MOTILAL OSWAL

11 February 2013

3QFY13 Results Update | Sector: Healthcare

Sun Pharmaceuticals

BSE Sensex	S&P CNX
19,485	5,904

Bloomberg	SUNP IN
Equity Shares (m)	1,035.6
M.Cap. (INR b)/(USD b)	770.5/14.4
52-Week Range (INR)	776/535
1,6,12 Rel. Perf. (%)	-1/-1/25

Financials & Valuation (INR b)

Y/E March	2013E	2014E	2015E
Sales	109.1	126.6	142.7
EBITDA	48.4	43.1	47.3
Net Profit	32.7	31.6	34.9
Adj. EPS (INR)	31.6	30.5	33.7
EPS Gr. (%)	40.9	-3.6	10.7
BV/Sh. (INR)	138.4	160.6	185.2
RoE (%)	24.7	20.4	19.5
RoCE (%)	31.8	28.2	27.0
Payout (%)	21.2	23.5	24.1
Valuation			
P/E (x)	23.5	24.4	22.1
P/BV (x)	5.4	4.6	4.0
EV/EBITDA (x)	15.3	15.3	15.3
Div. Yield (%)	0.7	0.7	0.7

CMP: INR744 | TP: INR848 | Neutral

- Sun Pharma reported 33% sales growth to INR28.5b (est INR26.7b), a 31% EBITDA growth to INR12.6b (est INR10.4b) and 32% PAT growth to INR8.81b (est INR7.72b). It reported a one-time severance cost of INR238m pertaining to employees at DUSA. EBITDA growth was led by: 1) strong growth for Taro, 2) one-off supplies of Doxorubicin to the US and 3) favorable currency.
- We estimate one-offs contribution (mainly Doxorubicin) at INR1.58b to sales, INR807m to EBITDA and INR570m to PAT in 3QFY13. Adjusted for one-off contribution, we estimate core top line at INR26.94b (v/s est INR24.75), core EBITDA at INR11.8b (v/s est INR9.4b) and core PAT at INR8.24b (v/s est INR7b). Core EBITDA margin at 43.8% (flat YoY) was above 38% est. Core performance was above estimates and was led mainly by strong performance at Taro.
- Sun and Taro have announced the termination of merger agreement over inability to come to an agreement over the fair price of Taro's minority stake. Sun's management indicated that it is confident of managing the business at Taro as usual. While Taro's improved operations will continue to consolidate on Sun's books, the latter can now utilize the available cash surplus to pursue other value-enriching acquisitions.

We have upgraded core EPS for FY13E/14E/15E by 13%/4%/2%. This is to reflect (1) strong growth in Taro's operations for 3QFY13 which will gradually normalize in FY14 and (2) benefit of consolidation of DUSA and URL Pharma from 4QFY13 onwards. Based on our revised estimates, the stock is currently valued at 24.4x FY14E and 22.1x FY15E core EPS. While we are positive on Sun's business outlook, rich valuations have tempered down our bullishness. Reversal in profitability at Taro, low profitability of recent acquisitions and increased tax outgo for FY13 are potential downsides. Maintain **Neutral** with a TP of INR848 (25x FY15E EPS). Inorganic initiatives (cash of over USD1b) are key risk to our rating.

Quarterly Performance (Consolidated) (INR Million)

Y/E March	FY12				FY13				FY12	FY13E	FY13	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QE	%
Net Revenues	16,357	18,946	21,451	23,299	26,581	26,572	28,520	27,430	80,057	109,104	26,733	6.7
YoY Change (%)	16.9	38.3	34.0	59.2	62.5	40.3	33.0	17.7	39.9	36.3		
Total Expenditure	10,883	11,106	11,814	13,728	14,413	14,888	15,910	15,495	47,530	60,705		
EBITDA	5,474	7,840	9,638	9,571	12,169	11,685	12,611	11,935	32,527	48,398	10,417	21.1
Margins (%)	33.5	41.4	44.9	41.1	45.8	44.0	44.2	43.5	40.6	44.4	39.0	
Depreciation	647	668	774	823	801	829	844	860	2,912	3,335		
Net Other Income	969	1,183	-272	2,242	-231	1,476	936	1,381	3,941	3,563		
PBT before EO Exp	5,796	8,355	8,591	10,991	11,136	12,332	12,703	12,455	33,556	48,626		
EO Exp/(Inc)	0	0	0	0	0	5,836	0	0	0	5,836		
PBT	5,796	8,355	8,591	10,991	11,136	6,496	12,703	12,455	33,556	42,790		
Tax	143	1,281	634	2,604	1,925	2,139	2,369	2,320	3,826	8,753		
Rate (%)	2.5	15.3	7.4	23.7	17.3	32.9	18.6	18.6	11.4	20.5		
Profit after Tax	5,653	7,074	7,957	8,388	9,211	4,357	10,334	10,135	29,730	34,038		
Share of Minority Partner	643	1,097	1,274	841	1,256	1,161	1,521	1,266	3,855	5,204		
Reported PAT	5,010	5,977	6,683	7,547	7,956	3,196	8,813	9,489	25,875	30,023	7,724	14.1
One-off upsides	624	523	573	923	1,240	712	570	620	2,644	3,141		
Adj Net Profit	4,386	5,454	6,110	6,624	6,716	8,320	8,243	8,869	23,231	32,718	7,012	17.6
YoY Change (%)	30.4	32.8	99.2	26.9	53.1	52.6	34.9	33.9	65.4	40.8		
Margins (%)	26.8	28.8	28.5	28.4	25.3	31.3	28.9	32.3	29.0	30.0		

E: MOSL Estimates; * Quarterly no. don't match with annual no. because of reinstatement of financials

Hardick Bora (Hardick.Bora@MotilalOswal.com)

3Q performance was significantly above est - led by Taro, one-off supplies to US & currency

Topline growth of 33% to INR28.5b was driven by US business (INR14.9b, up 44% in INR, 32% in USD-terms). Price increases for key Taro products, favorable currency and one-off revenues for Doxorubicin were the key drivers of US sales. One-off revenues in US mainly included supply of Doxorubicin under the one-time supply arrangement allowed by the US FDA to bridge shortages.

Core Performance - Adjusted for one-off supplies to US, we estimate core topline at INR26.94b (v/s est. INR24.75b), core EBITDA at INR11.8b (v/s est. of INR9.41b) and core PAT at INR8.24b (v/s est. of INR7b). Core EBITDA margins at 43.8% (up 10bps YoY) were above our est. of 38%, mainly led by strong performance at Taro and favorable currency.

Domestic formulations business grew 13% YoY to INR7.88b (vs est. of INR8.56b). However, adjusting for change in accounting treatment of sales returns and discounts, growth was 19% YoY.

Sales in RoW markets grew by 40% while constant currency growth was 31%.

Revenue Mix (INR m)

	3QFY13	3QFY12	YoY (%)	2QFY13	QoQ (%)
Formualtions	26,773	20,166	32.8	25,125	6.6
India	7,885	6,956	13.3	8,099	-2.6
US	14,946	10,400	43.7	13,301	12.4
RoW	3,942	2,810	40.3	3,726	5.8
API	2,090	1,536	36.0	1,758	18.9
Others	59	17	240.8	125	-52.6
Gross Revenues	**28,922**	**21,720**	**33.2**	**27,008**	**7.1**

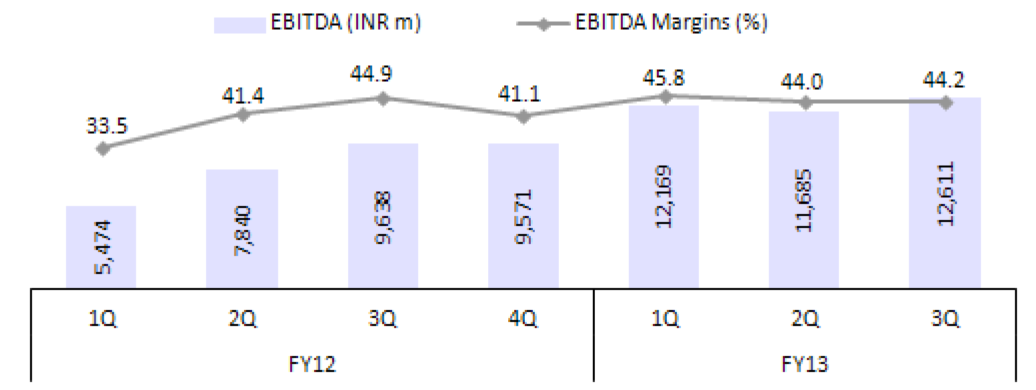
Source: Company, MOSL

Core EBITDA was above estimates

Reported EBITDA margins at 44.2% were above estimates of 39% mainly led by Taro, favorable currency and one-off supplies of Doxorubicin.

Operating expenses are higher by INR238m of one-time severance cost pertaining to DUSA employees. Adjusted for this, reported EBITDA margins would have been 45.1%.

EBITDA trend



Source: Company, MOSL

3QFY13 Concall highlights

- **Drops plans to acquire Taro's minority**: Sun Pharma and Taro have announced the termination of merger agreement over inability to come to an agreement over the fair price of Taro's minority stake. Sun Pharma's management has indicated that it is confident of managing the business at Taro as usual. SUNP will continue to hold the 66% stake in Taro and deduct minority interest on Taro's net profits, as has been the case.
- **US business:** Management has reiterated that the price increase undertaken by Taro for some of its dermatology products may not be sustainable in the long-term. It also expects increased R&D investments to strengthen Taro's generic pipeline. Overall, ANDAs for 142 products are pending approval and the company expects to file another 25 in FY13. SUNP's future focus will be on filing more complex, difficult-to-manufacture products. We note that Sun has procured FDA approval for the drug and believe that it will continue as a limited competition opportunity in FY14.
- **URL Pharma to consolidate 4QFY13 onwards:** Sun Pharma has not disclosed the revenue size and current profitability of this business, but indicated that its profit margins are substantially below the consolidated entity. Value-unlocking from the acquisition will take place by leveraging on the non-overlapping product portfolio of the URL and turnaround in profitability.
- **India business:** Management believes that the underlying growth in this business remains strong, with ~20% growth for 9MFY13. While the performance for FY13 will look muted against a high base of FY12, healthy growth is expected FY14E onwards.
- Sun Pharma has cash of INR65b on its books.

Taro performance - Profitability continues to be strong

- Taro (Sun Pharma's subsidiary) reported 3QFY13 results with 25% topline growth, 40% operating profit growth and 42% PAT growth. Topline growth has come despite flat growth in volumes YoY.
- The strong growth and profitability is primarily led by lower competitive intensity in some of Taro's key dermatology products in the US, which has enabled the company to gain market share as well as take price increases. This has been the trend for the past 4 quarters.
- Management remains cautious of the increasing competition and consequential erosion of volume on some of these major products and the challenge in maintaining current performance. It has cautioned that the current high profitability may not sustain once competition comes back to the market.

Taro financials (USD m)

	3QFY13	3QFY12	YoY (%)	2QFY13	QoQ (%)
Sales	**185.7**	**148.1**	**25.4**	**161.0**	**15.4**
Cost of sales (incl Depn)	45.8	42.1	8.8	39.6	15.4
Gross profit	139.9	106.0	31.9	121.3	15.3
GP Margin (%)	75.4	71.6		75.4	
Operating expenses					
R&D	11.8	8.9	33.5	10.9	8.2
R&D as a % of sales	6.4	6.0		6.8	
SG&A	24.1	22.7	5.9	28.0	-14.0
SG&A as a % of sales	13.0	15.3		17.4	
Operating Profit	**104.0**	**74.5**	**39.7**	**82.4**	**26.2**
Operating Profit Margin (%)	56.0	50.3		51.2	
Financial expenses	-0.6	0.3		-0.2	
Extraordinary items incl forex	-2.0	6.7		1.0	
Other income	1.4	-0.6		0.2	
PBT	**108.0**	**66.9**	**61.3**	**81.9**	**31.8**
Taxes	18.8	4.6		16.4	
Effective tax rate (%)	17.4	6.8		20.1	
Net income before MI	**89.2**	**62.3**	**43.0**	**65.5**	**36.2**
Minority interest	0.4	-0.1		0.1	
Net income	**88.8**	**62.4**	**42.3**	**65.4**	**35.9**

Source: Company, MOSL

Completes acquisition of DUSA in US for ~USD230m - No immediate financial upside, long-term +ve

- Sun Pharma has acquired DUSA Pharmaceuticals (USA) for a cash consideration of ~USD230m, implying a valuation of 5x DUSA's CY11 sales and 28x EBITDA. The company had reported a revenues of USD 45m for CY11 with PAT of USD7.3m. A significant portion of the proposed consideration will reflect as goodwill on Sun's books if the acquisition goes through.
- Importantly, DUSA has USFDA's NDA approval to market its dermatology product, Aminolevulinic Acid HCL, for the treatment of moderate inflammatory acne vulgaris and general dermatological conditions. DUSA seems to be technologically driven company with access to certain proprietary technologies.
- We do not expect any major financial upside for Sun Pharma from this acquisition in the near-term, given the small size of the acquired company. While the valuation offered by Sun Pharma to DUSA shareholders seems to be rich, the company intends to strengthen its presence in dermatology segment (both US and emerging markets) by unlocking the latent value in this proprietary franchise. We also note that Sun Pharma has a very good track record as far as inorganic initiatives are concerned.

DUSA - Financial Snapshot (USD m)

	1HCY12	CY11	CY10	CY09
Sales	**25.1**	**45.3**	**36.4**	**28.3**
Growth (%)	-44	24	29	
EBITDA	**2.8**	**8.2**	**3.1**	**-2.4**
EBITDA (%)	11	18	9	-8
Net Income/(Loss)	**1.9**	**7.3**	**2.7**	**-2.5**

Source: Company, MOSL

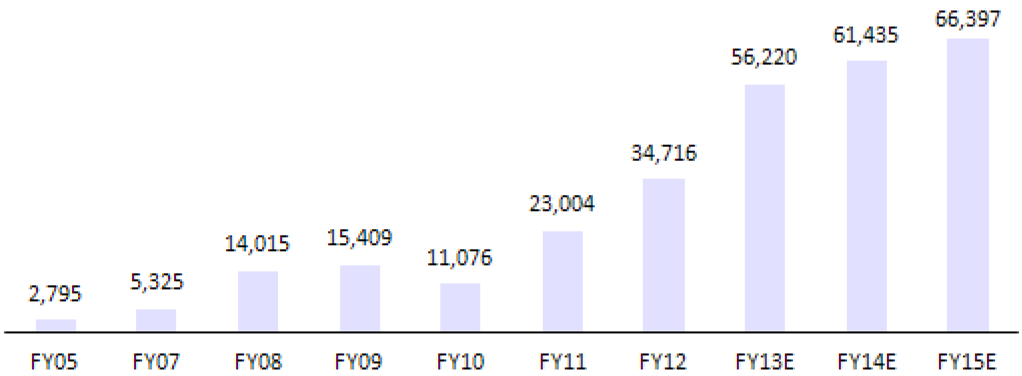
Acquires generic business of URL Pharma for an undisclosed amount - adds 107 approved ANDAs to the product basket; mostly non-overlapping

- Caraco (Sun Pharma's US subsidiary) has acquired the generic business of URL Pharma in US from Takeda Pharma. URL's overall business includes its star brand - Colcrys - which remains with Takeda while the rest of the business has been acquired by Caraco. Takeda had paid USD800m (1.33x CY11 sales) for acquiring the entire business (including both branded and generic products) in Jun-2012 and has now divested the generic business in favor of Caraco.
- While the consideration paid and revenues of this business have not been disclosed, Takeda's past press release indicate that Colcrys generates ~USD450-470m in annual sales of URL's total revenues of ~USD600m. This implies that the acquired generic business is likely to have revenues of ~USD130-150m annually for Caraco (not confirmed by the management as yet). The company will start consolidating URL Pharma on its books from 4QFY13 onwards.
- This business is likely to be a mix of normal generics and some potential low-competition products. URL currently has 107 ANDA approved by the USFDA. In the past, URL has launched some authorized generics also. Apart from the generic portfolio, the management indicated the URL has certain 505(b)(2) filings as well.
- Sun Pharma has not disclosed the current profitability of this business, but indicated that is substantially below consolidated entity's profit margins. The managements indicated that the value-unlocking from the acquisition will take place by leveraging on the non-overlapping product portfolio of the URL and turnaround in profitability.

Receives FDA approval for Doxil - competition will continue to be limited

- Sun Pharma has received FDA approval for its generic version of J&J's Doxil, which is used in the treatment of ovarian cancer and multiple myeloma. The drug has been in shortage for over 18 months and the market potential of the drug is currently not ascertainable.
- Management indicated that the drug generated ~USD200m in sales annually before it ran into shortage in November 2011.
- While the patents for the drug have expired in 2009, it has orphan drug exclusivity till May 2014. Currently, there are no other final approvals for the generic versions and the management is not aware of any other ANDA filers for the product.
- We expect competition to be limited to two players for the next 9-12 months with Sun Pharma holding the major market share; being the only FDA-approved player.
- Our assumption of limited competition is based on (1) the fact that doxorubicin HCL liposome has proven to be a very complex product requiring stringent quality control standard and (2) SUNP's capability in manufacturing such complex products, indicated by them being granted the temporary importation arrangement in the first place. Key risk to our assumption include (1) subsequent FDA approvals to other generic filers if any and (2) temporary importation granted for other unapproved equivalents of Doxil.
- Based on our assumption, we estimate one-time sales contribution of the ~USD125-130m over the next 12 months with PAT of USD30-35m. This will increase our DCF estimate for one-off upsides from INR3 to INR5 per share.

Sun - US Generic Sales (INR m)



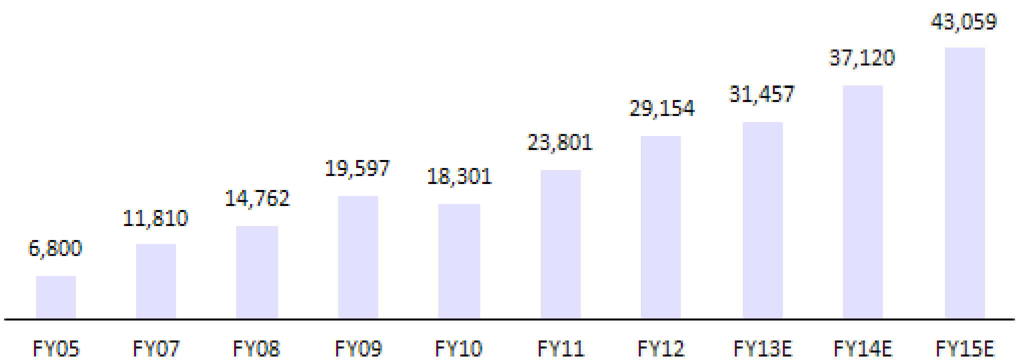
Note: Taro's revenue consolidated from FY11 onwards; DUSA & URL from 4QFY13 onwards

Source: Company, MOSL

Domestic formulations to report muted growth in FY13; Emerging markets portfolio to grow at ~32% CAGR

- Given its strong positioning in the lifestyle segment, we expect Sun to sustain its underlying growth momentum in the domestic formulations business in the long-term. It is among the top players in the CNS, CVS, Gastro, Ophthalmology and Orthopedics segments.
- This business has grown at 25% CAGR for FY08-12 partly aided by the one-time supplies of INR1.8b made in 4QFY12. This one-time sales is likely to have increased the inventory in the trade channels and hence will partly temper down domestic formulations growth for FY13.

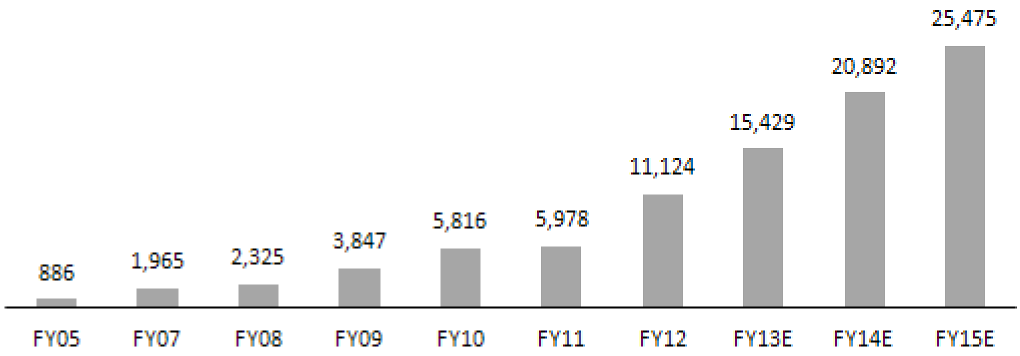
Sun - Domestic Formulations Sales - Sustained momentum (INR m)



Source: Company, MOSL

We also believe that SUNP's emerging markets revenues are likely to grow at ~32% CAGR over next three years given its plans to increase its penetration in key markets. Management has indicated that its emerging markets business has good growth potential going forward.

SUNP: Emerging market sales to grow at ~32% CAGR (INR m)



Source: Company, MOSL

Valuation and view

An expanding generic portfolio coupled with sustained double-digit growth in high-margin life-style segments in India is likely to bring in long-term benefits for SUNP. Its ability to sustain superior margins even on a high base is a clear positive. Key drivers for future include: (1) Continued traction in US business aided by recent acquisitions, (2) Monetization of the Para-IV/low-competition pipeline in the US, (3) Launch of controlled substances in the US, (4) Sustaining Taro's high profitability & (5) Ability to leverage on DUSA's technology franchise. Post the 3QFY13 results; we have upgraded our core EPS estimates for FY13E/14E/15E by 13%/4%/2% respectively. This is to reflect (1) the strong growth in Taro's operations for 3QFY13 which will gradually normalize in FY14 and (2) benefit of consolidation of DUSA and URL Pharma from 4QFY13 onwards.

Based on our revised estimates, the stock is currently valued at 24.4x FY14E and 22.1x FY15E core earnings. While we are positive on SUNP's business outlook, rich valuations have tempered down our bullishness. Price increases for certain products by Taro (due to absence of competition), positive impact of a favourable currency and Doxil supplies to US were the key reasons for the significant increase in growth and profitability for SUNP in 1HFY13. The significant jump in profitability at Taro is not sustainable in the long-term and is likely to reverse post the re-entry of some of the competitors. While the recent acquisitions will add to the sales growth, their low profitability will drag SUNP's consolidated profit margins until turnaround is achieved. Tax rate for FY13 will be ~18% compared to 11.4% for FY12. Given these headwinds, we maintain **Neutral** with target price of INR848 (25x FY15 EPS). Inorganic initiatives (SUNP has cash of over USD1b) are a key risk to our rating.

Sun Pharmaceuticals: an investment profile

Company description

Sun Pharma is among the largest players in the domestic formulations market and the most profitable one. It makes and markets specialty medicines and APIs for chronic therapy areas such as cardiology, psychiatry, neurology, etc. Sun has forayed into regulated markets by acquiring majority stake in Caraco Pharma and has strengthened its presence in US by recent acquisition of Taro.

Key investment arguments

- Ability to identify niches in long term therapy areas with high entry barriers and build strong franchise to ensure sustainable growth and high margins.
- Sustaining superior profitability on higher base is a strong positive.
- One of the strongest ANDA pipelines from India with 135 ANDAs pending approval. The pipeline includes a combination of low-competition, patent challenge and normal product opportunities.

Key investment risks

- Unresolved USFDA issues related to Caraco's manufacturing facilities will continue to impact sales in the US and pending ANDA approvals from that facility.
- Capability to scale up exports, particularly to unregulated markets, is yet to be fully demonstrated.

Recent developments

- Terminates merger agreement with Taro Pharma.
- Receives FDA approval for doxorubicin liposomal injection.
- Completes acquisition of DUSA Pharmaceuticals (USA) for a cash consideration of USD230m and URL Pharma for an undisclosed amount.

Valuation and view

- While we are positive on SUNP's business outlook, rich valuations have tempered down our bullishness.
- The stock is currently valued at 24.4x FY14E and 22.1x FY15E core earnings. Maintain **Neutral** with TP of INR848 (25x FY15E EPS)

Sector view

- Emerging markets and USA would remain the key sales and profit drivers in the medium term. Japan is expected to emerge as the next growth driver for generics in the long-term.
- We are overweight on companies that are towards the end of the investment phase, with benefits expected to start coming in from the next fiscal.

Comparative valuations

		Sun Pharma	Ranbaxy	DRL
P/E (x)	FY14E	24.4	16.9	18.3
	FY15E	22.1	13.8	15.7
P/BV (x)	FY14E	4.6	2.7	4.2
	FY15E	4.0	2.3	3.7
EV/Sales (x)	FY14E	5.4	1.9	2.9
	FY15E	4.7	1.7	2.6
EV/EBITDA (x)	FY14E	16.0	13.7	14.1
	FY15E	14.0	11.5	12.2

Shareholding pattern (%)

	Dec-12	Sep-12	Dec-11
Promoter	63.7	63.7	63.7
Domestic Inst	4.4	5.2	6.3
Foreign	21.6	20.6	19.4
Others	10.3	10.6	10.6

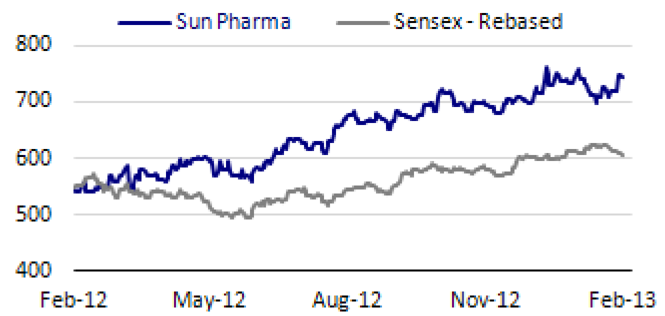
EPS: MOSL forecast v/s consensus (INR)

	MOSL Forecast	Consensus Forecast	Variation (%)
FY13	31.6	30.9	2.2
FY14	30.5	34.2	-10.7

Target price and recommendation

Current Price (INR)	Target Price (INR)	Upside (%)	Reco.
744	848	14.0	Neutral

Stock performance (1 year)



Financials and Valuation

Consolidated Income Statement				(INR Million)
Y/E March	2012	2013E	2014E	2015E
Net Sales	80,054	109,104	126,594	142,675
Change (%)	39.9	36.3	16.0	12.7
Total Expenditure	47,530	60,705	83,457	95,391
% of Sales	59.4	55.6	65.9	66.9
EBITDA	32,524	48,398	43,137	47,284
Margin (%)	40.6	44.4	34.1	33.1
Depreciation	2,912	3,335	3,658	3,964
EBIT	29,613	45,063	39,479	43,320
Int. and Finance Charges	282	233	164	164
Other Income - Rec.	4,223	3,795	4,879	5,766
Extra-ordinary Exp		5,836		
PBT	33,554	42,790	44,194	48,922
Tax	3,826	8,753	7,955	9,784
Tax Rate (%)	11.4	20.5	18.0	20.0
Profit after Tax	29,727	34,038	36,239	39,138
Change (%)	55.9	14.5	6.5	8.0
Margin (%)	37	31	29	27
Less: Mionrity Interest	3855	5204	4684	4215
Net Profit	25,873	28,834	31,555	34,922
Adj. PAT	23,228	32,718	31,555	34,922

Consolidated Balance Sheet				(INR Million)
Y/E March	2012	2013E	2014E	2015E
Equity Share Capital	1,036	1,036	1,036	1,036
Total Reserves	120,628	142,253	165,289	190,782
Net Worth	121,664	143,289	166,324	191,817
Minority Interest	11,615	16,818	21,502	25,717
Deferred Liabilities	-5199	-5199	-5199	-5199
Secured Loan	1,319	1,319	1,319	1,319
Unsecured Laon	1,420	1,420	1,420	1,420
Total Loans	2,739	2,739	2,739	2,739
Capital Employed	130,818	157,648	185,367	215,075
Gross Block	46,542	51,542	56,042	60,542
Less: Accum. Deprn.	20,407	23,742	27,400	31,364
Net Fixed Assets	26,135	27,800	28,642	29,178
Capital WIP	3,447	3,447	3,447	3,447
Goodwill	13,378	13,378	23,978	23,978
Investments	22,303	22,303	22,303	22,303
Curr. Assets	90,506	123,367	149,484	184,699
Inventory	20,870	21,981	33,123	37,330
Account Receivables	19,261	23,913	27,747	31,271
Cash and Bank Balance	33,672	55,055	62,602	86,781
L & A and Others	16,703	22,419	26,013	29,317
Curr. Liability & Prov.	24,950	32,648	42,487	48,530
Account Payables	14,410	16,687	26,013	29,317
Provisions	10,541	15,961	16,475	19,213
Net Current Assets	65,556	90,719	106,997	136,169
Appl. of Funds	130,818	157,647	185,367	215,075

E: MOSL Estimates

Ratios				
Y/E March	2012	2013E	2014E	2015E
Basic (INR)				
EPS	22.4	31.6	30.5	33.7
Fully Diluted EPS	22.4	31.6	30.5	33.7
Cash EPS	27.8	31.1	34.0	37.5
BV/Share	117.5	138.4	160.6	185.2
DPS	4.2	5.9	7.0	7.8
Payout (%)	17.2	21.2	23.5	24.1
Valuation (x)				
P/E	33.2	23.6	24.4	22.1
Cash P/E	26.8	24.0	21.9	19.8
P/BV	6.3	5.4	4.6	4.0
EV/Sales	9.0	6.4	5.4	4.7
EV/EBITDA	22.1	14.4	16.0	14.0
Dividend Yield (%)	0.6	0.8	0.9	1.0
Return Ratios (%)				
RoE	21.5	24.7	20.4	19.5
RoCE	30.3	31.8	28.2	27.0
Working Capital Ratios				
Fixed Asset Turnover (x)	3.1	4.0	4.5	4.9
Debtor (Days)	88	80	80	80
Inventory (Days)	95	74	96	96
Working Capital T/O (Days)	299	303	308	348
Leverage Ratio				
Debt/Equity (x)	0.0	0.0	0.0	0.0

Cash Flow Statement				(INR Million)
Y/E March	2012	2013E	2014E	2015E
OP/(Loss) bef. Tax	32,524	42,562	43,137	47,284
Int./Dividends Recd.	4,223	3,795	4,879	5,766
Direct Taxes Paid	-5,373	-8,753	-7,955	-9,784
(Inc)/Dec in WC	-7,882	-3,781	-8,730	-4,993
CF from Operations	23,493	33,825	31,331	38,272
(inc)/dec in FA	-10,212	-5,000	-15,100	-4,500
(Pur)/Sale of Invest.	7	0	0	0
CF from investments	-10,205	-5,000	-15,100	-4,500
Change in networth	5,361	0	0	0
(Inc)/Dec in Debt	-1,517	0	0	0
Interest Paid	-282	-233	-164	-164
Dividend Paid	-5,115	-7,208	-8,520	-9,429
CF from Fin. Activity	-1,553	-7,441	-8,684	-9,593
Inc/Dec of Cash	11,736	21,383	7,547	24,179
Add: Beginning Balance	21,936	33,672	55,055	62,602
Closing Balance	33,672	55,055	62,602	86,781

Note: Cashflows do not tally due to acquisition

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