Reliance Securities

December 28, 2015

Institutional Equity Research

Construction | India

Initiating Coverage

BUY

Target Price Rs330

CMP* (Rs)	280
Upside/ (Downside) (%)	18
Bloomberg Ticker	AHLU
Market Cap. (Rs bn)	18.7
Free Float (%)	33
Shares O/S (mn)	67

Ahluwalia Contracts (India) Ltd.

Healthy traction ahead

Ahluwalia Contracts (India) Ltd (ACIL), an integrated construction company, has managed well to wriggle out of lull phase on the back of prudent bidding strategy and a change in clients mix. ACIL is presently well poised to witness a healthy traction in the backdrop of rebalancing its order book, improving return ratios, strengthening balance-sheet and stable macroeconomic scenario. Order backlog currently stands at Rs41.2bn (including Rs13.5bn worth of projects bagged in FY16 till date), which is 3.7x TTM revenue thus ensuring with healthy revenue visibility going ahead. Further, nearing completion of slow moving / fixed price contracts is in favour of ACIL to improve its profitability. We Initiate Coverage on ACIL with a BUY recommendation and Target Price at Rs330.

A perfect play on infrastructure boom

ACIL is among the few mid-cap construction companies, which is not exposed to BOT/asset business model. Thus, its balance-sheet is not highly leveraged. Given strong pre-qualification in hand along with healthy diversification, we expect ACIL to essentially exploit upcoming opportunities from infrastructure development in the country.

Robust order book provides good revenue visibility

Net order book presently stands at Rs41.2bn, which is 3.7x TTM revenue and provides promising revenue visibility. Further, ACIL has already added projects worth Rs13.5bn so far in current fiscal and holds L1 position in projects worth Rs2.0bn. ACIL looks forward to add projects worth Rs20bn and Rs25bn in FY16E and FY17E, respectively.

Strengthening balance sheet offers an edge

ACIL's balance-sheet is likely to strengthen further owing to improvement in working capital and completion of low margin projects. Healthy balance-sheet will give ACIL an upper hand in waning competition for big ticket projects owing to high leveraged balance-sheet of many real estate contractors.

Outlook and Valuation

We initiate coverage on ACIL with BUY recommendation and a 12-month Target Price of Rs330. We have valued the company on 16x FY18E EPS, which is at premium vis-a-vis many of its peers. The premium multiple is justified in the backdrop of healthy balance-sheet, superior return ratios and order book diversification.

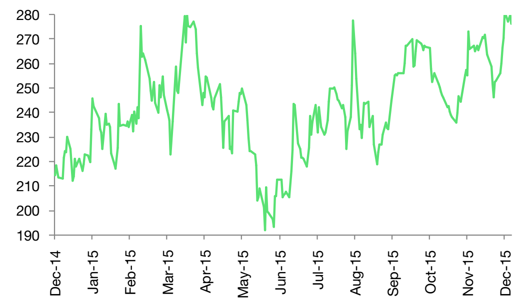
Key Financials (Rs mn)	FY15	FY16E	FY17E	FY18E
Sales	10,599	13,040	15,849	18,136
EBITDA	1,149	1,519	1,910	2,211
Net Profit	641	864	1,065	1,360
EPS (Rs)	9.6	12.9	15.9	20.3
DPS (Rs)	0.0	0.0	0.6	0.6
P/E (x)	29.2	21.7	17.6	13.8
P/B (x)	5.6	4.4	3.6	2.9
EV/EBITDA	17.2	12.6	9.5	7.7
RoE (%)	22.8	22.7	22.4	23.0
Divi. Yield (%)	0.0	0.0	0.2	0.2

Source: Company, RSec Research

Share price (%)	1 mth	3 mth	12 mth
Absolute performance	3.3	8.6	28.9
Relative to Nifty	8.3	13.2	28.8

Shareholding Pattern (%)	Jun-15	Sep-15
Promoter	66.9	66.9
FII	15.1	12.5
DII	5.9	8.2
Others	12.1	12.4

1 Year Stock Price Performance



*Note: * CMP as on December 28, 2015*

Research Analyst: Binod Modi

Contact: (022) 33201097

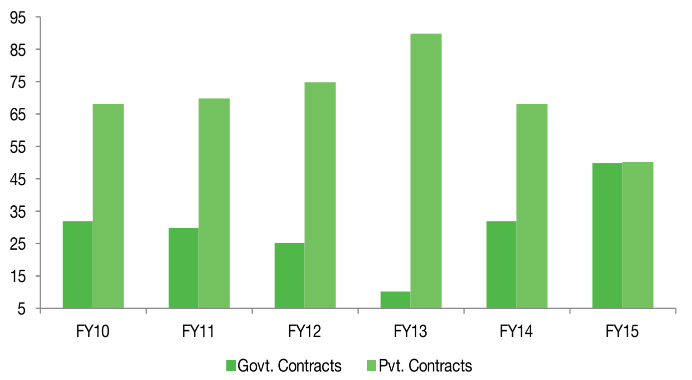
Email: binod.modi@relianceada.com

December 28, 2015		BUY
Institutional Equity Research		Target Price Rs330
Construction | India	CMP (Rs)	280
	Upside/ (Downside) (%)	18
Initiating Coverage	Bloomberg Ticker	AHLU

Recovered well from an ailing phase; Back on its feet now

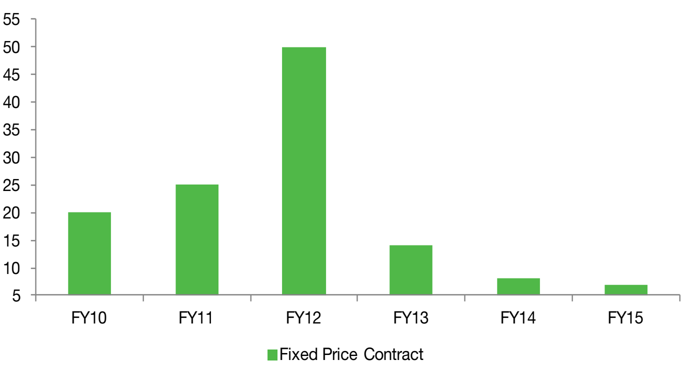
ACIL's aggressive nature of bidding for projects during FY09-FY11 had put a dent on its earnings performance during FY12-FY13 as it had build up over ~50% of its total order book on fixed price contract basis. Notably, the confluence of delay in projects and a sharp increase in input costs during the period had taken a toll on ACIL's performance. Consequently, ACIL has lately been selective and prudent in bidding for projects, as seen by its approach, which selectively considers for any private projects (owing to payment issues from clients) and abstains itself from fixed price contracts too. Hence, prudent and selective bidding approach have aided ACIL to turnaround its business. Notably, projects on fixed price contract basis currently stands at Rs2.0bn, which is ~5% of total order book and will be executed in next 10-12 months. ACIL has deputed a high level project monitoring team to review projects on regular basis and also to aid in streamlining the contracting policies.

Exhibit 1: Composition of clients mix over the years (%)



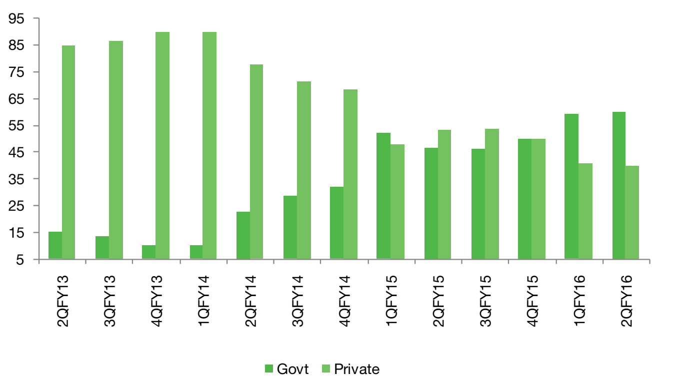
Source: Company, RSec Research

Exhibit 2: Share of Fixed price orders over the years (%)



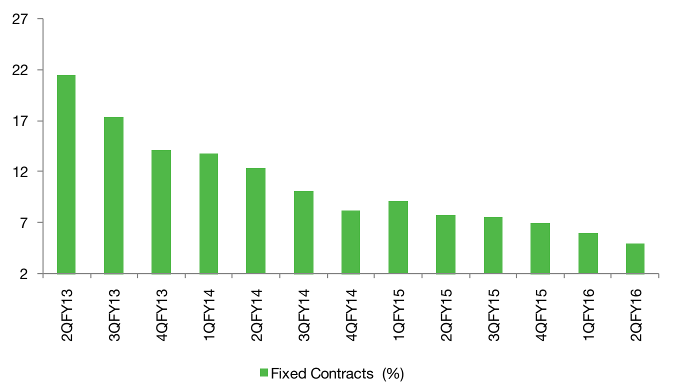
Source: Company, RSec Research

Exhibit 3: Composition of clients mix - quarterly (%)



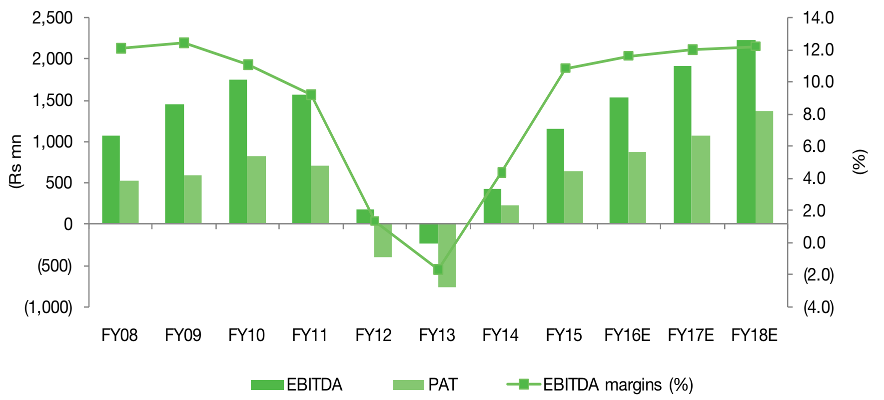
Source: Company, RSec Research

Exhibit 4: Share of Fixed price orders - quarterly



Source: Company, RSec Research

Exhibit 5: Turnaround visible from FY14-15

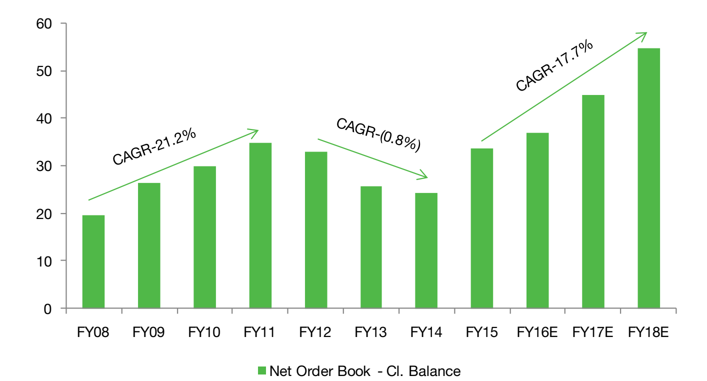


Source: Company, RSec Research

Robust order book provides good revenue visibility

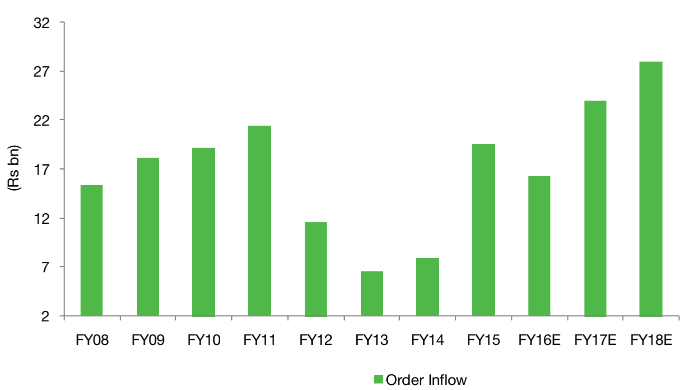
Net order book presently stands at Rs41.2bn (including Rs13.5bn worth of projects bagged in FY16 till date), which is 3.7x TTM revenue and provides promising revenue visibility ahead. Order book growth over FY12-FY15 (~1% CAGR) had been muted owing to ACIL's cautious approach and lack of consistency in government projects for tendering. However, government tendering has essentially been gaining pace for the last one year, especially from institutional segment, as ACIL witnessed an inflow on Rs13.8bn in FY15 as against Rs7.0bn seen in FY14. Further, ACIL has already added projects worth Rs13.5bn so far in current fiscal and holds L1 position in projects worth Rs2.0bn. ACIL looks forward to add projects worth Rs20bn and Rs25bn in FY16E and FY17E, respectively. Presently, ACIL is bidding for projects worth over ~Rs10bn.

Exhibit 6: Order Backlog over the years



Source: Company, RSec Research

Exhibit 7: Order Inflow over the years



Source: Company, RSec Research

Exhibit 8: Summary of Order Book, Order Inflow and Revenue booking

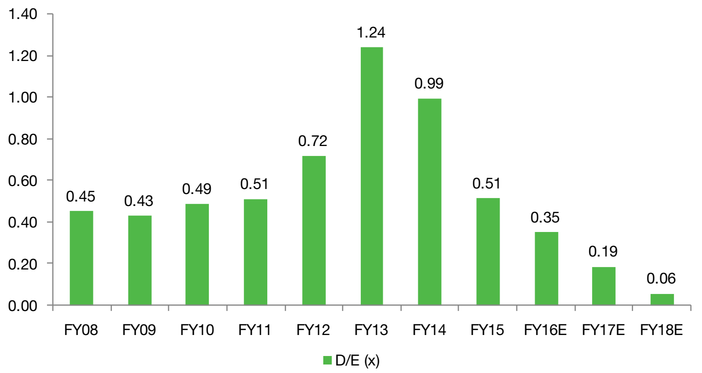
Rs bn	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16E	FY17E	FY18E
Net Order Book - Opn. Balance	19.58	26.45	30.05	34.85	32.98	25.86	24.43	33.70	36.92	45.07
Order Inflow	18.20	19.22	21.40	11.61	6.51	8.00	19.59	16.26	24.00	28.00
Revenue Booking	11.33	15.62	16.60	13.48	13.63	9.43	10.32	13.04	15.85	18.14
Net Order Book - Cl. Balance	26.45	30.05	34.85	32.98	25.86	24.43	33.70	36.92	45.07	54.94

Source: Company, RSec Research

Strengthening balance-sheet offers an edge

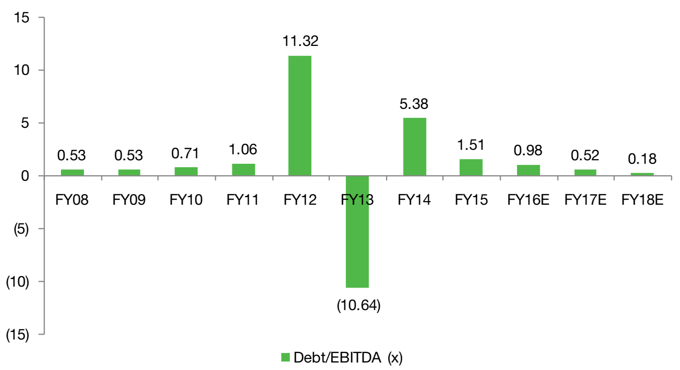
We expect ACIL's balance-sheet to strengthen further owing to improvement in working capital and completion of low margin projects. Notably, ACIL's promoters had expressed their concerns over business and deteriorating balance-sheet. Subsequently, promoter infused Rs498mn in December 2014 via preferential allotment, which was utilized to pare down short-term debts and to maintain the long-term working capital thereby reflecting promoters' confidence in its business during tough times. Going ahead, we expect ACIL's profitability to improve further on the back of possible ease in working capital and low capex. Working capital cycle stood at 42 days in FY15, which looks appealing as compared to many other construction companies and we believe further reduction is on the cards in forward years. Further, Debt/EBITDA is also expected to improve from 1.5x in FY15 to 0.5x in FY17E and 0.2x in FY18E.

Exhibit 9: D/E continues to witness improvement from FY14



Source: Company, RSec Research

Exhibit 10: Debt/EBITDA appears better than peers



Source: Company, RSec Research

Further, ACIL's healthy balance-sheet gives it an upper hand in waning competition for big ticket projects owing to consistent balance-sheet deterioration of many real estate contractors. A number of EPC (Engineering, Procurement, Construction) players are undergoing through CDR (Corporate Debt Restructuring), which makes them difficult to obtain bank guarantee and solvency certificate. Nowadays, state governments clearly mention in the tender notes that applicants must be financially sound and should not have applied for CDR. Hence, we foresee that ACIL is well placed to grab quality orders in ensuing years.

Quality and government projects to remain focus areas

Having witnessed disappointment from private projects (viz. Commonwealth Residential Projects), ACIL shifted its focus to quality government projects. Consequently, share of government projects in total order book has increased to 60% currently from 48% in FY14. The company aims to further augment the share to 70% in near term as ACIL does not foresee any substantial improvement in the capex cycle from private clients' side. Further, Institutional (schools, colleges, etc.) and affordable housing segments are likely to provide ample opportunities in coming days. We expect a sizeable opportunity coming from low cost housing projects and smart city projects. Further, urban infrastructure segment is potentially strong to offer ample opportunities to ACIL as government expects an investment of over US$650bn in the next 20 years in Urban Infrastructure projects.

Exhibit 11: A snapshot of key projects

(Rs bn)	Gross Order Book	Net Backlog
Housing Development and Infrastructure Ltd: Construction of Residential Building at Mulund, Mumbai	4.23	2.99
BCD Patna: Construction of International Convention Centre at Patna	4.17	1.34
BCD Patna: Construction of Police Head Quarters at Patna	3.35	2.74
DDA: Construction of Residential Building on design & built basis at Narela, Delhi	3.39	3.39
IIM Rohtak: Construction of Phase 1A of Permanent Campus for IIM, Rohtak	3.09	2.85
HSCC Ltd: Construction of Mother & Child, OPD Block & Other Associates Services in AIIMS Campus, New Delhi	4.98	4.94
IIITD Delhi: Construction of IIITD Campus at Okhla Phase II Delhi	2.19	2.15
CPWD: Construction of PNB Head Office Building at Dwarka, Delhi	2.03	1.29
HSCC Ltd: Construction of Emergency Block of Safdarjung Hospital	1.97	0.71
Parteek Group: Civil & Structural work of the proposed multistory group housing project, Ghaziabad	1.78	1.59
Umang Realtech P Ltd: Group Housing Project " Winter Hills" at Sector -77 Gurgaon	1.69	0.43
CPWD: Construction of Office Building of Income Tax Dept at BKC Mumbai	1.63	1.63
Brookfield: Construction of Civi Package for T-6, T-7 and T-9 at Unitech Realty Project Ltd, Gurgaon	1.54	1.54
NBCC Ltd: Construction of infrastructure Building for National Intelligence Grid at Delhi	1.54	1.54
Jasmine Buildmart: Construction of Monde De Housing at Gurgaon	1.51	1.21

Source: Company

Kota bus project to be launched in 3QFY16E

Kota Bus Project, the only BOT project of ACIL, is expected to be launched shortly. ACIL has leased out around 60% of its total leasable area (3,00,000 sq ft) and believes it would lease out around 80% by the launch of this project. The leased period of right to Commercial complex is for 40 years (30 years + 10 years extended period) from the date of completion of the project. Thereafter, the Commercial Complex will be handed over to RSRTC (Rajasthan State Road Transportation Corporation). Total cost of the project would be ~Rs720mn and till date capex incurred by ACIL are around Rs700mn. Notably, there is no debt on this particular project. However, we have not factored the cash flow and profitability from this project in our earnings estimates owing to the ambiguity about the commissioning date and revenue flow from the same.

Exhibit 12: A snapshot of Kota Bus Project

Particulars	
Project Cost (Rs mn)	720
Equity (Rs mn)	700
Debt (Rs mn)	0
Concession Period (Years)	40
Leasable Area (sa ft)	3,00,000
Revenue Source	Rental and Advertisement Revenue
Expected Inflow (Rs mn/month)	8 to 9

Source: Company

New precast technology to accelerate construction strategy in the long run

ACIL has entered into a technical pact with KUBSTROY (Russian company) for high speed precast technology. This technology helps in high speed construction of structures using patented precast systems and can be used for construction up to 22 floors in high seismic zones. ACIL is the only authorized implementing partner of KUBSTROY, Russia for all the projects executed through this technology. Presently, it is executing one project worth ~Rs1.8bn in Bahadurgarh with this technology. Given the fact that presently ~95% projects (in overall industry) are unable to meet committed delivery timelines and quality will also become an increasing concern as the scale of projects gets bigger, we foresee ACIL to adopt this technology for most of its projects in the long run. This technology aids in addressing the above issues as it ensures reducing the construction time almost by ~50% till the completion of structure. Given the healthy traction happening in the affordable housing segment especially in states viz;- Chandigarh, Madhya Pradesh, Uttar Pradesh, Maharashtra, Delhi, etc, we strongly believe that the said technology will provide an upper hand to ACIL.

Prudent approach aids to wriggle out of litigation overhang

During the period FY12-FY14, ACIL struggled with numerous litigations mainly from CWG (Commonwealth Games) project, which had put a write-off risk of over Rs1bn. However, ACIL managed well to wriggle out of these litigations owing to consistent negotiations with clients and by taking a strong stand. Notably, it has not written off a single amount till date from CWG receivables. The company has already recovered around Rs200mn from CPWD (for Talkatora Stadium Project) as on date and balance ~Rs130mn is likely to be recovered soon. Further, ~ Rs470mn receivable from Emaar MGF is still under litigation and management expects the judgment to come it in its favour.

Target Price Derivation

We recommend a BUY on the stock with a 12-month Target Price of Rs330. We have valued the company on 16x FY18E EPS, which is at premium vis-a-vis many of its peers. The premium multiple is justified in the backdrop of healthy balance-sheet and superior return ratio. ROCE and ROE are expected to be at ~30% and 23%, respectively in FY18E with D/E of 0.06x. Notably, we have not factored the potential earnings from Kota Bus Project owing to ambiguity about the estimated cash flow from the project. At the CMP, ACIL is trading at 17.6x FY17E EPS and 13.8x FY18E EPS, which appears attractive given its robust order book, sound profitability, decent cash flows, healthy balance-sheet and a convincing growth (~29% earnings CAGR over FY15-FY18E).

Exhibit 13: Peer Comparison Table

	Sales (Rs bn)		RoE (%)		EV/EBITDA (x)		P/E (x)		P/B (x)	
	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E	FY17E	FY18E
Simplex Infra.	68.2	77.6	9.5	13.3	6.6	5.8	11.2	7.1	1.0	0.9
NCC Ltd.	85.1	94.6	7.2	8.5	8.2	7.2	17.1	13.5	1.2	1.1
KNR Construction	15.3	16.7	17.6	16.9	7.4	6.7	12.4	11.4	2.0	1.8
MBL Infrastructures	23.2	27.5	13.2	13.3	5.8	5.1	8.4	7.7	1.1	1.0
JMC Projects	28.2	32.3	10.0	NA	5.3	4.5	22.8	22.0	NA	NA
J Kumar Infra.	21.1	26.5	15.3	15.4	7.9	6.3	13.9	11.1	2.0	1.6
Ahluwalia Cont.	15.8	18.1	22.4	23.0	9.5	7.7	17.6	13.8	3.6	2.9

Source: Bloomberg Consensus, RSec Research

Exhibit 14: A snapshot of Contingent Liabilities

(Rs mn)	FY14	FY15	% chg	Comment
Counter guarantees given to bankers against Bank guarantees	3,846	4,400	14.4	Increase is owing to increase in non fund finance limit, which is normal in nature
Indemnity Bonds / Performance Bonds / Surety Bonds / Corporate guarantees given to clients	1,539	944	(38.7)	Reduction is owing to completion of couple of projects, which may increase further with growing govt projects
VAT Liabilities	20	2,529	12,662	New notification due to change in ruling govt. in Delhi and Hypothetical calculation led to increase
Demand of Stamp Duty on Real Estate Project	6	6	-	
Claims against the company not acknowledged as debts	505	540	6.8	Normal nature of business
Excise Duty Demand for FY99 & FY01	1	1	-	
Service Tax demand on alleged				
Wrongful availment of abatement on account of free supply of material by the client	2,092	1,978	(5.5)	Low risk as historically verdicts have been in the favour of company in similar cases
Composition schemes	478	478	-	
Exempted projects	1,194	887	(25.7)	Arise from govt projects and change in its stance on service tax
Others	471	218	(53.6)	
Provident fund demand	546	546	-	ACIL maintains strong stand in this case and verdict still to take considerable time
Total	10,698	12,527	17.1	

Source: Company, RSec Research

Risks and Concerns

Delay in Execution: Any delay in execution owing to regulatory bottlenecks and change in scope of work may adversely impact our estimates.

Low Inflow: We have modeled an order inflow of Rs16bn, Rs24bn and Rs28bn for FY16E, FY17E and FY18E, respectively. Any failure from ACIL's part to add these inflows will hurt our revenue and profit assumptions.

Inflationary risks: Volatility in prices of inputs may cause cost overruns, affecting profitability. Besides, delay in completion of project could result in high operational costs.

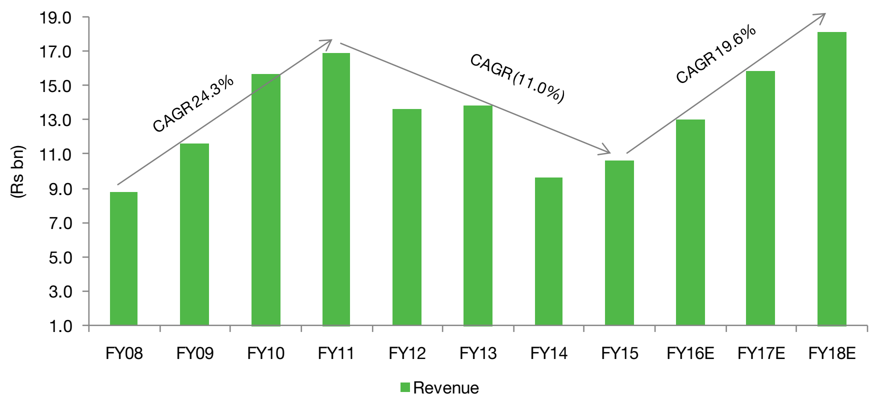
Manpower shortage: An acute shortage of manpower in project sites may impact its execution ability going forward and hence our estimates.

Financial Overview

Revenue to witness robust growth at ~20% CAGR over FY15-FY18E

We expect ACIL to gain momentum and register a revenue growth of ~20% CAGR over FY15-FY18E, mainly on account of substantial improvement in order book, revival in capex cycle with economic recovery, and pickup in execution from new added projects. We estimate its order inflow will be around Rs16bn in FY16E, Rs24bn in FY17E and Rs28bn in FY18E, thereby, taking the total net order backlog to Rs55bn at the end of FY18E. Hence, order book is expected to grow at a CAGR over 18% over FY15-FY18E.

Exhibit 15: Revenue growth over the years

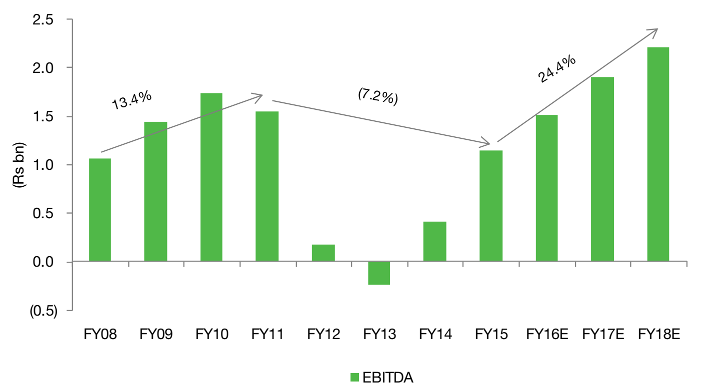


Source: Company, RSec Research

Net profit to grow ~29% CAGR over FY15-FY18E

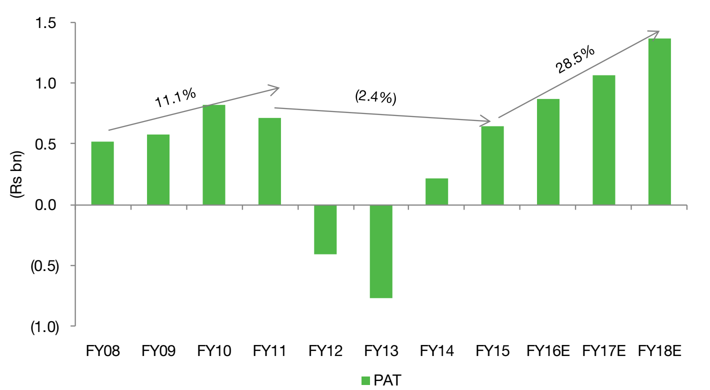
Strong growth in revenue, favorable margin scenario and consistent decline in interest costs owing to debt reduction will enable the company to witness net profit growth of ~29% CAGR over FY15-FY18E. Its EBITDA margin is expected to be at 11.6% for FY16E (up ~81bps yoy), 12.0% for FY17E (up ~40bps yoy) and 12.2% for FY18E (up ~20 bps), whereas net margins are expected to be at 6.6% and 7.4% for FY17E and FY18E, respectively, which we believe is quite strong given the environment of high interest rates and margin pressures being witnessed by overall industries.

Exhibit 16: Operating Profit over the years



Source: Company, RSec Research

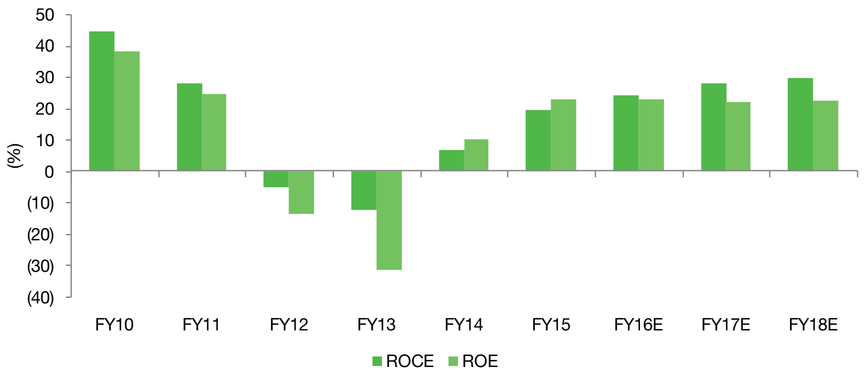
Exhibit 17: Net Profit over the years



Source: Company, RSec Research

Return ratios to improve owing to margin recovery and improving balance-sheet
Return ratio is expected to improve going ahead with an expected improvement in margins and strengthening of balance-sheet. We foresee that ACIL's stand on bidding for quality projects along with negligible fixed price contract hereon are likely to help the company to witness healthy margins. Further, improving balance-sheet due to prudent working capital management and debt reduction will aid ACIL to improve return ratio further. We expect ACIL's RoCE and ROE to be at ~30% and ~23%, respectively in FY18E. Further, D/E is likely to reduce to 0.2x in FY17E.

Exhibit 18: ROCE and ROE over the years



Source: Company, RSec Research

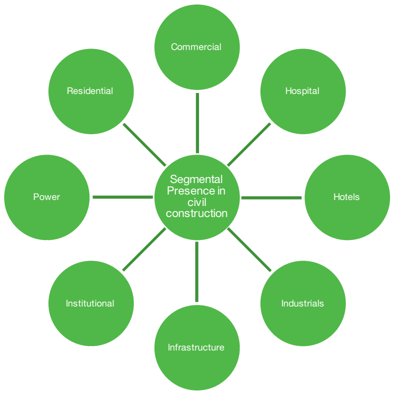
CMP (Rs)	280
Upside/ (Downside) (%)	18
Bloomberg Ticker	AHLU

Company Profile

ACIL was founded by Bikramjit Ahluwalia and incorporated on June 2, 1979 under the Companies Act as a private company by the name of Ahluwalia Contracts (India) Private Limited. In July 1979, the company acquired the business of four partnership firms engaged in construction work; Chairman and Managing Director, Bikramjit Ahluwalia, was a member of the same. The company became a deemed public limited co. by virtue of high turnover; subsequently converted itself into a public ltd company in September 1990 and changed its name to Ahluwalia Contracts (India) Ltd. It came up with IPO in 1996 at a price of Rs40.

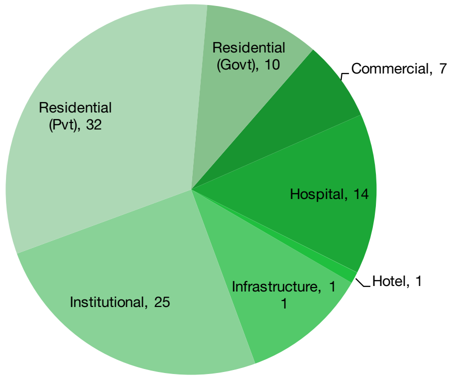
Presently, the Company is engaged in the building of Institutional Buildings and Corporate Office Complexes, Industrial Complex Buildings, Multi-storeyed Housing Complexes and Township Development projects, Hospitals, Medical Colleges, etc.

Exhibit 19: Segmental Presence



Source: Company, RSec Research

Exhibit 20: Current Order Book break up (Rs41bn)



Source: Company, RSec Research

BUY

Target Price Rs330

CMP (Rs)	280
Upside/ (Downside) (%)	18
Bloomberg Ticker	AHLU

Profit & Loss Statement

Y/E March (Rs mn)	FY15	FY16E	FY17E	FY18E
Net Sales	10,599	13,040	15,849	18,136
Total Expenditure	9,451	11,522	13,940	15,925
EBITDA	1,149	1,519	1,910	2,211
EBITDA Margin (%)	*10.8*	*11.6*	*12.0*	*12.2*
Financial Charges	386	313	241	134
Depreciation	212	219	227	234
Other Income	117	120	124	128
Extraordinary expenses	0	0	0	0
Profit before tax	668	1108	1566	1970
Total Tax	26	244	501	611
% of PBT	*3.9*	*22.0*	*32.0*	*31.0*
Profit after tax	641	864	1,065	1,360
PAT Margin (%)	*6.1*	*6.6*	*6.7*	*7.5*
Add: Share of Profit & Loss in JV/associate	0	0	0	0
Less: Minority Interest	0	0	0	0
Net Profit	641	864	1,065	1,360
EPS	9.6	12.9	15.9	20.3

BUY

Target Price Rs330

CMP (Rs)	280
Upside/ (Downside) (%)	18
Bloomberg Ticker	AHLU

Balance Sheet

Y/E March (Rs mn)	FY15	FY16E	FY17E	FY18E
Shareholders Funds				
Share Capital	134	134	134	134
Reserves and Surplus	3,242	4,106	5,122	6,434
Total	3,376	4,240	5,256	6,568
Loan Funds				
Secured Loans	1,479	1,399	899	299
Unsecured Loans	252	90	90	90
Total	1,731	1,489	989	389
TOTAL	5,107	5,729	6,246	6,957
Application of Funds				
Fixed Assets				
Gross Block	4,129	4,279	4,459	4,559
Less: Depreciation	2,181	2,400	2,627	2,862
Net Block	1,948	1,879	1,832	1,698
Capital Work-in Progress	0	0	0	0
Investments	63	63	63	63
Current Assets, Loans and Advances				
Inventories	1,665	2,036	2,475	2,832
Sundry debtors	4,820	5,716	6,296	7,205
Cash and bank balances	764	1,153	1,660	2,137
Loans and advances	1,009	1,242	1,509	1,727
Total	8,258	10,147	11,940	13,901
Less: Current Liabilities and Provisions				
Current Liabilities	5,271	6,440	7,638	8,726
Provisions	45	75	105	133
Total	5,316	6,514	7,744	8,859
Net Current Assets	2,942	3,633	4,197	5,042
Misc. Expenditure not written off	0	0	0	0
Deferred Tax Asset (Net)	154	154	154	154
TOTAL	5,107	5,729	6,246	6,957

Cash Flow Statement

Y/E March (Rs mn)	FY15	FY16E	FY17E	FY18E
A. Cash Flow from Operating Activities				
Profit after tax	668	1,108	1,566	1,970
Depreciation	212	219	227	234
Other adjustments	-	-	-	-
Working Capital changes	(475)	(302)	(57)	(368)
Net Cash from Operating Activities	405	1,025	1,736	1,837
B. Cash flow from Investing Activities:				
Capital Expenditure	(113)	(150)	(180)	(100)
Investments	(49)	-	-	-
Net Cash from Investing Activities	(161)	(150)	(180)	(100)
C. Cash flow from Financing Activities				
Net borrowing	(514)	(242)	(500)	(600)
Net dividend and others	-	-	(48)	(48)
Net Cash from Financing Activities	(514)	(242)	(548)	(648)
Net Inc./(Dec.) in Cash & Cash Equivalents	210	389	507	478
Opening Balance	553	764	1,153	1,660
Closing Balance	764	1,153	1,660	2,137

Key Ratios

Y/E March	FY15	FY16E	FY17E	FY18E
Valuation Matrix				
Price / Adj Earnings (x)	29.2	21.7	17.6	13.8
Price / CEPS (x)	22.0	17.3	14.5	11.8
Price / BV (x)	5.6	4.4	3.6	2.9
EV / EBITDA (x)	17.2	12.6	9.5	7.7
EV / Sales (x)	1.9	1.5	1.1	0.9
EPS (Rs)	9.6	12.9	15.9	20.3
CEPS (Rs)	12.7	16.2	19.3	23.8
Book Value	50.4	63.3	78.5	98.0
ROE (%)	22.8	22.7	22.4	23.0
ROCE (%)	19.5	24.0	28.1	29.9
Solvency Ratio (x)				
Total Debt / Equity (x)	0.5	0.4	0.2	0.06
Debt / EBITDA	1.5	1.0	0.5	0.2
Debt / Capital Emp.	0.3	0.3	0.2	0.1
Capital Emp / Net Worth	1.5	1.4	1.2	1.1
Turnover Ratio (x)				
Asset Turnover Ratio	2.1	2.3	2.5	2.6
Fixed Asset Turnover Ratio	2.6	3.0	3.6	4.0
Working Capital Ratio (x)				
Current Ratio	1.6	1.6	1.5	1.6
Working Capital to Sales	0.3	0.3	0.3	0.3
Inventory (days)	57	57	57	57
Debtors (days)	166	160	145	145
Creditors (days)	182	180	176	176
Working Capital Cycle (Days)	42	37	26	26
Margin Ratio (%)				
EBITDA Margin	10.8	11.6	12.0	12.2
EBIT Margin	8.8	10.0	10.6	10.9
PBT Margin	6.3	8.5	9.9	10.9
PAT Margin	6.1	6.6	6.7	7.5