

30 August 2024

India | Equity Research | Company Update

## Reliance Industries

Oil & Gas

### 47th AGM takeaways: Digital, new energy take centre stage

Chairman of Reliance Industries (RIL), Mr. Mukesh Ambani (MDA) laid out an ambitious roadmap to double the company's current size by FY28, with material growth plans for digital services and retail while scaling up its new energy segment. MDA highlighted RIL's intent to double revenue/EBITDA from retail and JIO over the next 3–4 years along with making the new energy business equivalent to its OTC segment in 5–7 years (OTC EBITDA in FY24 at INR 624bn), which we believe is ambitious given the announced investment plans (excluding power generation capex) of INR 750bn in the segment. Stellar EPS growth (estimated CAGR of 14.2% over FY25–27) and the 1:1 bonus issue notwithstanding, our cautious stance remains unchanged, owing to high multiples, muted FCF yields and return ratios. Reiterate **HOLD**.

### Digital services to be growth engine

MDA highlighted stellar growth in digital services (JIO) in the last few years, with JIO now at 490mn subs, carrying ~8% of global mobile traffic and responsible for 33% of consol. EBITDA as of FY24. He highlighted the focus of RIL to emerge as a "deep tech" powerhouse, leveraging the same to create new revenue/earnings streams and improving service offerings/efficiency. RIL also aims to invest meaningfully in developing AI capabilities and infra with gigawatt-ready data centres in Jamnagar one of the intended outcomes of this focus.

### Retail – infra, tech enabling global scale

RIL's retail business is now among the top 30 retailers globally by revenue, enabled by an investment of INR 1.25trn seen over FY20–24, evident in the 19k stores across 80mn sq.ft. in 7,000-plus cities. RIL retail now has a registered customer base of >300mn, >4mn merchant partnerships and multiple brands doing revenues of > INR 10bn with aggressive logistics investments in the last few years improving delivery efficiencies. Here too, management pointed to the use of "deep tech" in adding value to operations, with use of data-driven analytics, robotics-driven warehouse solutions and tech usage to enhance customer experiences.

### Financial Summary

Y/E March (INR bn)	FY24A	FY25E	FY26E	FY27E
Net Revenue	9,145	10,381	11,188	12,022
EBITDA	1,622	1,717	1,946	2,134
EBITDA %	17.7	16.5	17.4	17.7
Net Profit	696	722	842	942
EPS (INR)	102.9	106.8	124.5	139.2
EPS % Chg YoY	5.0	3.8	16.6	11.8
P/E (x)	29.6	28.5	24.4	21.8
EV/EBITDA (x)	12.1	10.9	9.4	8.3
RoCE (Pre-tax) (%)	8.4	8.0	8.7	9.4
RoE (%)	9.2	8.4	8.8	9.0

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#### Market Data

Market Cap (INR)	20,582bn
Market Cap (USD)	2,45,371mn
Bloomberg Code	RELIANCE IN
Reuters Code	RELI.BO
52-week Range (INR)	3,218 / 2,220
Free Float (%)	50.0
ADTV-3M (mn) (USD)	229.7

Price Performance (%)	3m	6m	12m
Absolute	5.6	4.1	25.7
Relative to Sensex	(4.7)	(9.2)	(0.5)

#### Previous Reports

13-08-2024: [Company Update](#)

21-07-2024: [Q1FY25 results review](#)

### **New energy – contours becoming clearer**

Post the first announcement of the new energy plans in RIL's 45<sup>th</sup> AGM in FY22 and the intended capex plan of INR 750bn, specific guidance on this segment has been limited. MDA sought to provide a clearer vision of this segment in this AGM. The stated intent to make this segment as large as the OTC segment is laudable; but we do believe that achievement of this plan would involve a much larger investment vs. the INR 750bn announced initially.

MDA highlighted multiple projects designed to create an integrated manufacturing ecosystem: 1) Solar (enabling solar facilities for 10GW power capacity). 2) Batteries (30GWh capacity facilities shall be set up in the next 1–2 years). 3) Hydrogen electrolyser manufacturing (multi-GW facility likely to be ready by CY26). We believe that the initial investment is likely to be augmented materially over the next few years, given the ambition of generating INR 500bn-plus EBITDA from this segment by CY30 (OTC segment EBITDA average over FY19–24 of INR 555bn).

### **Media and entertainment – multiple growth drivers**

RIL announced several new initiatives for the home broadband and JIO ecosystem, including a brand-new OS for JIO set-top boxes, which is an easy-to-use system supporting the highest quality audio/video and also has a revamped voice assistant. A new App store and IoT offerings round out the home offerings. JIO Cinema is set to see a paradigm shift with the approval of the merger with Disney's India operations, with access to the massive content library of Disney and HBO, Paramount, and NBCU. RIL is also seeing good growth in its news channels and GEC channels.

### **OTC business – robust cash flows help sustain relevance**

While the emphasis on new age businesses is undoubted, the OTC business remains the most profitable from a cash flow perspective – legacy investments and strong integration of operations enable this segment to remain a key component of group earnings. RIL announced new capacity expansions in the petchem value chain, targeting to add 1.5mtpa of PVC/CPVC capacities, 1mt of specialty polyester capacity and 3mtpa of PTA capacity by FY27. RIL is also growing its ethane sourcing from the USA, adding three more VLEC to its existing fleet of six – this will potentially add 1.9mt of ethane-based petchem output by FY27E.

### **Valuations and view – FCF improvement to stay elusive; retain HOLD**

The aggressive growth plans, coupled with proven execution capabilities create an enabling environment for strong EPS growth over the next 5–7 years, underpinning MDA's vision to grow the business 2x by FY28.

We model steady growth across segments in our current estimates, with EPS CAGR at 14.2% over FY25–27E. Our cautious stance, however, remains unchanged given the potential for aggressive "New Energy" capex beyond the currently announced INR 750bn and continued expansion of Retail/JIO infra, implying that FCF yield/RoCE improvement will likely remain back ended. Reiterate **HOLD**.

#### **Upside key risks**

Stronger OTC margin, lower capex, stronger ARPU growth in RJio, and faster-than-estimated execution on green energy plans.

#### **Downside key risks**

Weaker OTC margins, slower growth in retail, delay in execution of new energy business.

## Reliance AGM key takeaways

### Digital services

- Jio's network now carries nearly 8% of global mobile traffic.
- Jio's current data prices are **one-fourth that of the global average and just 10% of that in developed countries**. It has 490mn customers using an average 30GB data per month.
- It holds over 350 patents in 5G and 6G technologies alone.
- In **home broadband services**, it has launched **JioAirFiber, 5G-based home broadband** service in Oct'23. In six months, it added 1mn customers and acquired another 1mn customers in just 100 days. The company targets to **add a million homes every 30 days** and reach **100mn home-broadband customers**. It also targets to add over 20mn small and medium businesses in the near term.
- **Jio Brain is envisaged to accelerate AI (artificial intelligence) adoption across Jio, driving faster decisions, more accurate predictions, and better understanding of customer needs**. It plans to establish gigawatt scale AI-ready data centres in Jamnagar.
- With Jio's 'AI Everywhere for Everyone' vision, the company is committed to democratizing AI, **offering powerful AI models and services to everyone in India at the most affordable prices**. It can find usage in retail (inventory management), healthcare (assist doctors in diagnosing diseases), entertainment, agriculture (weather patterns, soil health, and crop growth) etc.
- The company has **announced Jio 100 GB of free cloud storage**, to securely store and access all photos, videos, documents, all other digital content, and data for JIO users.
- **The company expect to double revenue and EBITDA from the JIO segment in next 3–4 years.**

### Retail

- Reliance Retail holds the leading position in India's retail sector and has achieved world scale in operations/revenue in a very short period. It is among the **top 5 global retailers in terms of store counts, top 10 retailers in terms of market capitalisation, top 20 in terms of number of employees and top 30 in terms of revenue**.
- Retail division raised INR 178bn with a **valuation milestone of USD 100bn**.
- It has built up multiple channels to serve customers through ~19,000 own-stores with ~80mn sq.ft. across 7,000-plus cities and 4mn kirana partners.
- It uses deep tech with real-time dashboards, and integrated AI workflows to make operations AI-enabled across the value chain.
- During the year revenue/EBITDA/PAT grew **17.8%/28.4%/21% YoY; EBITDA margins of 8.5%**, up 70bps YoY.
- **The company expect to double revenue and EBITDA from this segment in next 3–4 years.**

### Media

- Media business **achieved revenue of INR 100bn (USD 1.2 bn) in FY24, growing 49% YoY, best among peers**.
- RIL's offering for Home entertainment JioTV+ aims to bring multiple entertainment avenues including **live TV, on-demand shows, and apps together in one easy-to-use platform**. With JioTV+, one can get access to **over 860 live TV channels, plus the best content from apps like Amazon Prime Video, Disney+ Hotstar in one single offering**.

- Jio Cinema, RIL's OTT offering, now reaches 620mn viewers with its newly launched subscription plan at 15mn subscribers in just 100 days of launch.
- JIO's paid subscription offers OTT originals, movies, reality shows and content from HBO, Paramount and NBCU.
- The partnership with **Disney creates a dominant media entity, with access to a massive content library and the most expansive sports rights in India.**
- RIL aims to make this segment into a material growth driver over the next few years, with a dominant position in OTT and satellite TV.

### E&P

- **KG D6 fields currently produce 30mmscmd of gas and 22kb/d of oil** and has achieved peak level production from the current fields. Reliance now produces 30% of India's domestic gas production.
- RIL has successfully **commenced with six deep-water fields and delivered timely commencement of the MJ field despite various challenges.**
- They have acquired the **KG-UDW2 block under the OALPVIII licensing round and have planned exploratory wells in the KG basin.**
- In CBM (Coal Bed Methane) space, it **has drilled multilateral wells for the first time in India – boosting well productivity by 4x.**

### Retail Fuels – JIO-BP

- JIO-BP has started with a new campaign **“you deserve more” – offering high-performance diesel that delivers 4.3% extra mileage per liter, as per management.**
- JIO-BP has **rapidly grown its EV charging network, with over 4,800 charge points across the country.**
- It has doubled market share in ATF (aviation turbine fuels) in the last few years.

### Oil to chemicals (OTC)

- The merging of **refining and petchem segment into ‘oil to chemical’ has led to operational improvements for RIL.**
- In chemicals, the company **commissioned a new column to enhance ethylene oxide capacity by 45 KTPA – increasing capacity by 15% and also integrated polyester capacities through strategic acquisitions.**
- The company is planning to **set up an integrated Vinyl value chain of 1.5mmt with PVC and CPVC plants at Dahej and Nagothane,** which are expected to come on stream by CY27. It is also adding polyester capacity of 1mmt with 3mmt backward integration of PTA, which shall commence operation by CY27.
- It is also setting up an integrated carbon fiber plant in Hazira, which should rank among the top three players globally.
- It plans to **add three very large ethane carriers to its existing fleet of six for sourcing ethane from North America.**

### New energy

- The Dhirubhai Ambani **Green Energy Giga Manufacturing Complex is slated to be the world's largest modular and integrated ecosystem at a single location.** The company is on track to **fully-commit and invest up to INR 750bn to establish this manufacturing ecosystem,** extensively enabled by all emerging technologies including AI, IoT, machine learning and robotics.
- The company is rapidly scaling up investment **in bio energy to reach 55 integrated CBG plants by CY25.** This should increase farmers' incomes and generate 30,000 direct and indirect jobs. It has initiated an energy plantation pilot on 1,000 acres of arid wasteland to establish a first-of-its kind integrated CBG plant

- Reliance has begun construction of **an integrated advanced chemistry-based battery manufacturing facility with a 30GWh annual capacity at Jamnagar – production shall commence by H2CY26.**
- BY end-CY25, Reliance **will likely commence with the production of its own solar photo voltaic (PV) modules.** In the following quarters, the company aims to complete the first phase of its integrated solar production facilities, **which includes modules, cells, glass, wafer, ingot, and polysilicon, with an initial annual capacity of 10GW.**
- **In the next 5–7 years, new energy growth engine can aim to deliver an earning capacity like its existing O2C (oil to chemical) business which achieved in last 4 decades**
- RIL has also begun work on establishing a fully-automated, multi-GW **electrolyser manufacturing facility on the west coast of India, which will likely be ready by CY26.** This giga-factory will be fully adaptable, capable of supporting various technologies such as Alkaline, PEM, and AEM
- They have also begun significant project development work and are building own transmission infrastructure to bring online solar generation projects that will deliver **stable, renewable energy on a round-the-clock basis (RE-RTC) at GW scale, in a phased manner commencing CY26.**
- RIL recently secured access to nearly **2,000 acres of land at Kandla port, which complements existing marine infrastructure at Jamnagar.** This should provide a competitive advantage for the production, storage, evacuation, and shipping of green fuels to various markets in India and across the globe.
- In CY23, India **generated 1,600bn units of electricity, which will likely double in the next ten years;** green and clean energy need to have the lion's share in this growth. RIL leased arid wasteland in Kutch, just **250kms from Jamnagar.** **This wasteland can potentially generate about 150bn units of electricity in the next ten years — providing nearly 10% of India's energy requirements.**

#### Others

- The company **has announced bonus issue of 1:1, for which board meeting is scheduled on 5 Sep'24.** This should result in an increase in equity capital by **INR 67.7bn** and reserve to reduce by similar amount. Adjusted EPS post bonus issue, shall be **INR 53.4/62.2/69.6** per share for **FY25E/26E/27E**
- Reliance has invested **more than INR 5.28trn (USD 66bn) cumulatively across businesses in the last three years.**
- Reliance floated the **financial services business as a separately listed company, which helped unlock significant value for investors.** Today, **Jio Financial Services is worth ~INR 2.2trn (USD 26bn) in market capitalisation.**

**Exhibit 1: Reliance’s New Energy business – at announced investment of INR 750bn can generate ~165bn EBITDA, 1/3<sup>rd</sup> of OTC EBITDA levels**

RELIANCE New Energy scenarios				
Investment estimated INR bn	700.0	750.0	912.0	1,140.0
Target RoCE (pre Tax)	18.0%	18.0%	18.0%	18.0%
Implied Pre Tax EBIT	126.0	135.0	164.2	205.2
Depreciation @4%	28.0	30.0	36.5	45.6
Implied EBITDA	154.0	165.0	200.6	250.8
Implied EBITDA USD bn	1.9	2.0	2.4	3.0
Interest costs (assuming a 70:30 DER, 5% COD)	24.5	26.3	31.9	39.9
PBT (ex of Other income) INR bn	129.5	138.8	168.7	210.9
PBT (USD bn)	1.6	1.7	2.0	2.5

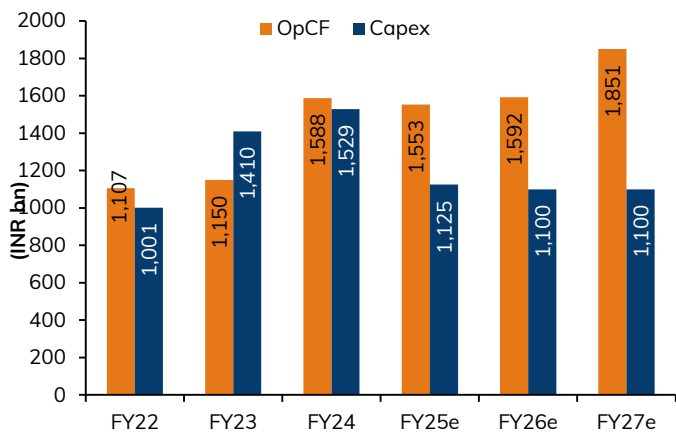
Source: Company data, I-Sec research

**Exhibit 2: Capex mix changes, but absolute levels remain elevated – we expect more of the same in the next 2–3 years**

INR bn	FY19	FY20	FY21	FY22	FY23	FY24
O2C	156	181	79	79	191	203
Oil & Gas	59	31	39	55	47	34
Retail	50	93	103	299	514	245
Digital Services	885	390	360	369	585	574
Financial Services			0.2	0.5	0.0	0.0
Others	158	107	183	136	47	237
Unallocable	17	3	33	57	33	25
Total Capex	1,324	805	797	995	1,418	1,318

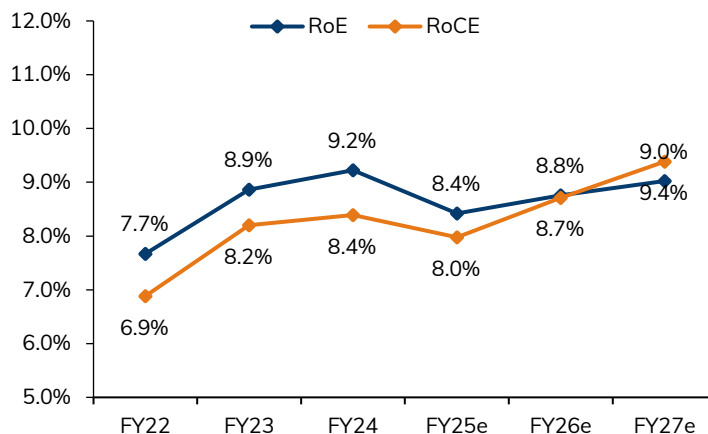
Source: Company data, I-Sec research,

**Exhibit 3: Operating cashflow good enough for capex**



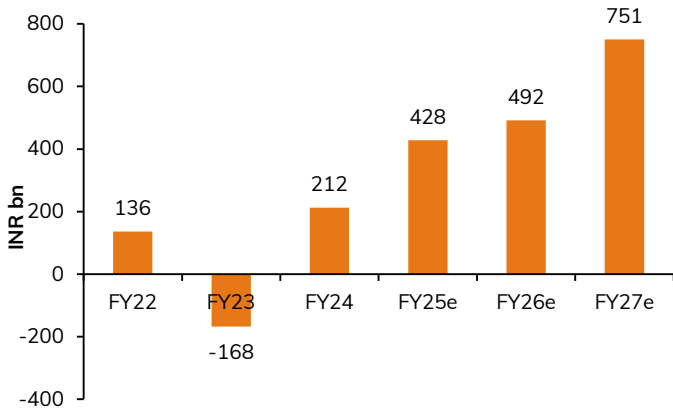
Source: Company data, I-Sec research

**Exhibit 4: But muted return ratios to persist**



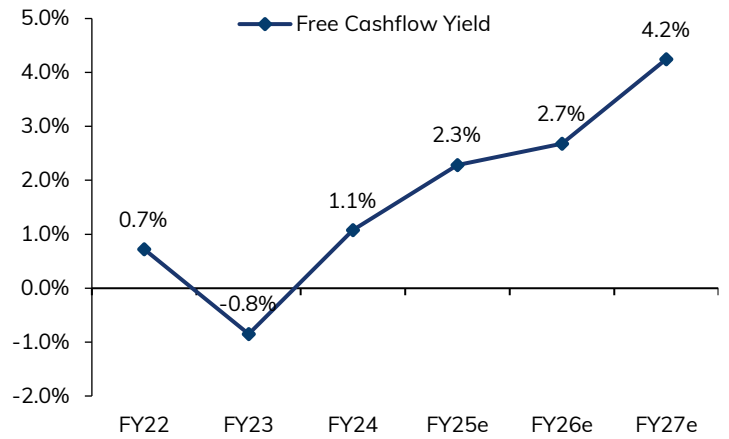
Source: Company data, I-Sec research

**Exhibit 5: Free cashflow to rise gradually...**



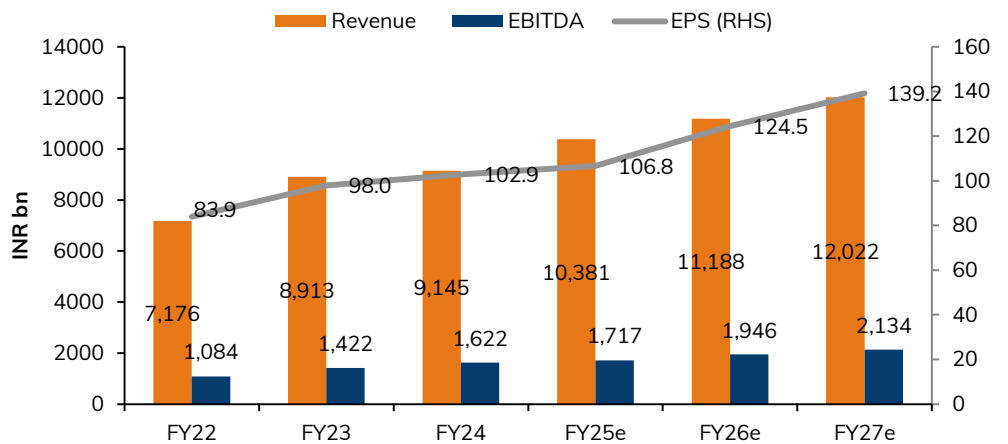
Source: Company data, I-Sec research

**Exhibit 6: ...but FCF yields to remain at low levels**



Source: Company data, I-Sec research

**Exhibit 7: EBITDA and profitability CAGRs at ~11.5–14% for FY24–27E**



Source: Company data, I-Sec research

### Risk-reward remains balanced; TP of INR 2970/sh, HOLD

We are strongly optimistic on the prospects of Reliance’s green energy business and see robust momentum in its consumer business segments over the next 12–18 months. However, we believe current multiples are at a ‘zero things can go wrong’ scenario, one which we do not find tenable. Reliance has, for the last three years, consistently shown a decline in key return ratios – RoE/RoCE staying at sub-10 or low double-digit levels throughout FY19–27E; dividend payout too was low despite strong earnings.

From an investment standpoint, muted return ratios coupled with higher multiples, which underplays all risks (lower margins, green energy execution/scale/timelines falling short), should be a reason to exercise caution. Our valuation ascribes the value of mid-upcycle EV/EBITDA multiples to OTC, peer-leading multiples for Rjio, strong EV/EBITDA multiples for retail and 1.5x capital employed to ‘new energy’ segment. Our FY27E-based SoTP value is at INR 2,970, implying ~2% downside from CMP. We reiterate **HOLD**.

### Exhibit 8: Reliance’s SoTP-based valuation

Business	Valuation measure used	USD (bn)	INR (bn)	INR/share
Petrochemicals	6.5x Avg of FY27E EV/EBITDA	17.9	1,500	222
Refining	6.5x Avg of FY27E EV/EBITDA	30.7	2,580	381
Exploration & production	DCF	6.0	501	74
Media	Disney at recent deal	4.5	374	55
Retail	37x FY27E EV/EBITDA	107.3	9,013	1,332
Telecom	67% of Rjio DCF value +Digital Services FV	73.5	6,171	912
New Energy	1.5x Capital employed	13.4	1,125	166
<b>Total EV</b>		<b>253.1</b>	<b>21,263</b>	<b>3,143</b>
Less: net debt		13.9	1,169	173
<b>Sum of parts valuation</b>		<b>239.2</b>	<b>20,094</b>	<b>2,970</b>
<b>CMP</b>				<b>3042</b>
<b>Upside / (downside)</b>				<b>-2%</b>

Source: Company data, I-Sec research

### Exhibit 9: Shareholding pattern

%	Dec'23	Mar'24	Jun'24
Promoters	50.3	50.3	50.3
Institutional investors	38.9	39.2	39.2
MFs and others	7.9	8.5	8.9
FIs/ Banks	0.1	0.0	0.0
Insurance	8.6	8.5	8.4
FIIIs	22.3	22.2	21.9
Others	10.8	10.5	10.5

Source: Bloomberg, I-Sec research

### Exhibit 10: Price chart



Source: Bloomberg, I-Sec research



## Financial Summary

### Exhibit 11: Profit & Loss

(INR bn, year ending March)

	FY24A	FY25E	FY26E	FY27E
<b>Net Sales</b>	<b>9,145</b>	<b>10,381</b>	<b>11,188</b>	<b>12,022</b>
<b>EBITDA</b>	<b>1,622</b>	<b>1,717</b>	<b>1,946</b>	<b>2,134</b>
EBITDA Margin (%)	17.7	16.5	17.4	17.7
Depreciation & Amortization	508	575	633	664
EBIT	1,114	1,142	1,313	1,470
Interest expenditure	231	213	193	175
Other Non-operating Income	161	155	159	162
<b>PBT</b>	<b>1,047</b>	<b>1,088</b>	<b>1,283</b>	<b>1,462</b>
<b>Profit / (Loss) from Associates</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
Less: Taxes	257	274	323	368
PAT	786	810	956	1,090
Less: Minority Interest	94	92	118	152
<b>Net Income (Reported)</b>	<b>696</b>	<b>722</b>	<b>842</b>	<b>942</b>
Extraordinaries (Net)	-	-	-	-
<b>Recurring Net Income</b>	<b>696</b>	<b>722</b>	<b>842</b>	<b>942</b>

Source Company data, I-Sec research

### Exhibit 12: Balance sheet

(INR bn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Total Current Assets	3,639	4,263	4,391	4,846
of which cash & bank	972	1,551	1,563	1,873
Total Current Liabilities & Provisions	3,035	3,181	3,268	3,493
<b>Net Current Assets</b>	<b>604</b>	<b>1,082</b>	<b>1,123</b>	<b>1,353</b>
Other Non Current Assets	-	-	-	-
Net Fixed Assets	7,800	8,100	8,267	8,403
Other Fixed Assets	-	-	-	-
Capital Work in Progress	3,389	3,639	3,939	4,239
Non Investment	1,670	1,661	1,661	1,661
Current Investment	1,062	1,062	1,062	1,062
Deferred Tax assets	-	-	-	-
<b>Total Assets</b>	<b>14,524</b>	<b>15,544</b>	<b>16,052</b>	<b>16,718</b>
<b>Liabilities</b>				
<b>Borrowings</b>	<b>4,544</b>	<b>4,178</b>	<b>3,794</b>	<b>3,433</b>
<b>Deferred Tax Liability</b>	<b>722</b>	<b>722</b>	<b>722</b>	<b>722</b>
Lease Liability	-	-	-	-
Other Liabilities	-	-	-	-
Equity Share Capital	68	700	700	700
Reserves & Surplus*	7,867	8,529	9,303	10,178
<b>Total Net Worth</b>	<b>7,935</b>	<b>9,229</b>	<b>10,003</b>	<b>10,878</b>
Minority Interest	1,323	1,415	1,533	1,684
<b>Total Liabilities</b>	<b>14,524</b>	<b>15,544</b>	<b>16,052</b>	<b>16,718</b>

Source Company data, I-Sec research

### Exhibit 13: Quarterly trend

(INR mn, year ending March)

	Sep-23	Dec-23	Mar-24	Jun-24
Net Sales	2,319	2,251	2,365	2,318
% growth (YOY)	1%	4%	11%	12%
EBITDA	410	407	425	388
Margin %	17.7	18.1	18.0	16.7
Other Income	38.4	38.7	45.3	39.8
Extraordinaries	-	-	-	-
Adjusted Net Profit	173.9	172.7	189.5	151.4

Source Company data, I-Sec research

### Exhibit 14: Cashflow statement

(INR bn, year ending March)

	FY24A	FY25E	FY26E	FY27E
<b>Cash Flow from operation before working Capital</b>	<b>1,644</b>	<b>1,721</b>	<b>1,950</b>	<b>2,138</b>
Working Capital Changes	64	107	(35)	81
Tax	(120)	(274)	(323)	(368)
<b>Operating Cashflow</b>	<b>1,588</b>	<b>1,553</b>	<b>1,592</b>	<b>1,851</b>
Capital Commitments	(1,376)	(1,125)	(1,100)	(1,100)
<b>Free Cashflow</b>	<b>212</b>	<b>428</b>	<b>492</b>	<b>751</b>
Others CFI	233	164	159	162
<b>Cashflow from Investing Activities</b>	<b>(1,143)</b>	<b>(961)</b>	<b>(941)</b>	<b>(938)</b>
Inc (Dec) in Borrowings	68	(366)	(384)	(360)
Interest Cost	(372)	(213)	(193)	(175)
Others	137	565	(61)	(68)
<b>Cash flow from Financing Activities</b>	<b>(166)</b>	<b>(14)</b>	<b>(638)</b>	<b>(603)</b>
<b>Chg. in Cash &amp; Bank balance</b>	<b>286</b>	<b>578</b>	<b>12</b>	<b>310</b>
Closing cash & balance	972	1,551	1,563	1,873

Source Company data, I-Sec research

### Exhibit 15: Key ratios

(Year ending March)

	FY24A	FY25E	FY26E	FY27E
<b>Per Share Data (INR)</b>				
Recurring EPS	102.9	106.8	124.5	139.2
Diluted EPS	102.9	106.8	124.5	139.2
Recurring Cash EPS	178.0	191.7	218.0	237.4
Dividend per share (DPS)	10.0	9.0	10.0	10.0
Book Value per share (BV)	1,172.7	1,364.0	1,478.5	1,607.7
Dividend Payout (%)	9.7	8.4	8.0	7.2
<b>Growth (%)</b>				
Net Sales	2.6	13.5	7.8	7.5
EBITDA	14.1	5.8	13.4	9.6
EPS	5.0	3.8	16.6	11.8
<b>Valuation Ratios (x)</b>				
P/E	29.6	28.5	24.4	21.8
P/CEPS	17.1	15.9	14.0	12.8
P/BV	2.6	2.2	2.1	1.9
EV / EBITDA	12.1	10.9	9.4	8.3
EV / Operating Income	15.4	14.5	12.5	10.8
Dividend Yield (%)	0.3	0.3	0.3	0.3
<b>Operating Ratios</b>				
EBITDA Margins (%)	17.7	16.5	17.4	17.7
Effective Tax Rate (%)	24.6	25.3	25.2	25.2
Net Profit Margins (%)	7.6	7.0	7.5	7.8
NWC / Total Assets (%)	4.2	7.0	7.0	8.1
Fixed Asset Turnover (x)	0.9	0.9	0.9	0.9
Working Capital Days	0.3	(3.9)	(1.5)	(4.0)
Net Debt / Equity %	31.6	17.0	11.7	4.6
<b>Profitability Ratios</b>				
RoCE (%)	6.3	6.0	6.5	7.0
RoCE (Pre-tax) (%)	8.4	8.0	8.7	9.4
RoE (%)	9.2	8.4	8.8	9.0

Source Company data, I-Sec research

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