

24 February 2025

India | Equity Research | Company Update

Solar Industries

Defence

The show has just begun

We recently hosted the management of Solar Industries (SOIL) for an interaction with investors. Key points: 1) Defence and exports & overseas segments could shepherd growth over the next five years; 2) EBITDA margin may sustain at ~27% over the next few years; 3) capex intensity could significantly rise in next five years; 4) favourable macro environment in ammunitions may be a significant tailwind; and 5) focus on indigenisation remains intact. We believe the recent stock price correction provides a good entry point in SOIL. Going forward, growth is likely to be driven by high-margin segments, and SOIL could go further up in value chain to platforms from materials. Retain **BUY** with an unchanged TP of INR 13,720 on 60x FY27E EPS.

The landscape has widened

In our view, it is a wrong notion that Pinaka is the ultimate glory for SOIL. The company has recently executed MoU with the Government of Maharashtra for setting up an Anchor Mega Defence & Aerospace project in Nagpur at an investment of INR 127bn. We believe the revenue potential of such a project could be INR 250bn p.a., placing SOIL as one of the top players in defence ecosystem in India. Furthermore, the company is moving up the defence value chain from materials to platforms, integrating its capabilities developed over the years. We believe this will open significant export opportunities for the company, besides enhancing its presence in domestic defence ecosystem. Additionally, the reliance on ToT from DRDO and strong track record of in-house R&D have resulted in SOIL developing products with a significantly higher level of indigenised content.

Next five years are likely to be busy

Recently, the company has changed the name of its fully owned subsidiary engaged in defence business from 'Economic Explosives Limited' to 'Solar Defence and Aerospace Limited' showing its sharpened focus on defence and aerospace. In our view, the capex over the next five years is likely to be INR 130-150bn in both defence and non-defence (exports & overseas) domains. This may be funded mainly through internal accruals. Besides, the company is expected to be in net cash position by end-FY25, hence, there is sufficient headroom in its balance sheet to take incremental debt.

Financial Summary

Y/E March (INR mn)	FY24A	FY25E	FY26E	FY27E
Net Revenue	60,695	73,011	93,945	1,11,611
EBITDA	13,692	19,398	26,039	31,116
EBITDA Margin (%)	22.6	26.6	27.7	27.9
Net Profit	8,356	12,688	17,426	20,692
EPS (INR)	92.3	140.2	192.6	228.7
EPS % Chg YoY	7.8	47.4	38.0	19.7
P/E (x)	91.5	62.1	45.0	37.6
EV/EBITDA (x)	60.7	42.9	31.7	26.3
RoCE (%)	23.8	27.3	30.2	28.5
RoE (%)	30.6	35.2	36.2	32.0

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Market Data

Market Cap (INR)	801bn
Market Cap (USD)	9,239mn
Bloomberg Code	SOIL IN
Reuters Code	SLIN.BO
52-week Range (INR)	13,300 /6,623
Free Float (%)	27.0
ADTV-3M (mn) (USD)	12.1

Price Performance (%)	3m	6m	12m
Absolute	(11.3)	(13.7)	32.3
Relative to Sensex	(8.9)	(6.8)	28.6

ESG Score	2023	2024	Change
ESG score	59.4	60.3	0.9
Environment	34.7	43.0	8.3
Social	69.8	68.1	(1.7)
Governance	69.6	70.8	1.2

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

Source: SES ESG, I-sec research

Previous Reports

07-02-2025: [Company Update](#)

07-02-2025: [Q3FY25 results review](#)

Outlook: Shifting gears

Rather than estimating the margin of SOIL based on explosives and ammonium nitrate spread, it is prudent to value the company based on future growth verticals- defence and aerospace. Based on its current orderbook, initiatives being taken by the company and potential in the ecosystem, we reckon, defence revenue could grow over 4x from FY25 level over the next five years. Also, SOIL has plans to make the value chain robust by backward integration, forward integration and developing new products in non-defence domain. As per our analysis, EBITDA CAGR (FY22-FY27E) is likely to be 33% and margins are expected to hover above 27% as the proportion of defence and exports & overseas increases. Also, we see a long runway for 25% plus growth in EBITDA as the benefits of capex fructify in future. Maintain **BUY** on SOIL with an unchanged TP of INR 13,720 on 60x FY27E EPS.

Key risks

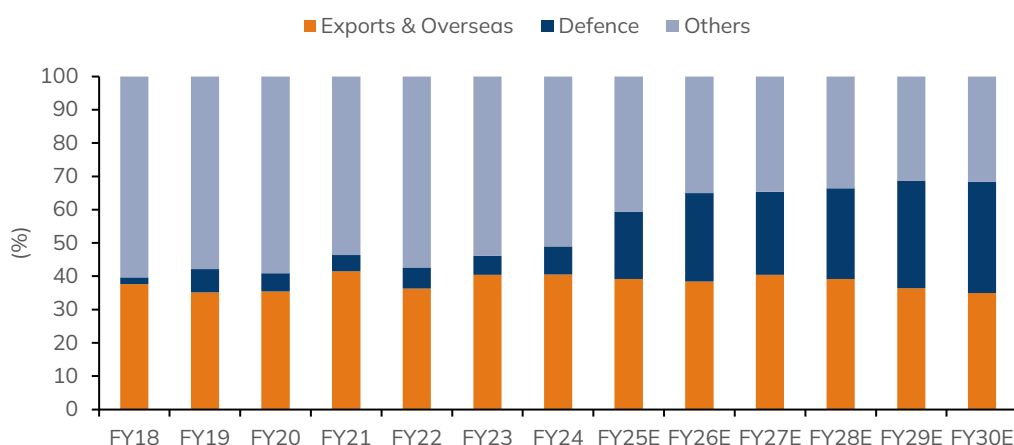
- Slower than expected ordering in defence.
- Further fall in ammonium nitrate price leading to negative price-cost spread.
- Slow traction in construction and infrastructure segments.

Takeaway #1: Defence likely to be 33% of revenue by FY30E

We prefer to take a medium-term view of SOIL stock as capex is being sped up. Compared to gross block of INR 24bn at end-FY24, the company is investing INR 12bn in FY25 and based on its current plans, the investment over the next five years (FY26-30) is likely to be INR 150bn. As a result, we expect revenue to be equally split among exports & overseas, defence and others. Of these three buckets, we believe that the former two yield better margins, and hence, EBITDA margin is also expected to improve from current 25-27% levels.

The biggest shift in revenue mix is coming from defence, whose share is expected to increase from <2% in FY18 to >33% by FY30E.

Exhibit 1: Revenue split across the segments



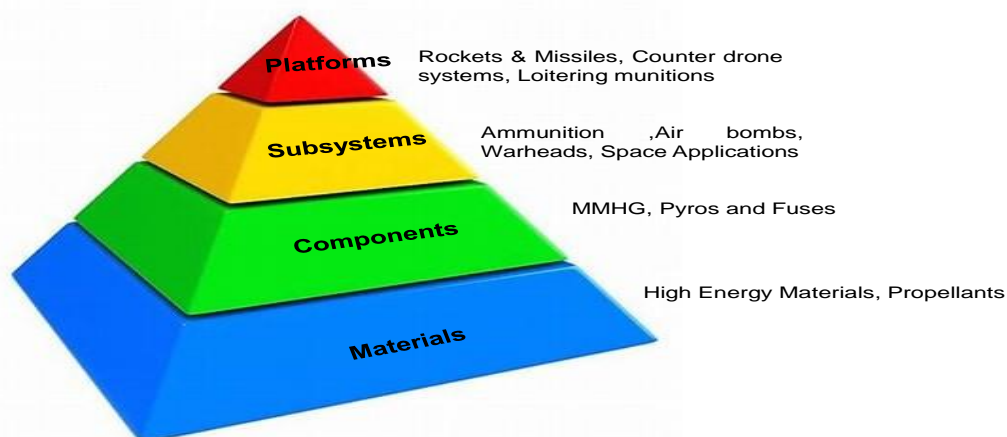
Source: I-Sec research, Company data

Takeaway #2: From Materials to Platforms in Defence

In defence value pyramid, there are hardly companies in India present across different verticals. Furthermore, the level of indigenisation is usually lower at the top-end of the pyramid, leading to lesser margins. In case of SOIL, the products are expected to be across the value chain and products/solutions are co-developed or ToT is sourced from DRDO. The company has been taking significant efforts to develop in-house capabilities. Some of the recent developments include:

- **Materials:** Development of SEBEX-3, SITBEX-1 and SIMEX-4 explosives.
- **Sub-systems:** Developed guided bombs compatible with IAF aircraft of both NATO and Russian types. The bombs are designed to be equipped on the French Mirage 2000 or potentially on a Sukhoi-30.
- **Platforms:** Developed counter drone system- Bhargavastra. The initial trails have been successful.
- Set up a 1,000 nos. p.a. drone manufacturing facility capable of producing various types of drones, including loitering munitions and unmanned aerial vehicles (UAVs). The company has already supplied the INR 2.1bn order of Nagastra-I.
- Commissioned the indigenous chaffs and flares factory in Nagpur.

Exhibit 2: SOIL's offerings are spread across the Defence pyramid



Source: I-Sec research

Over the next couple of years, the company is expected to focus on both loitering munitions and weaponised drones (hexacopter), anti-drone missiles, as well as bombs and warheads for the armed forces. We expect the potential of loitering munitions to be even higher than Pinaka.

After securing domestic Pinaka order (SOIL's share: INR 60bn), we expect orders from export markets as well. Besides, SOIL is likely to participate in the development of enhanced range and guided Pinaka in future, having developed Mahashwetastra already.

Current defence orderbook stands at INR 110bn, of which INR 44-45bn are export orders to be executed within next 3-4 years. Given the global shortage of ammunition, we expect more orders for SOIL for high-energy explosives in near future. Besides, the company has all the components for manufacturing shells in-house, such as BMCS, propellant, explosives and fuses. Hence, we believe the company could venture into 155mm shell manufacturing in the near future.

We peg defence revenue at INR 14-15bn in FY25E and INR 27bn in FY26E. Based on the orderbook and initiatives being pursued, we see revenue of INR 60-65bn from defence by FY30E.

Takeaway #3: Non-defence exports to remain a solid pillar

SOIL has been focusing on non-defence exports in construction and mining domains worldwide. We expect this segment to contribute 35-40% of revenue by FY30E, similar to 39% in FY25E. Going ahead, the company is focusing on forward integration, such as acquisition of ProBlast Blasting Solutions in South Africa. We also expect the company to deepen its global footprint by backward integration and further expansion of its reach in key countries. All its overseas subsidiaries are making profit now and we expect the incremental contribution to increase.

Takeaway #4: 25 years of growth likely to get further wings

In case of SOIL, the growth across key parameters has been continuous and sustained. Despite EBITDA rising 4x in FY22 compared to FY12 levels, we see incremental EBITDA growth at 33% CAGR from FY22-27E led by higher share of defence and exports & overseas business segments.

Exhibit 3: Financials across periods

(INR mn)	FY02	FY07	FY12	FY17	FY22	FY27E
Revenue	591	2,082	9,676	15,800	39,476	1,11,611
EBITDA	104	318	1,710	3,258	7,348	30,384
PAT	67	192	1,012	1,865	4,413	21,008
EPS- INR/share	0.7	2.1	11.2	20.7	49.0	233.4

Source: I-Sec research, Company data

It is noteworthy that EPS growth through to FY27 is expected to be much higher than FY12-17 and FY17-22 periods, despite a high base.

Exhibit 4: 5-yr CAGR in past 25 years

CAGR (%)	FY02-FY07	FY07-FY12	FY12-FY17	FY17-FY22	FY22-FY27E
Revenue	28.7%	36.0%	10.3%	20.1%	23.1%
EBITDA	25.0%	40.0%	13.8%	17.7%	32.8%
PAT	23.4%	39.4%	13.0%	18.8%	36.6%
EPS	23.4%	39.4%	13.0%	18.8%	36.6%

Source: I-Sec research, Company data

Going ahead, we expect EBITDA and PAT margins to improve to 24.7% and 15% on average for FY22-27E and further to 28.1% and 19.6%, respectively, on average over FY28-30E.

Exhibit 5: Margins across periods

(%)	FY02-FY06	FY07-FY11	FY12-FY16	FY17-FY21	FY22-FY27E	FY28E-FY30E
EBITDA margin	18.7	17.0	18.5	20.8	24.7	28.1
PAT margin	10.5	10.4	10.7	11.4	15.0	19.6

Source: I-Sec research, Company data

Takeaway #5: Capex likely to accelerate; Revenue to follow

As a result of significant investments planned in both defence and non-defence domains, we expect capex to accelerate significantly. It is noteworthy that total capex from FY02 to FY24 was INR 34bn. Revenue at end-FY24 was INR 60.9bn, implying fixed asset (gross) turnover at 2x. Going forward, the investment over FY26-30E is likely at INR 150bn, and hence, revenue potential in future may be much higher.

We expect almost INR 100bn of incremental capex over the next five years to be met through internal accruals with debt of INR 50bn to take care of the rest.

Exhibit 6: Capex intensity likely to pick up

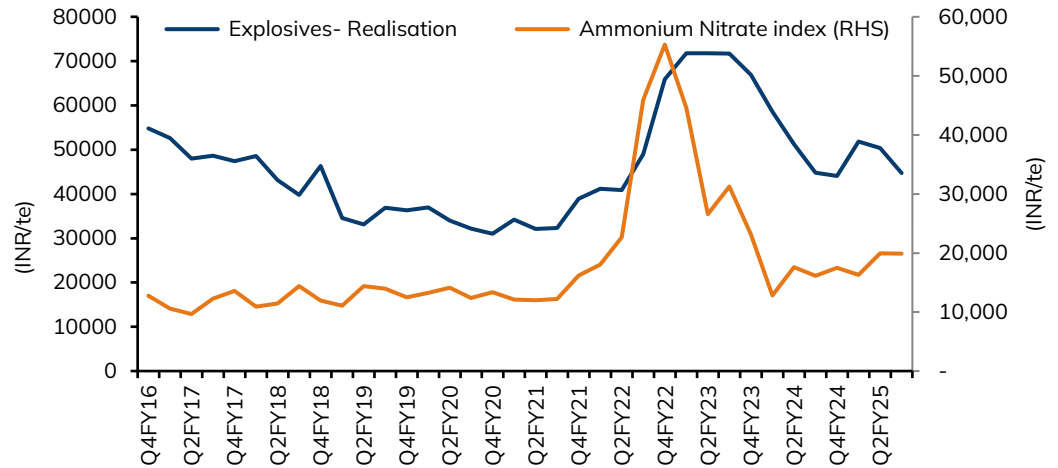
(INR mn)	FY02-FY06	FY07-FY11	FY12-FY16	FY17-FY21	FY21-FY27E	FY28E-FY30E
Capex	-1,434	-1,883	-6,524	-12,511	-62,215	-1,10,000

Source: I-Sec research, Company data

Takeaway #6: Correlation with Ammonium Nitrate prices is irrelevant

In our view, street has been monitoring and extrapolating SOIL's performance on the basis of ammonium nitrate price movement. Historically, there has been significant dependence of explosives realisation on ammonium nitrate prices.

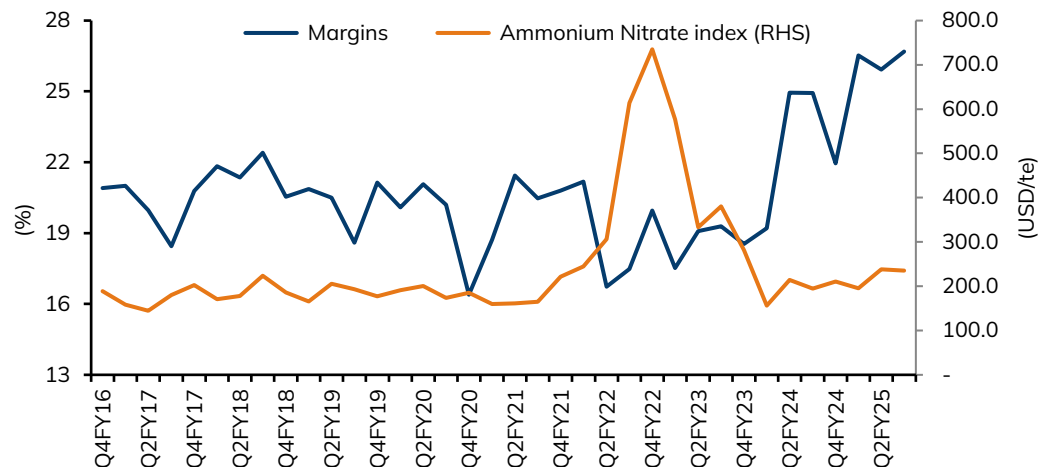
Exhibit 7: Correlation between Ammonium Nitrate and Explosive realisation



Source: I-Sec research, Bloomberg, Company data

In case of SOIL, however, the correlation between EBITDA margin and ammonium nitrate prices is not there, particularly since defence and exports & overseas earnings have taken off. Despite ammonium nitrate prices moderating to near historical average, margins still remain high.

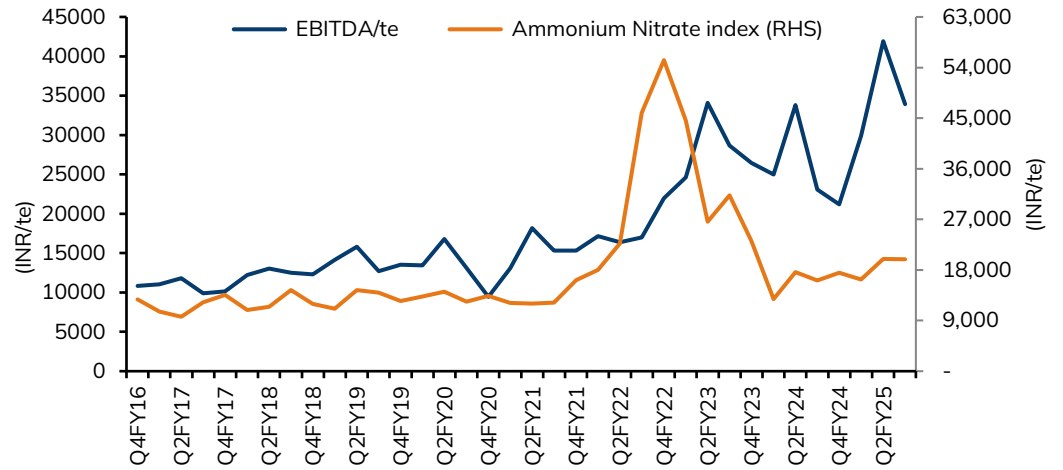
Exhibit 8: EBITDA margins compared to Ammonium Nitrate index



Source: I-Sec research, Bloomberg, Company data

Even EBITDA/te is much higher than the past owing to change in product mix. Going ahead, as defence mix (and more so from platforms) improves, EBITDA/te may progressively get more isolated from barely ammonium nitrate price movement.

Exhibit 9: Consolidated EBITDA/te compared to Ammonium Nitrate index



Source: I-Sec research, Company data, Bloomberg

How we differ from the consensus?

We are in line with consensus on revenue. However, on margin front, we are higher as we have taken cognisance of defence revenue increasing. In Q3FY25, SOIL delivered consolidated EBITDA margin of 26.7% (9MFY25: 26.4%). In Q4E, we expect the revenue from defence to increase further, and hence, EBITDA margin is expected to remain robust. In our view, consensus estimates for FY25 are likely to be revised upwards.

Similarly, for FY26/27E, consensus is expecting margins to be lower or in similar range as Q3FY25 despite higher proportion of revenue from defence. Our FY26/27E EBITDA is 6%/ 4% ahead of consensus, respectively. On EPS, we are 13%/7% ahead for FY26/27E, respectively.

Exhibit 10: Our estimates are ahead of consensus

(INR mn)	ISEC estimates			Consensus			% diff (ISEC and Consensus)		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Revenue	73,011	93,945	1,11,611	75,219	92,809	1,12,283	-2.9	1.2	-0.6
EBITDA	19,398	26,039	31,116	19,490	24,468	29,978	-0.5	6.4	3.8
EBITDA margin (%)	26.6	27.7	27.9	25.9	26.4	26.7			
PAT	12,688	17,426	20,692	12,240	15,466	19,299	3.7	12.7	7.2
PAT margin (%)	17.4	18.5	18.5	16.3	16.7	17.2			
EPS (INR/share)	140.2	192.6	228.7	135.3	170.9	213.3	3.7	12.7	7.2
RoE (%)	32.5	32.6	28.9	31.8	30.3	28.8			

Source: I-Sec research, Bloomberg

Valuations: The stock is trading at 36% discount to its peak valuation

At CMP, SOIL stock is trading at 36% discount to its peak valuation of 66x EPS (2 yr fwd). Further, the current P/E of 42.2x FY26E EPS is 1.5x deviation above the mean. In our view, SOIL's RoE is expected to improve to 30% plus, through to FY27E compared to 23% on average over FY15-24E. Also, in view of the growth prospects - EPS growth at 27% CAGR through to FY30E (from FY24E levels), the premium to mean is justified.

Exhibit 11: SOIL is trading at significant discount to its peak



Source: I-Sec research, Bloomberg

Exhibit 12: SOIL Q3FY25 standalone performance review

(INR mn)	Q3FY25	Q3FY24	Chg YoY (%)	Q2FY25	Chg QoQ (%)	FY24	FY23	Chg YoY (%)
Net Sales	12,072	9,023	33.8	9,055	33.3	37,175	41,623	(10.7)
Total Income	12,072	9,023	33.8	9,055	33.3	37,175	41,623	(10.7)
Expenditure								
Change in Stock	187	144		(113)		202	(55)	
Consumption of Material	6,128	4,637	32.2	4,515	35.7	20,486	27,968	(26.8)
Purchase of traded goods	753	855	(11.9)	622	21.1	2,326	2,136	8.9
Employee Costs	564	482	17.1	528	6.9	1,855	1,454	27.6
Other Expenditure	1,544	986	56.6	1,192	29.5	3,959	3,832	3.3
Total Expenditure	9,177	7,104	29.2	6,744	36.1	28,829	35,334	(18.4)
EBITDA	2,896	1,919	50.9	2,311	25.3	8,347	6,288	32.7
EBITDA Margin	24.0	21.3		25.5		22.5	15.1	
Other Income	118	177	(33.3)	316	(62.7)	583	558	4.5
Depreciation	191	161	18.4	179	6.9	634	570	11.1
Interest and Finance Costs	79	77	1.9	67	17.1	296	276	7.3
Exceptional Items	-	-		-		-	-	
PLT	2,744	1,857	47.7	2,382	15.2	8,001	6,001	33.3
Tax Expense	700	474	47.6	580		2,038	1,547	31.7
MI	-	-		-		-	-	
PAT	2,044	1,383	47.8	1,802	13.4	5,963	4,454	33.9
OCI	-	(2)		94		-	-	
TCI	2,044	1,381		1,895		5,963	4,454	

Source: I-Sec research, Company data

Exhibit 13: SOIL Q3FY25 consolidated performance review

(INR mn)	Q3FY25	Q3FY24	Chg YoY (%)	Q2FY25	Chg QoQ (%)	FY24	FY23	Chg YoY (%)
Net Sales	19,731	14,291	38.1	17,158	15.0	60,695	69,225	(12.3)
Other Operating Income	-	-		-		-	-	
Total Income	19,731	14,291	38.1	17,158	15.0	60,695	69,225	(12.3)
Expenditure								
Change in Stock	132	(128)		(508)		836	(374)	
Consumption of Material	8,851	6,345	39.5	6,815	29.9	27,100	36,215	(25.2)
Purchase of traded goods	1,304	1,299	0.4	2,123	(38.6)	4,026	7,583	(46.9)
Employee Costs	1,507	1,115	35.2	1,447	4.1	4,335	3,527	22.9
Other Expenditure	2,672	2,098	27.4	2,834	(5.7)	10,707	9,385	14.1
Total Expenditure	14,465	10,729	34.8	12,711	13.8	47,003	56,336	(16.6)
EBITDA	5,265	3,562	47.8	4,448	18.4	13,692	12,889	6.2
EBITDA Margin (%)	26.7	24.9		25.9		22.6	18.6	
Adjusted EBITDA	5,446	4,255	28.0	4,535	20.1			
Other Income	95	109	(12.6)	305	(68.7)	445	315	41.1
Depreciation	474	386	22.8	436	8.7	1,434	1,282	11.8
Interest and Finance Costs	305	283	7.8	297	2.6	1,094	904	21.0
Exceptional Items	-	-		-		-	-	
PLT	4,582	3,003	52.6	4,019	14.0	11,609	11,019	5.4
Tax Expense	1,216	(74)	(1,754.6)	1,032	17.9	1,327	2,904	(54.3)
-Current Tax	1,178	-		1,051	12.1	1,540	3,140	
-Deferred Tax	38	(74)		(19)		(212)	(236)	
-Prior Period Taxes	-	-		-		-	-	
PAT Before MI	3,365	2,159		2,987	12.7	10,282	8,114	
MI	10	186		51	(81.2)	297	540	
PAT	3,375	1,973	71.1	3,038	11.1	9,985	7,575	31.8
OCI	(341)	(551)		(77)		(1,445)	(289)	
TCI	3,034	1,608		2,961		8,541	7,286	

Source: Company data, I-Sec research

Exhibit 14: SOIL Operational performance review

(INR mn)	Q3FY25	Q3FY24	%Chg YoY	Q2FY25	%Chg QoQ
Explosive					
Quantity (te)	1,55,222	1,54,421	0.5	1,06,057	46.4
Blended Realisation/te	44,754	44,805	(0.1)	50,379	(11.2)
Blended Gross Margin/te	32,236	21,928	47.0	38,010	(15.2)
Blended EBITDA/te	18,655	12,427	50.1	21,792	(14.4)

Source: I-Sec research, Company data

Exhibit 15: SOIL Quarterly revenue breakdown

(INR mn)	Q3FY25	Q3FY24	%Chg YoY	Q2FY25	%Chg QoQ
Sales breakdown	19,730	14,290	38.1	17,160	15.0
CIL	2,590	2340	10.7	1,690	53.3
Institutional	2,780	2450	13.5	2,240	24.1
Housing & Infra	2,570	2510	2.4	1,910	34.6
Exports & Overseas	7,580	6240	21.5	7,990	(5.1)
Defence	4,090	620	559.7	3,220	27.0
Others	120	130	(7.7)	110	9.1

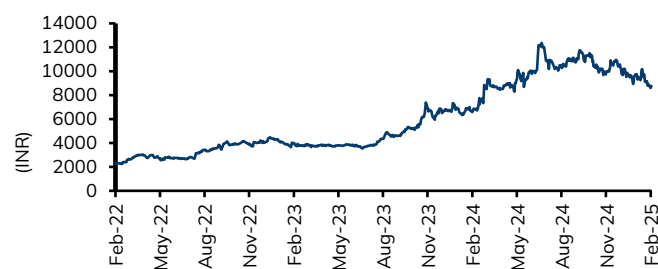
Source: Company data, I-Sec research

Exhibit 16: Shareholding pattern

%	Jun'24	Sep'24	Dec'24
Promoters	73.2	73.2	73.2
Institutional investors	20.2	20.2	20.0
MFs and others	12.3	11.7	11.7
FIs/Banks	0.3	0.7	1.0
FIIIs	7.6	7.8	7.2
Others	6.6	6.6	6.8

Source: Bloomberg, I-Sec research

Exhibit 17: Price chart



Source: Bloomberg, I-Sec research

Financial Summary

Exhibit 18: Profit & Loss

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Net Sales	60,695	73,011	93,945	1,11,611
Operating Expenses	15,041	15,906	16,557	18,263
EBITDA	13,692	19,398	26,039	31,116
EBITDA Margin (%)	22.6	26.6	27.7	27.9
Depreciation & Amortization	1,434	1,679	1,823	2,185
EBIT	12,258	17,719	24,216	28,932
Interest expenditure	1,094	1,064	1,012	1,012
Other Non-operating Income	445	758	812	823
Recurring PBT	11,609	17,413	24,016	28,743
Profit / (Loss) from Associates	-	-	-	-
Less: Taxes	2,861	4,519	6,225	7,450
PAT	8,749	12,894	17,791	21,293
Less: Minority Interest	393	206	364	601
Extraordinaries (Net)	-	-	-	-
Net Income (Reported)	8,749	12,894	17,791	21,293
Net Income (Adjusted)	8,356	12,688	17,426	20,692

Source Company data, I-Sec research

Exhibit 19: Balance sheet

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Total Current Assets	24,349	25,269	34,111	46,387
of which cash & cash eqv.	2,873	(1,034)	5,423	12,295
Total Current Liabilities & Provisions	7,546	8,407	10,358	11,952
Net Current Assets	16,803	16,862	23,753	34,436
Investments	3,699	3,699	3,699	3,699
Net Fixed Assets	19,607	29,929	40,106	49,921
ROU Assets	-	-	-	-
Capital Work-in-Progress	2,874	2,874	2,874	2,874
Total Intangible Assets	298	298	298	298
Other assets	3,819	3,819	3,819	3,819
Deferred Tax Assets	1,602	1,602	1,602	1,602
Total Assets	48,702	59,083	76,151	96,649
Liabilities				
Borrowings	12,452	10,617	10,617	10,617
Deferred Tax Liability	1,978	1,978	1,978	1,978
provisions	-	-	-	-
other Liabilities	-	-	-	-
Equity Share Capital	181	181	181	181
Reserves & Surplus	32,875	44,884	61,588	81,485
Total Net Worth	33,056	45,065	61,769	81,666
Minority Interest	1,217	1,422	1,787	2,387
Total Liabilities	48,702	59,083	76,151	96,649

Source Company data, I-Sec research

Exhibit 20: Quarterly trend

(INR mn, year ending March)

	Mar-24	Jun-24	Sep-24	Dec-24
Net Sales	16,107	16,948	17,158	19,731
% growth (YOY)	12.7	(72.1)	1.2	15.0
EBITDA	3,537	4,494	4,448	5,265
Margin %	22.0	26.5	25.9	26.7
Other Income	177	243	305	95
Extraordinaries	-	-	-	-
Adjusted Net Profit	2,262	3,005	3,038	3,375

Source Company data, I-Sec research

Exhibit 21: Cashflow statement

(INR mn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Operating Cashflow	14,060	10,913	19,380	19,856
Working Capital Changes	1,804	(3,966)	(433)	(3,810)
Capital Commitments	(7,468)	(12,000)	(12,000)	(12,000)
Free Cashflow	6,592	(1,087)	7,380	7,856
Other investing cashflow	203	758	812	823
Cashflow from Investing Activities	(7,265)	(11,242)	(11,188)	(11,177)
Issue of Share Capital	-	-	-	-
Interest Cost	(1,307)	(1,064)	(1,012)	(1,012)
Inc (Dec) in Borrowings	(1,556)	(1,835)	-	-
Dividend paid	-	-	-	-
Others	(840)	(679)	(723)	(795)
Cash flow from Financing Activities	(3,703)	(3,577)	(1,735)	(1,807)
Chg. in Cash & Bank balance	3,093	(3,907)	6,457	6,872
Closing cash & balance	5,694	(1,034)	5,423	12,295

Source Company data, I-Sec research

Exhibit 22: Key ratios

(Year ending March)

	FY24A	FY25E	FY26E	FY27E
Per Share Data (INR)				
Reported EPS	96.7	142.5	196.6	235.3
Adjusted EPS (Diluted)	92.3	140.2	192.6	228.7
Cash EPS	108.2	158.8	212.7	252.8
Dividend per share (DPS)	7.5	7.5	8.0	8.8
Book Value per share (BV)	365.3	498.0	682.6	902.5
Dividend Payout (%)	7.8	5.3	4.1	3.7
Growth (%)				
Net Sales	(12.3)	20.3	28.7	18.8
EBITDA	6.2	41.7	34.2	19.5
EPS (INR)	7.8	47.4	38.0	19.7
Valuation Ratios (x)				
P/E	91.5	62.1	45.0	37.6
P/CEPS	81.8	55.7	41.6	35.0
P/BV	24.2	17.8	13.0	9.8
EV / EBITDA	60.7	42.9	31.7	26.3
P / Sales	13.6	11.3	8.8	7.4
Dividend Yield (%)	0.0	0.0	0.0	0.0
Operating Ratios				
Gross Profit Margins (%)	47.3	48.4	45.3	44.2
EBITDA Margins (%)	22.6	26.6	27.7	27.9
Effective Tax Rate (%)	24.6	26.0	25.9	25.9
Net Profit Margins (%)	14.4	17.7	18.9	19.1
NWC / Total Assets (%)	-	-	-	-
Net Debt / Equity (x)	0.2	0.2	0.0	(0.1)
Net Debt / EBITDA (x)	0.4	0.4	0.1	(0.2)
Profitability Ratios				
RoCE (%)	23.8	27.3	30.2	28.5
RoE (%)	30.6	35.2	36.2	32.0
RoC (%)	26.4	30.0	33.7	32.4
Fixed Asset Turnover (x)	2.5	2.4	2.3	2.1
Inventory Turnover Days	55	52	43	41
Receivables Days	55	62	71	68
Payables Days	-	-	-	-

Source Company data, I-Sec research

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