

BUY
 TP: Rs 14,401 | ▲ 20%

ULTRATECH CEMENT

Cement

28 April 2026

Visibility gearing for a strong medium-term leap

- Volume growth strong at ~16% YoY to ~42.5mt with capacity utilization at 89%, competitive pressure dampens realisations (-1% YoY)
- Fuel and packaging cost pressure margins despite cost saving measure with green power (43%) and lead distance 367km (-18km YoY)
- Revise FY27E/FY28E EBITDA (-2%/+1%) EBITDA/PAT CAGR ~28% each for FY27/FY28. Value at 18x EV/EBITDA, revise TP to Rs 14,401 BUY

Volume drives growth, pricing pressure persist: UTCEM reported healthy ~16% YoY growth in revenue to ~Rs246bn in Q4FY26, driven by strong volume gains. Grey cement volumes rose ~16% YoY to ~42.5mt, with domestic capacity utilisation robust at 89% (vs 90% YoY). White cement volumes stayed healthy, up ~15% YoY. Grey cement realisations fell by ~1% YoY to ~Rs4,926/t, impacted by competitive intensity. UTCEM indicated ~2.5% price gains in Q1FY27 absorbed by the industry.

Cost inflation pressures operating leverage: Operating costs jumped ~2% YoY to ~Rs4,618/t, driven by external raw material purchases and other expenses inflation. RM cost (adjusted for energy) rose ~4% YoY, while other cost/tn rose ~7% YoY. However, energy costs remained well controlled despite blended fuel cost increasing to Rs1.77/kcal (vs Rs1.75/kcal YoY), supported by a higher green power mix (~43% vs ~36% YoY), improved AFR usage and better fuel optimisation.

Margins under pressure; acquired assets turn accretive: EBITDA gained ~8% YoY to ~Rs49.6bn, though EBITDA margin fell by ~160bps YoY to 20.2% on account of cost inflation partly offset by healthy operating leverage. EBITDA/tn fell ~7% YoY to Rs1,167/t. However, UTCEM indicated domestic standalone operations delivered ~Rs1,240/t excluding one-off bag cost inflation and forex MTM impact.

Expansion as per schedule: UTCEM domestic capacity crossed 200.1mtpa while global capacity is at 205.5mtpa. The next phase of expansion plan is laid out targeting to add~37mtpa and taking capacity to 242.5mtpa by FY28.

Revise earnings, no change in valuations: We revise our FY27E/FY28E EBITDA (-6%/-5%) to recalibrate demand supply dynamics and the cost inflation due to middle-east tension. We also introduce FY29 earnings and our FY26-FY29E CAGR is baked at 13%/20%/20% for Revenue/EBITDA/PAT. UTCEM is focused on saving cost, to prepare it for short/long-term industry challenges and is the correct strategy over chasing prices. Given the healthy cost measures, strong growth and a steady balance sheet, we continue to assign UTCEM 18x EV/EBITDA multiple (rolling over to March 2028) to arrive at TP of Rs14,401 (from Rs 14,794) and maintain BUY.

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Key changes

Target	Rating
▼	◀ ▶

Ticker/Price	UTCEM IN/Rs 12,010
Market cap	US\$ 36.8bn
Free float	40%
3M ADV	US\$ 39.4mn
52wk high/low	Rs 13,110/Rs 10,325
Promoter/FPI/DII	60%/15%/17%

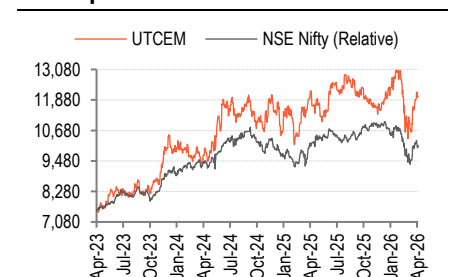
Source: NSE | Price as of 27 Apr 2026

Key financials

Y/E 31 Mar	FY26P	FY27E	FY28E
Total revenue (Rs mn)	8,21,697	9,64,853	10,69,432
EBITDA (Rs mn)	1,65,775	2,01,264	2,39,905
Adj. net profit (Rs mn)	75,090	89,489	1,07,330
Adj. EPS (Rs)	254.8	303.7	364.2
Consensus EPS (Rs)	254.8	343.6	412.8
Adj. ROAE (%)	10.4	12.0	13.7
Adj. P/E (x)	47.1	39.5	33.0
EV/EBITDA (x)	21.8	17.9	14.9
Adj. EPS growth (%)	17.1	19.2	19.9

Source: Company, Bloomberg, BOBCAPS Research

Stock performance



Source: NSE



Fig 1 – Earnings call highlights

Parameter	Q4FY26	Q3FY26	Our view
Volumes and realisations	<p>UTCCEM's consolidated sales volumes crossed ~44mt, while domestic grey cement sales volumes came at 42.4mt, rising ~9.3% YoY. Capacity utilisation was stable at ~89% vs ~90% YoY (~77% in Q3FY26). Management iterated that UltraTech brand volumes grew ~19% YoY. Trade mix remained stable at ~66%, on the back of stable rural demand. Industry demand growth for Q4FY26 is estimated at ~6–7% while the full year growth at ~6.5%. UTCCEM expects to continue outperforming industry growth and is targeting double-digit volume growth in FY27.</p>	<p>UTCCEM's consolidated volume grew by 15% YoY including India Cements (2.59 mt, +25% YoY). Domestic grey cement markets grew 29.4% YoY ex-acquired volumes in base. Capacity utilisation improved to ~77% vs 72% YoY. Management indicated utilisation could exceed 90% in Q4FY26. Trade volumes remained resilient, indicating stable rural demand. Cement realisations declined ~6%/2% YoY/QoQ. Price competition in select regions and limited pricing traction outside the South. Management indicated pricing recovery has begun in Jan'26, with Rs3–4/bag improvement in net realisations (~Rs6–8/bag headline).</p> <p>Trade share was at 64.3% vs 65.4% YoY while premium share at 36% vs 26.5%.</p>	<p>UTCCEM has maintained higher capacity utilisation, despite demand weakness only indicating that utilisation rates will improve from hereon. Management indicated cement prices improved by ~2.5% during the quarter across most geographies and April price hikes have largely been retained to offset cost inflation.</p>
Margins	<p>Consolidated EBITDA was at Rs 56.9bn, while operating EBITDA/ton improved to Rs 1,253/t (+11% YoY). Excluding acquired assets, EBITDA/ton was ~Rs 1,296/t vs Rs 1,225/t in Q4FY25. Management highlighted that domestic operations delivered ~Rs 1,240/t after adjusting for one-off bag cost inflation and forex MTM impact. India Cements reported EBITDA/t of Rs 497 in Q4FY26 (vs Rs 305 in Q3FY26), with underlying operational performance significantly higher after adjusting for tolling markup. Kesoram continued to operate at ~Rs 1,000/t level. Fuel cost remained controlled at ~Rs 1.77/kcal (Rs 1.75/kcal YoY) despite geopolitical volatility. Lead distance improved to ~367km (-18km YoY) with further logistics optimisation through bulk terminals. Packaging cost was a key near-term drag, with bag costs rising from Rs 9 to Rs 15/bag, creating ~Rs 900mn impact in March alone.</p>	<p>EBITDA performance benefited from strong operating leverage and efficiency initiatives despite pricing pressure. Fuel costs remained range-bound at ~Rs1.8/kcal (Rs 1.78/kcal in Q3FY25), with pet-coke prices at USD 117–119/t. Lead distance reduced further by 14km YoY to ~363 km, beating internal targets. Clinker conversion ratio improved to ~1.49 (vs ~1.45 YoY earlier). Renewable energy share increased to ~42%, with management reiterating a ~65% target by FY27–FY28. Efficiency gains expected to exceed the earlier commitments, with >Rs100/t savings likely in FY26.</p> <p>During Q3FY26 UTCCEM recognised one-off impact of new labor codes to the tune of ~Rs 808mn.</p>	<p>Thrust on cost savings on track with contributions by better clinker conversion ratio, higher usage of green energy, prudent churn in fuel mix and logistics cost savings. We expect UTCCEM cost saving guidance may be marginally postponed given ICEM and KSI asset acquisition and the current cost pressures due to geo-political pressure. This is following Management indications of Q1FY27 fuel costs may remain manageable, while any major impact may be more visible from Q2 if West Asia disruptions persist</p>
Capacity	<p>Domestic grey cement capacity is at 200.1 mtpa after commissioning 8 mtpa during FY26 plus an additional 8.7 mtpa in April 2026 (Shahjahanpur 2.7 mtpa, Visakhapatnam 3.0 mtpa, Patratu 3.0 mtpa). Global capacity reached 205.5 mtpa, making UltraTech the largest cement producer outside China by sales volume. The next phase of expansion is underway with addition of ~37mt taking total capacity to ~242.5mt by FY28. Clinker optimisation also remains a major focus, with conversion ratio currently at ~1.48x and management targeting ~1.54x by FY28.</p>	<p>Domestic grey cement capacity is currently at 188.66 mtpa following 1.8 mtpa commissioning in Q3FY26 (Dhule grinding unit 0.6 mtpa, Nathdwara integrated unit 1.2 mtpa); global capacity at 194.06 mtpa. Capacity utilisation improved to 77% vs 72% YoY. UTCCEM will add 8-9mtpa in Q4FY26, 12mtpa in FY27 and balance in FY28. The company added 7 mt clinker capacity in 9MFY26 (two lines of 3.5mtpa each). Integration of Kesoram and India Cements is progressing as per plan with brand transition at 70% and 55% respectively.</p>	<p>Capacity expansion plans are on schedule. Both organic and inorganic growth would imply UTCCEM's drive towards 242mn by FY28 according to the revised guidance. This only ensures that UTCCEM will continue to grow at industry beat pace by a margin.</p>

Parameter	Q4FY26	Q3FY26	Our view
Capex	<p>FY26 capex was at ~Rs 96bn with management maintaining annual capex intensity of ~Rs 80–100bn for the foreseeable future, funded through internal accruals. India Cements efficiency improvement capex of Rs 15.9bn and capacity expansion capex of Rs 4bn is planned. Kesoram efficiency capex of Rs 4-5bn remains on track. Management reiterated balance sheet discipline with net debt/EBITDA at 0.94x on consolidated level and 0.92x at standalone level. The target level remains below 1x. The wires & cables business also remains on track, with ~Rs 8bn already spent out of planned Rs 18bn and commissioning likely in early Q3FY27.</p>	<p>9MFY26 capex stood at ~Rs72bn, with ~Rs25bn expected in Q4FY26, keeping FY26 capex guidance of ~Rs100bn intact. At Kesoram, UTCEM has already spent ~Rs2.63bn out of a committed ~Rs3.82bn, largely towards WHRS, renewable energy and process efficiency upgrades. At India Cements UTCEM has committed ~Rs6.01bn and spent ~Rs1.44bn on efficiency improvement.</p>	<p>Healthy cashflows and sharp focus on maintaining balance sheet health have been sustained despite aggressive capital expenditure plans.</p> <p>Additionally, transition of the acquired assets will be a key task in in FY27. This is addition to the current cost pressures emanating from external pressure.</p> <p>We keep a close watch on UTCEM's investment in Star Cement and the capital allocation in the Wires and cables business.</p>
Other key points	<p>The Board recommended a special dividend of Rs 240/share indicating cashflow and balance sheet strength. Renewable power capacity reached 1.39GW (36% YoY) including 414MW WHRS (18% YoY). Management is targeting 85% green power usage by FY30.</p> <p>RMC remains a strategic long-term growth driver and continues to expand with increasing urbanisation.</p>	<p>RMC network covers 163 cities, expanding rapidly.</p> <p>Net debt/EBITDA at 1.08x, targeting <1x by FY26.</p> <p>14 MW capacity of WHRS was added, taking the total at 383 MW; green power share 42.1%. Realised ~Rs 2.5bn from Indonesia coal + land parcels; further Rs 5bn expected from ongoing land sales.</p>	<p>Targets of alternate energy commendable. UTCEM's decision of higher payout and guidance of the payout continuing to stay healthy if growth is back on track are only a welcome step and indicates capital allocation is widening though in the building material space only.</p>

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

Fig 2 – Key quarterly metrics

	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)	Q4FY26E	Deviation (%)
Volumes (mn mt)	42.5	36.6	16.1	36.6	16.3	40.8	4.1
Cement realisations (Rs/t)	4,926	4,719	4.4	4,680	5.3	4,797	2.7
Operating costs (Rs/t)*	4,618	4,514	2.3	4,536	1.8	4,414	4.6
EBITDA/t (Rs)	1,167	1,259	(7.3)	960	21.6	1,089	7.2

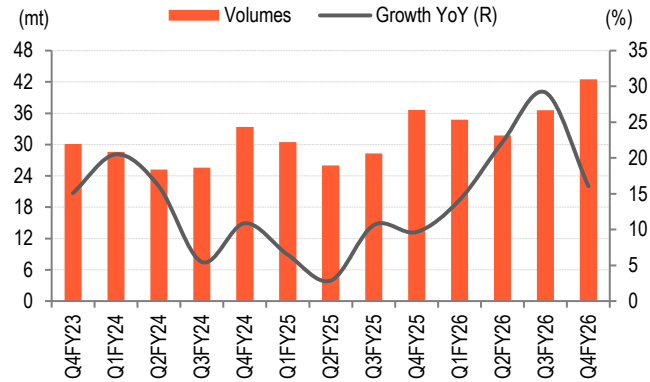
Source: Company, BOBCAPS Research | *Aggregate cost

Fig 3 – Quarterly performance

(Rs mn)	Q4FY26	Q4FY25	YoY (%)	Q3FY26	QoQ (%)	Q4FY26E	Deviation (%)
Net Sales	2,45,821	2,11,347	16.3	2,00,879	22.4	2,24,619	9.4
Expenditure							
Change in stock	2,114	2,132	(0.9)	1,086	94.6	111	1,804.5
Raw material	35,487	30,244	17.3	30,764	15.4	35,187	0.9
purchased products	17,147	7,093	141.7	10,748	59.5	12,205	40.5
Power & fuel	47,330	45,419	4.2	42,431	11.5	46,576	1.6
Freight	55,738	48,804	14.2	45,699	22.0	51,311	8.6
Employee costs	9,552	8,308	15.0	9,162	4.3	9,210	3.7
Other exp	28,869	23,250	24.2	25,901	11.5	25,575	12.9
Total Operating Expenses	1,96,236	1,65,250	18.8	1,65,791	18.4	1,80,175	8.9
EBITDA	49,585	46,097	7.6	35,088	41.3	44,444	11.6
EBITDA margin (%)	20.2	21.8	(164bps)	17.5	270bps	19.8	38bps
Other Income	678	1,155	(41.3)	816	(16.9)	874	(22.4)
Interest	4,309	3,996	7.8	4,330	(0.5)	4,390	(1.8)
Depreciation	10,541	9,910	6.4	10,240	2.9	10,310	2.2
PBT	35,412	33,345	6.2	21,334	66.0	30,618	15.7
Non-recurring items	(230)	0	0.0	(808)	0.0	0	
PBT (after non recurring items)	35,182	33,345	5.5	20,526	71.4	30,618	14.9
Tax	9,195	6,524	40.9	5,416	69.8	6,889	33.5
Reported PAT	25,986	26,821	(3.1)	15,110	72.0	23,729	9.5
Adjusted PAT	26,217	26,821	(2.3)	15,917	64.7	23,729	10.5
NPM (%)	10.7	12.7	(203bps)	7.9	274bps	10.6	10bps
Adjusted EPS (Rs)	55.1	49.7	11.0	36.1	52.8	47.6	16

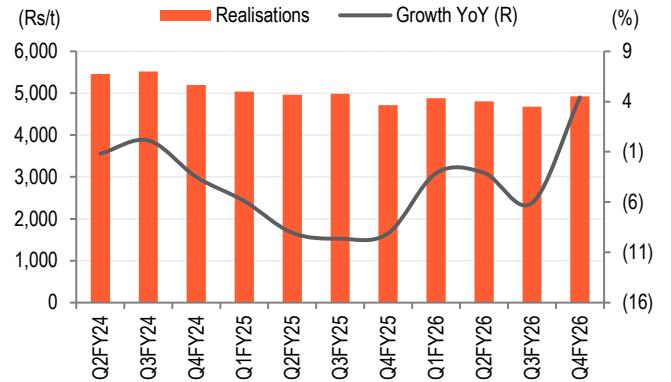
Source: Company, BOBCAPS Research

Fig 4 – Above industry growth rate expected to sustain



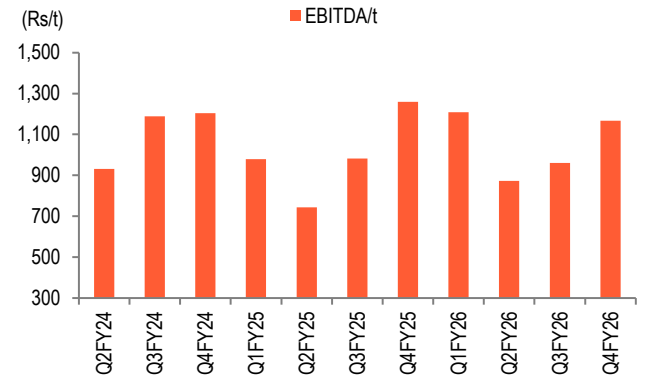
Source: Company, BOBCAPS Research

Fig 5 – Sustained price hikes expected to support realisations



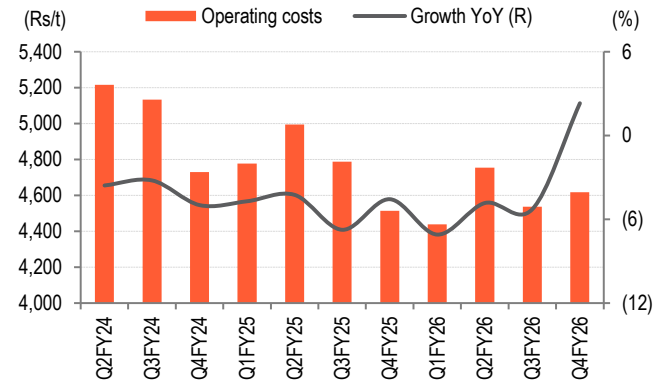
Source: Company, BOBCAPS Research

Fig 6 – EBITDA/tonne expected to be under pressure by cost inflation



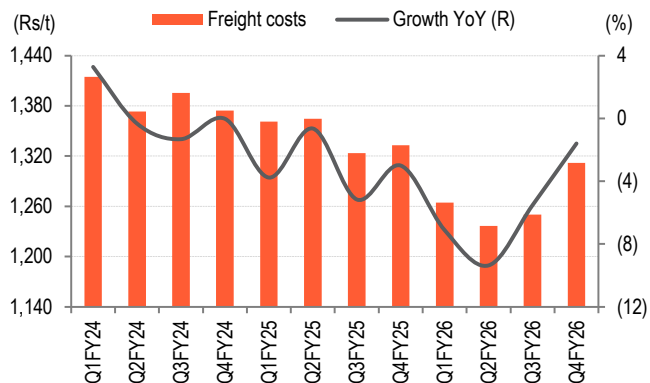
Source: Company, BOBCAPS Research

Fig 7 – Fig 7 – Cost savings measures aid in alleviating near-term volatility



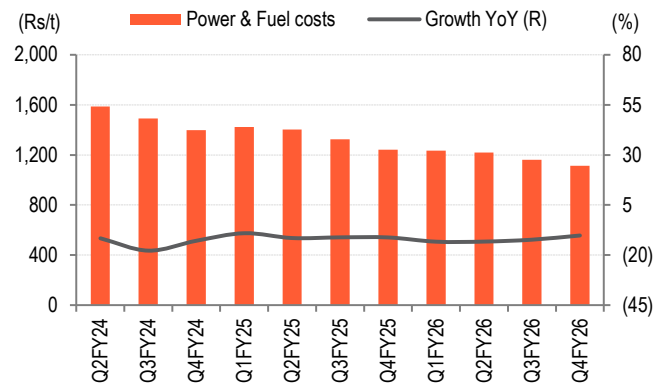
Source: Company, BOBCAPS Research

Fig 8 – Freight cost optimization driven by efficiency gains from bulk terminals



Source: Company, BOBCAPS Research

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



Source: Company, BOBCAPS Research

Valuation Methodology

We revise our FY27E/FY28E EBITDA (-6%/-5%) to recalibrate demand supply dynamics and the cost inflation the Middle East tension. We also introduce FY29 earnings and our FY26-FY29E CAGR is baked at 13%/20%/20% for Revenue/EBITDA/PAT. UTCEM is focused on saving cost, to prepare it for short/long-term industry challenges and we feel this the correct strategy over chasing prices. Recovery in FY27 will continue and with new growth plans, will sustain beyond FY28; implying price recovery adding to margins.

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

Given the healthy cost measures, strong growth and a steady balance sheet, we continue to assign UTCEM 18x EV/EBITDA multiple (rolling over to March 2028) to arrive at TP of Rs14,401 (from Rs 14,794) and maintain BUY. The stock trades at a replacement value of \$190/tn (Rs20.8bn/mn tonne), which is the deserved premium for a large size pan-India presence efficiently managed company.

Fig 10 – Peer Comparison

Ticker	Rating	TP (Rs)	EV/EBITDA (x)			EV/tonne (US\$)			ROE (%)			ROCE (%)		
			FY26P	FY27E	FY28E	FY26P	FY27E	FY28E	FY26P	FY27E	FY28E	FY26P	FY27E	FY28E
UTCEM IN	BUY	14,401	21.8	17.9	14.8	230.7	208.0	189.6	10.4	12.0	13.7	11.7	15.7	18.0
ACC IN	BUY	2,136	12.9	11.5	10.8	87.0	92.0	86.0	10.4	11.2	11.5	12.2	13.6	13.9
ACEM IN	HOLD	567	17.2	13.1	11.8	179.0	139.0	138.0	7.1	8.9	9	9.3	11.4	11.6

Source: Company, BOBCAPS Research

Fig 11 – Revised estimates

(Rs mn)	New			Old			Change (%)		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Revenue	9,64,853	10,69,432	11,92,949	9,64,853	10,69,432		(0.0)	0.0	
EBITDA	2,01,264	2,39,905	2,77,990	2,14,686	2,52,102		(6.3)	(4.8)	
Adj PAT	89,489	1,07,330	1,26,401	1,12,331	1,31,361		(20.3)	(18.3)	
Adj EPS (Rs)	303.7	364.2	428.9	389.1	455.0		(22.0)	(20.0)	

Source: BOBCAPS Research, Note: FY29 Estimates newly introduced

Fig 12 – Key assumptions

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

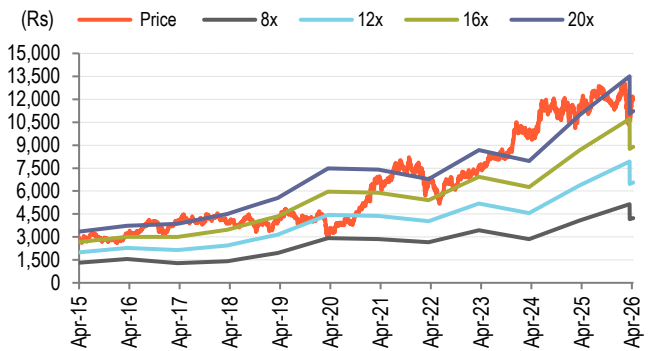
Source: Company, BOBCAPS Research

Fig 13 – Valuation summary

Business (Rs mn)	FY28E
Target EV/EBITDA (x)	18.0
EBITDA	2,39,905
Target EV	42,00,744
Total EV	42,00,744
Net debt	(74,800)
Target market capitalisation	41,25,943
Target price (Rs/sh)	14,401
Weighted average shares (mn)	294.7

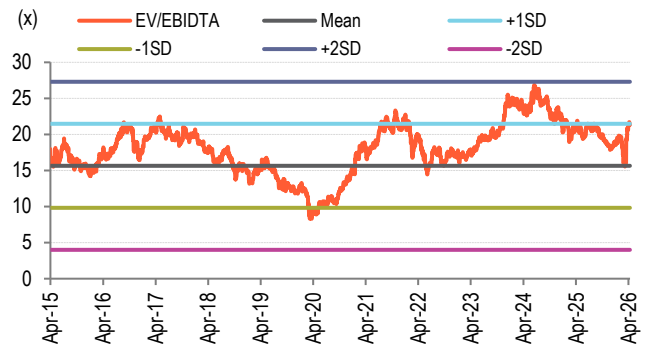
Source: Company, BOBCAPS Research Note: Valuations based on 1-year forward earnings (December 2027)

Fig 14 – EV/EBITDA band: Valuations to stay elevated for the largest cement company and top brand



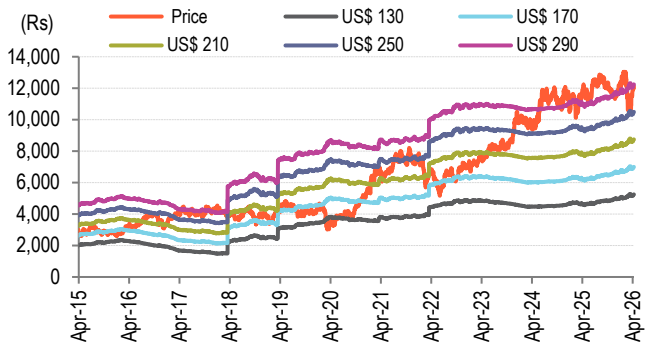
Source: Company, Bloomberg, BOBCAPS Research

Fig 15 – EV/EBITDA 1YF: Forward earnings ahead of mean valuations, pointing towards better earnings



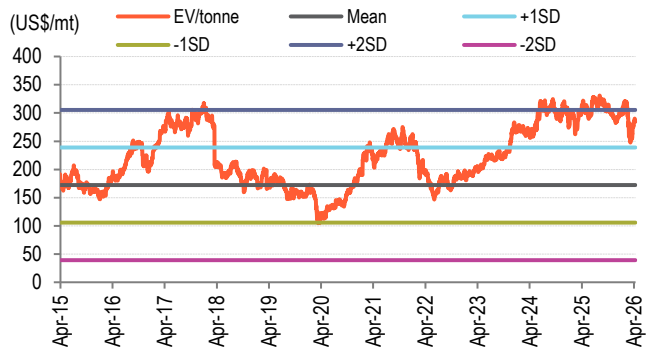
Source: Company, Bloomberg, BOBCAPS Research

Fig 16 – EV/tonne: Replacement cost at valuations for industry leader



Source: Company, Bloomberg, BOBCAPS Research

Fig 17 – EV/tonne 1YF: Valuations to stay elevated



Source: Company, Bloomberg, BOBCAPS Research

Key Risks

Key downside risks to our estimates:

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

Financials

Income Statement

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

Balance Sheet

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

Cash Flows

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

Per Share

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

Valuations Ratios

Y/E 31 Mar (x)	FY25A	FY26P	FY27E	FY28E	FY29E
EV/Sales	5.0	4.4	3.7	3.3	3.0
EV/EBITDA	28.9	21.8	17.9	14.9	12.7
Adjusted P/E	55.2	47.1	39.5	33.0	28.0
P/BV	5.0	4.7	4.7	4.3	3.9

DuPont Analysis

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

Ratio Analysis

Y/E 31 Mar	FY25A	FY26P	FY27E	FY28E	FY29E
YoY growth (%)					
Revenue	4.9	16.0	17.4	10.8	11.5
EBITDA	(2.6)	34.8	21.4	19.2	15.9
Adjusted EPS	(10.0)	17.1	19.2	19.9	17.8
Profitability & Return ratios (%)					
EBITDA margin	17.1	19.9	20.6	22.2	23.1
EBIT margin	13.1	14.3	16.7	17.8	18.2
Adjusted profit margin	8.9	9.1	9.3	10.0	10.6
Adjusted ROAE	9.8	10.4	12.0	13.7	14.6
ROCE	10.7	11.7	15.7	18.0	19.0
Working capital days (days)					
Receivables	23	22	23	24	25
Inventory	44	37	38	39	40
Payables	75	80	80	87	87
Ratios (x)					
Gross asset turnover	0.8	0.8	0.9	1.0	1.0
Current ratio	1.2	1.1	1.1	1.3	1.4
Net interest coverage ratio	6.3	7.2	4.2	4.6	5.1
Adjusted debt/equity	0.3	0.3	0.2	0.2	0.2

Source: Company, BOBCAPS Research | Note: TA = Total Assets

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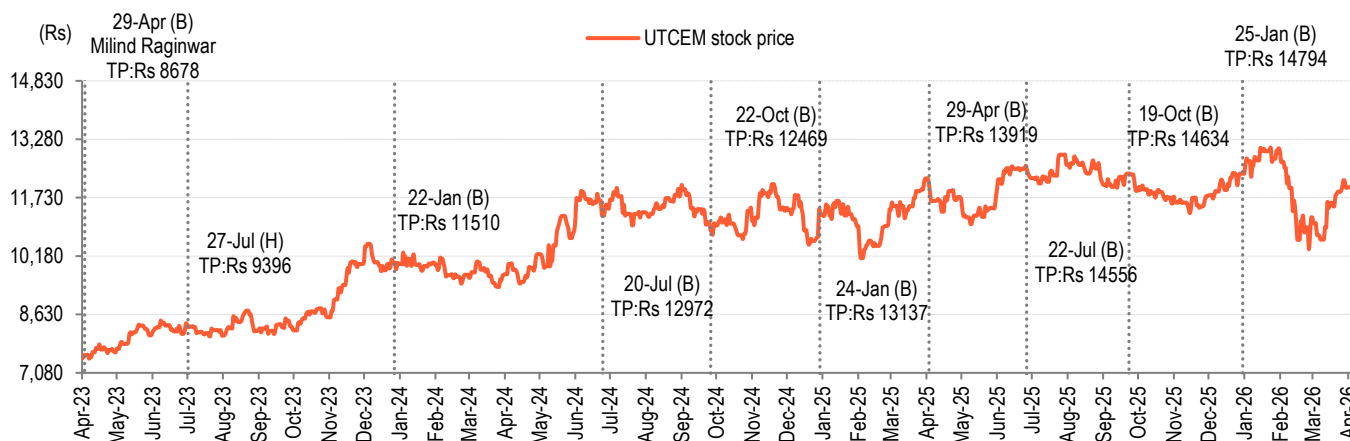
Recommendation scale: Recommendations and Absolute returns (%) over 12 months

- BUY** – Expected return >+15%
- HOLD** – Expected return from -6% to +15%
- SELL** – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

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