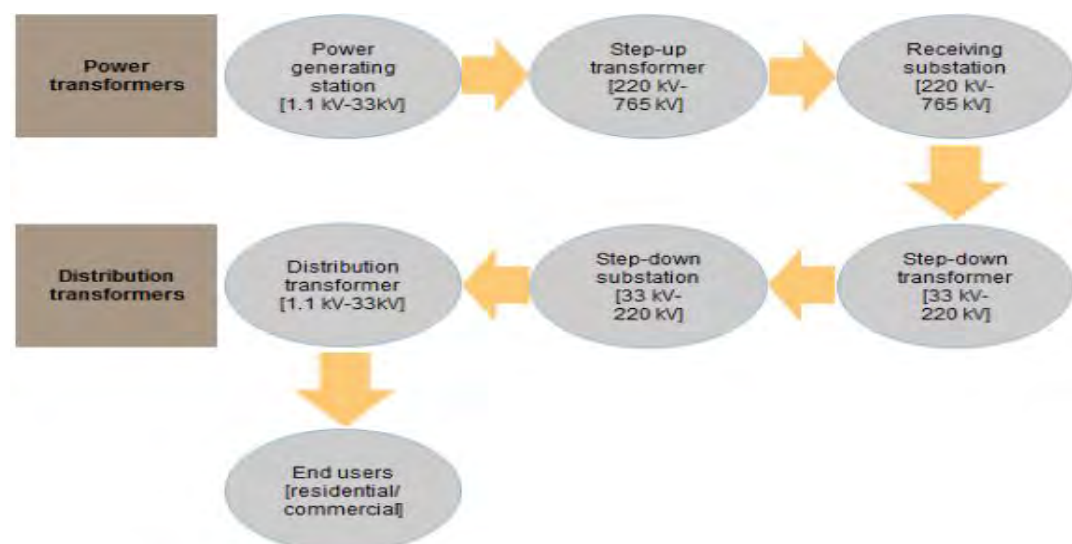
Oil-filled transformers: Voltamp can manufacture oil-filled transformers of up to 160MVA, 220kV class. It has supplied this variety to leaders in government and semi-government projects, and to a wide range of domestic and foreign industries and state electricity boards.

Cast resin transformers: Voltamp manufactures resin-impregnated dry-type transformers (up to 5MVA, 11kV) in technical collaboration with MORA Transformatoren (a leading German company) and cast resin dry-type transformers (up to 12.5MVA, 33KV) in technical collaboration with HTT, a market leader in Germany.

Unitised substations: These are prefabricated steel enclosures housing HT switchgear, transformer and LT switchgear along with associated equipment. They are designed in accordance with IEC 62271 standards and can be installed in buildings, housing colonies, shopping malls, IT, construction sites, mobile substations, wind energy, gas stations, etc.

Induction furnace transformers: These transformers are used for transforming 3-phase A.C. voltage to required voltage (usually D.C. voltage) for converter circuit of an induction furnace.

Chart 20: Power transmission and distribution chain



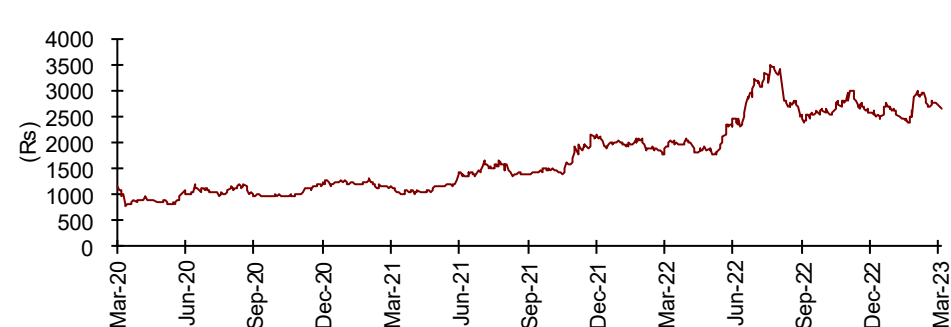
Source: Company, I-Sec research

Table 4: Key managerial personnel and board of directors

Name	Designation	Qualification & Experience
Mr Kanubhai S. Patel	Chairman & MD	B.Com., M.S. University, Vadodara, Gujarat; CA and CS; wide experience in general management; associated with Atul Products, Bombay Dyeing & Manufacturing and Cadbury India
Mr Kunjalbhai L. Patel	Vice-chairman & MD	Electrical engineer, M.S. University, Vadodara, Gujarat; 11 years' experience in production, marketing and general management
Mr Shailesh Prajapati	Chief Financial Officer	Member of the ICAI and was holding position of GM - Account & Finance, looking after accounts, taxation and banking & finance and has been associated with Company since 2018 and has total experience of 14 years.

Source: Company, I-Sec research

Price chart



Source: Bloomberg

Financial summary

Table 5: Profit & Loss statement
(Rs mn, year ending March 31)

	FY22	FY23E	FY24E	FY25E
Total Income	11,272	12,672	13,861	15,259
Operating Expenses	9,882	10,833	11,797	12,943
EBITDA	1,390	1,840	2,064	2,316
% margins	12.3	14.5	14.9	15.2
Depreciation & Amortisation	79	90	101	111
EBIT	1,311	1,749	1,963	2,205
Gross Interest	8	7	8	8
Other Income	430	435	495	578
Recurring PBT	1,732	2,177	2,450	2,775
Add: Extraordinaries	-	-	-	-
Add: Share in associates	-	-	-	-
PBT	1,732	2,177	2,450	2,775
Less: Taxes	404	544	613	694
Less: Minority Interest & Share in associates	-	-	-	-
Net Income (Reported)	1,328	1,633	1,838	2,081
Adjusted Net Income	1,328	1,633	1,838	2,081

Source: Company data, I-Sec research

Table 6: Balance sheet
(Rs mn, year ending March 31)

	FY22	FY23E	FY24E	FY25E
Assets				
Total Current Assets	5,058	6,224	7,560	9,170
of which cash & cash eqv.	951	1,660	2,606	3,758
Total Current Liabilities & Provisions	1,170	1,329	1,443	1,577
Net Current Assets	3,888	4,895	6,118	7,594
Investments	4,796	4,996	5,196	5,396
Other Non-Current Assets	147	182	217	252
Net Fixed Assets	611	647	673	689
Goodwill	-	-	-	-
Total Assets	9,442	10,721	12,204	13,931
Liabilities				
Borrowings	-	-	-	-
Deferred Tax Liability	21	21	21	21
Minority Interest	-	-	-	-
Equity Share Capital	101	101	101	101
Face Value (Rs)	-	-	-	-
Reserves & Surplus	9,320	10,599	12,083	13,809
Net Worth	9,421	10,700	12,184	13,910
Total Liabilities	9,442	10,721	12,204	13,931

Source: Company data, I-Sec research

Table 7: Cashflow statement
(Rs mn, year ending March 31)

	FY22	FY23E	FY24E	FY25E
Operating Cashflow	1,024	1,295	1,451	1,623
Working Capital Changes	(368)	(299)	(276)	(324)
Capital Commitments	(185)	(132)	(132)	(132)
Free Cashflow	471	865	1,043	1,166
Cashflow from Investing Activities	(278)	195	255	338
Issue of Share Capital	-	-	-	-
Buyback of shares	-	-	-	-
Inc (Dec) in Borrowings	-	-	-	-
Interest paid	(8)	(7)	(8)	(8)
Dividend paid	(253)	(354)	(354)	(354)
Extraordinary Items/Others	-	-	-	-
Chg. in Cash & Bank balance	(68)	699	936	1,142

Source: Company data, I-Sec research

Table 8: Key ratios
(Year ending March 31)

	FY22	FY23E	FY24E	FY25E
Per Share Data (in Rs)				
Diluted adjusted EPS	131.3	161.4	181.7	205.7
Recurring Cash EPS	139.1	170.3	191.6	216.7
Dividend per share (DPS)	25.0	35.0	35.0	35.0
Book Value per share (BV)	931.2	1057.6	1204.3	1374.9
Growth Ratios (%)				
Operating Income	62.8	12.4	9.4	10.1
EBITDA	79.5	32.4	12.2	12.2
Recurring Net Income	18.4	22.9	12.6	13.2
Diluted adjusted EPS	18.4	22.9	12.6	13.2
Diluted Recurring CEPS	16.3	22.4	12.5	13.1
Valuation Ratios				
P/E	20.3	16.5	14.7	13.0
P/CEPS	19.2	15.7	13.9	12.3
P/BV	2.9	2.5	2.2	1.9
EV / EBITDA	18.7	13.8	11.8	10.0
EV / Operating Income	2.3	2.0	1.8	1.5
EV / Operating FCF (pre - Capex)	39.7	25.4	20.8	17.9
Operating Ratios				
Raw Material/Sales (%)	76.0	75.8	75.7	75.5
SG&A/Sales (%)	6.4	6.2	6.1	6.0
Other Income / PBT (%)	24.8	20.0	20.2	20.8
Effective Tax Rate (%)	23.3	25.0	25.0	25.0
NWC / Total Assets (%)	33.2	32.0	30.4	29.0
Inventory Turnover (days)	110.4	120.4	129.7	140.6
Receivables (days)	100.4	112.9	123.5	135.9
Payables (days)	1.0	3.7	4.0	4.4
Net D/E Ratio (x)	(0.1)	(0.2)	(0.2)	(0.3)
Return/Profitability Ratios (%)				
Recurring Net Income Margins	11.8	12.9	13.3	13.6
RoCE	15.0	16.2	16.1	16.0
RoNW	15.0	16.2	16.1	15.9
Dividend Payout Ratio	19.0	21.7	19.3	17.0
Dividend Yield	0.9	1.3	1.3	1.3
EBITDA Margins	12.3	14.5	14.9	15.2

Source: Company data, I-Sec research

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