

### Use the weakness to get in

Petroleum and Natural Gas Regulatory Board (PNGRB) has issued tariff orders for the Hazira-Vijaipur-Jagdishpur (HVJ) and Dahej-Vijaipur (DVPL-GREP) extension pipelines of GAIL. Additionally, PNGRB has also issued tariff orders for Mumbai regional network and the first phase of the Jagdishpur-Haldia-Bokaro-Dhamra Pipeline (JHDBPL). Tariffs for HVJ/DVPL have disappointed while tariffs for Mumbai network have been hiked materially which is a positive. Despite the miss vs estimates, we believe today's price reaction (down 9% in first two hours) is disproportionate and underestimates core business strength across segments. We recognise the weaker metrics in near term and tweak earnings for FY20/21E by ~2/4%. Factoring in marginally weaker target multiples, TP reduced to 395/sh. BUY.

#### HVJ and DVPL tariff orders below estimates

HVJ/DREP carry 66mmcmd (61% of total) transmission volumes of GAIL. PNGRB has issued an "integrated tariff" of Rs1.63/scm (Rs41.1/mmbtu) vs Rs97/mmbtu (Rs3.9/scm) submitted by GAIL and current weighted average tariff of Rs39.6/mmbtu (~Rs1.6/mmbtu). The reduction to Rs41.1/mmbtu (Rs1.6/scm) vs Rs97/mmbtu asked for implies a a weighted average increase of Rs0.08/scm (+5.3%) for GAIL vs FY19 reported average tariff. This is below estimates of blended tariffs of Rs1.61/scm for FY21E vs FY19 reported Rs1.49/scm (+8%). The integrated tariff for HVJ is well below Street expectations of >15% and has driven the sharp reaction of the stock today.

#### Mumbai Regional Network tariff revision a positive; JHDBPL tariff lower

Mumbai Regional network which has two sub-networks Uran-Thal-Usar (UTU) and Trombay RCF (TRCF) carrying 5.7/4.3 mmscmd of volumes, which is ~5/4% of GAIL's overall volumes. The tariffs for both networks has been increased by 73/2318% from current levels to Rs6/25 per mmbtu (0.24/1 per scm) and has a ~3% impact on GAIL's blended tariff. PNGRB also issued final tariff order for JHDBPL – Phase I at Rs63.5/mmbtu (Rs2.5/scm), well below tariff submitted by GAIL of Rs150.5/mmbtu (Rs6/scm).

#### >90% of GAIL's current network now covered by tariff regulations

With the current set of tariff orders coming in, GAIL's >90% of the transmission volumes are covered under the tariff regulation. The average increase is Rs2/mmbtu to blended tariffs of GAIL which is ~5.3% higher than FY19 average. We have seen a cumulative increase of ~15% in tariffs over FY18 average.

#### Valuation – We remain positive, BUY

Despite the lower tariffs, we see transmission EBIT growing at 11% CAGR over FY19-21E (12% over FY14-18). Additionally, we do not share the pessimism on the Petchem/ LPG business based on a weak Q4 performance and see earnings from these two segments growing at a steady pace over FY20-21E, with a recovery in prices expected in H2FY20E. Stock trades at 11.9x FY21E EPS and on 13.1x based on TP. Revised EPS CAGR is at 9% over FY19-21E. BUY.

#### Financial and valuation summary

YE Mar (Rs bn)	FY17	FY18	FY19P	FY20E	FY21E
Revenue	4,81,489	5,36,616	7,48,983	6,81,713	7,50,870
EBITDA	64,094	76,339	93,271	1,04,632	1,11,754
EBITDA margin (%)	13.3	14.2	12.5	15.3	14.9
EBIT	50,126	62,188	77,769	88,541	94,613
Adj. PAT	34,135	41,999	56,816	63,269	67,872
Diluted EPS (Rs)	15.1	18.6	25.2	28.1	30.1
PE (x)	23.7	19.2	14.2	12.8	11.9
EV/EBITDA (x)	13.4	10.6	9.0	8.0	7.4
P/BV (x)	2.6	2.1	2.0	1.8	1.7
RoE (%)	6.5	8.6	10.4	12.9	13.1

Source: Company, Centrum Research estimates

Please see Appendix for analyst certifications and all other important disclosures. In the interest of timeliness, this document is not edited.

#### Company Update

India I Oil & Gas

6 June 2019

**BUY**

Target Price: Rs395

Price: Rs358

Forecast return: 10%

Institutional Research

#### Market Data

Bloomberg:	GAIL IN
52 week H/L:	399/295
Market cap:	Rs807.9bn
Shares outstanding:	2255.1mn
Free float:	34.7%
Avg. daily vol. 3mth:	4,134,944

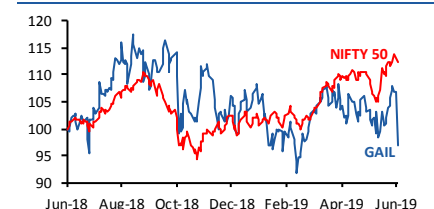
Source: Bloomberg

#### Changes in the report

Rating:	NA
Target Price:	(3.7%)
Earnings estimates:	(1.8%) FY20E, (4.2%) FY21E

Source: Centrum Research

#### GAIL relative to Nifty 50



Source: Bloomberg

#### Shareholding pattern

	Mar-19	Dec-18	Sep-18	Jun-18
Promoter	52.6	53.5	53.5	53.3
FIIs	20.9	20.8	18.7	17.4
DII	14.7	14.0	16.0	16.6
Public/oth	11.9	11.7	11.9	12.7

Source: BSE



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## Thesis Snapshot

### Estimate revisions

YE Mar (Rs bn)	FY20E New	FY20E Old	% chg	FY21E New	FY21E Old	% chg
Revenue	681,713	683,357	(0.2)	750,870	754,992	(0.5)
EBITDA	104,632	106,392	(1.7)	111,754	116,164	(3.8)
EBITDA margin	15.3%	15.6%		14.9%	15.4%	
Adj. PAT	63,269	64,448	(1.8)	67,872	70,827	(4.2)
Diluted EPS (Rs)	28.1	28.6	(1.8)	30.1	31.4	(4.2)

Source: Centrum Research estimates

### GAIL versus NIFTY 50

	1m	6m	1 year
GAIL IN	3.5	2.7	7.6
NIFTY 50	1.8	10.6	12.6

Source: Bloomberg, NSE

### Key assumptions

YE Mar (Rs bn)	FY19	FY20E	FY21E
Brent (US\$/bbl)	70.4	70.0	70.0
INR/USD	69.9	70.0	70.0
<b>Natural Gas Transmission</b>			
Volumes (mmscmd)	107.4	112.9	118.9
Tariff (Rs/mcm)	1,491	1,571	1,571
<b>LPG Transmission</b>			
Volumes ('000 mt)	3,975	4,055	4,136
Tariff (Rs/mt)	1,570	1,601	1,633
<b>Natural Gas Trading</b>			
Volumes (mmscmd)	96.9	102.9	108.4
EBIT margin/mcm	781	650	650
<b>Petrochemicals</b>			
Volumes ('000 mt)	735	789	794
Realisation (Rs/mt)	91,797	87,072	89,728
<b>LPG and LHC</b>			
Volumes ('000 mt)	1,329	1,339	1,358
Realisation (Rs/mt)	38,248	33,368	33,368

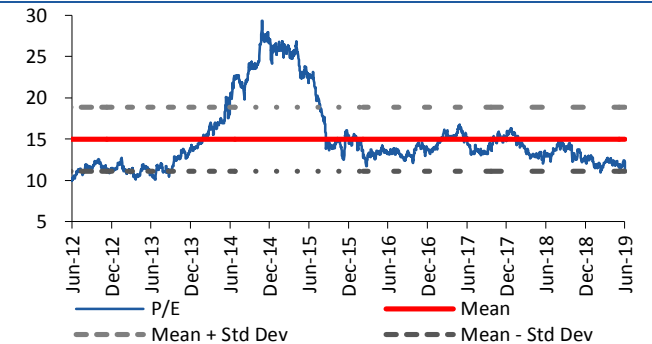
Source: Centrum Research estimates

### Valuations

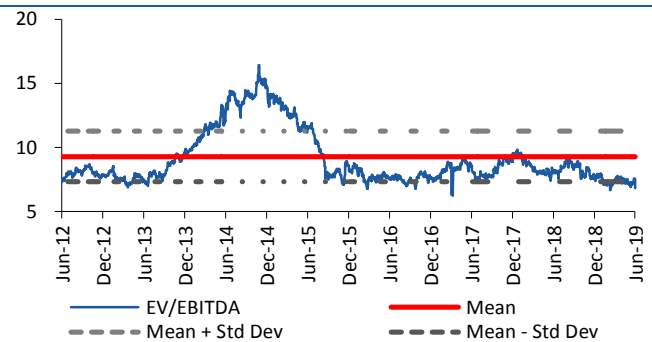
We value GAIL using FY21E EV/EBITDA multiples of 6.5x for transmission business, 7x for trading business, 6x for petchem business and 6.5x for LPG+LHC segment, which delivers a target price of Rs395/share, 10% upside from the previous close price. At the target price, implied multiples are 13.1x FY21E EPS/ 8.1x EV/EBITDA.

Valuations	FY21E (Rs mn)	Multiple (x)	EV (Rs mn)
<b>GAIL segmental EBITDA</b>			
Natural gas transmission	49,078	6.5	319,497
LPG transmission	3,856	6.5	25,101
NG Trading	25,364	7.0	177,550
Petchem	11,830	6.0	70,978
LPG and Liquid Hydrocarbons	20,364	6.5	132,366
Other unallocated	1,263	5.5	6,945
<b>EBITDA</b>	<b>111,754</b>	<b>6.6</b>	<b>732,436</b>
Net debt			11,966
Total Equity Value			720,470
# of shares			2,255.07
Equity value/ share			319
Listed Investments			75
<b>Total Equity Value</b>			<b>395</b>
<b>CMP</b>			<b>358</b>
<b>Upside (downside) %</b>			<b>10%</b>

### P/E mean and standard deviation



### EV/EBITDA mean and standard deviation



Source: Bloomberg, Centrum Research estimates

### Peer comparison

Company	Mkt Cap Rs mn	CAGR FY19-FY21E (%)			PE (x)			EV/EBITDA (x)			RoE (%)		
		Sales	EBITDA	PAT	FY19	FY20E	FY21E	FY19	FY20E	FY21E	FY19	FY20E	FY21E
GAIL	807,879	0.1	9.5	9.3	14.2	12.8	11.9	9.0	8.0	7.4	12.9	13.1	12.9
PLNG	370,125	(0.7)	10.6	11.1	17.2	15.9	13.9	4.8	4.4	3.8	21.4	21.9	23.1
GSPL	109,978	2.8	3.0	5.4	9.4	9.8	8.5	5.6	6.0	5.1	13.8	11.9	12.4
IGL	241,045	18.8	13.7	13.9	27.9	24.6	21.5	18.4	15.5	13.4	19.0	18.7	18.5
MGL	87,934	8.6	8.1	5.9	16.1	15.3	14.4	8.9	8.2	7.4	22.8	21.3	20.3
GGL	127,388	16.3	23.4	33.3	29.7	18.1	16.7	14.6	9.6	8.9	19.6	25.4	22.4

Source: Company, Centrum Research estimates

**Fig 1: Summary of final pipeline tariff orders in June 2019**

(Rs/mmbtu)	HVJ	HVJ Upgradation	HVJ Intergrated	Uran - Thal - Usar	Trombay RCF	JHBDPL (Phase I)	Overall impact
Existing tariff	25.5	53.7	39.6	3.5	1.0	NA	
Tariff Submitted by GAIL	175.2	79.3	97.0	32.3	68.0	150.5	
<b>Difference with GAIL submission:</b>							
Considering economic life (upto 14.08.2032)	(58.4)	-	-	-	-	-	
Increase in economic life						(0.4)	
Inflation	(0.2)	(0.2)	(0.2)	(0.2)	(0.3)	(2.0)	
Unaccounted Gas	(10.9)	(6.2)	(8.4)	(14.8)	(14.1)	(3.0)	
Working days	(7.7)	(4.7)	(6.1)	(1.1)	(1.7)	(4.1)	
Revised NFA and actual capex	(15.9)	14.7	(1.8)	0.4	(0.6)	(80.7)	
NFA as on 20.11.2008 and IDC included in capex	(2.3)	(1.2)		(0.3)	(0.3)	-	
Tariff computed				3.9	13.9	-	
Actual opex, future opex and SUG Tariff	(19.2)	(7.7)	(13.3)	(12.4)	(31.3)	(0.8)	
Date of commissioning						3.9	
Future Capex	(7.9)	(8.1)	(6.3)	(0.4)	(0.3)	-	
Volume divisor and calorific value	(9.1)	(9.1)	(19.8)	(1.4)	(8.0)	-	
<b>Approved</b>	<b>43.7</b>	<b>56.7</b>	<b>41.1</b>	<b>6.0</b>	<b>25.2</b>	<b>63.5</b>	
<b>Increase over current %</b>	<b>71.5</b>	<b>5.6</b>	<b>3.7</b>	<b>73.1</b>	<b>2318.3</b>	<b>NA</b>	
<b>Pipeline volume currently (mmscmd)</b>	<b>33.0</b>	<b>33.4</b>	<b>66.4</b>	<b>5.7</b>	<b>4.3</b>	<b>NA</b>	<b>76.4</b>
<b>% of total</b>	<b>30.7</b>	<b>31.1</b>	<b>61.8</b>	<b>5.3</b>	<b>4.0</b>	<b>NA</b>	<b>71.1</b>
<b>Impact on total tariff (Rs/mmbtu)</b>	<b>5.6</b>	<b>0.9</b>	<b>0.9</b>	<b>0.1</b>	<b>1.0</b>	<b>NA</b>	<b>2.0</b>
<b>Impact on total tariff (Rs/tcm)</b>	<b>222.1</b>	<b>37.3</b>	<b>36.2</b>	<b>5.3</b>	<b>38.2</b>	<b>NA</b>	<b>79.8</b>
<b>Impact (%)</b>	<b>14.9</b>	<b>2.5</b>	<b>2.4</b>	<b>0.4</b>	<b>2.6</b>	<b>NA</b>	<b>5.3</b>

Source: PNGRB, Company, Centrum Research

**Fig 2: PNGRB's earlier tariff orders for GAIL pipelines (Sep 2018)**

(Rs/mmbtu)	DUPL	Baroda Sub	South Guj Motwan	Kadi Kalol	Kalpl Ramol	Mehsana	Paliyad	GGCL Surat	Agartala	Dukli Maharajganj	Overall Impact
Existing tariff (FY08-18)	24.5	7.8	0.8	1.8	6.9	1.9	0.6	0.4	5.8	6.1	
Submitted (FY18 onwards)	69.3	98.1	18.8	117.5	38.7	49.5	9.7	5.1	76.4	82.2	
<b>Difference with GAIL submission</b>											
Inflation (4.5% vs 4.9%)	(0.4)	(0.1)	(0.0)	(0.1)	(0.0)	(0.0)	(0.0)	(0.0)	(0.3)	(0.5)	
Unaccounted Gas (NIL vs 3%)	(10.4)	(12.6)	(1.6)	(4.5)	(1.3)	(2.4)	(2.0)	(2.3)	(3.9)	(2.9)	
Opex (actual + future estimates)	(1.8)	(9.9)	(1.9)	(1.6)	(1.7)	(0.8)	(0.3)	(0.0)	(6.1)	(9.0)	
Capex	(3.0)	(38.2)	(9.2)	(45.2)	(3.0)	(24.0)	(0.6)		(2.1)	(11.7)	
terminal value	(0.0)	(0.0)	0.6	-		-					
Net Block	(0.4)	(0.2)	(0.0)	(0.2)	(0.2)	(0.1)	(0.0)	(0.0)	(1.5)	(1.2)	
Volume divisor	(11.2)	(0.7)	(3.4)	(0.8)	(29.4)	(5.8)	(1.9)	(1.2)	(13.9)	(7.6)	
working days ( 355 vs 345)	(4.1)	(3.6)	(0.5)	(3.5)	(1.2)	(1.5)	(0.3)	(0.1)		(2.9)	
Calorific Value		(5.2)	(0.0)	(0.1)		(0.1)		(0.4)	(2.8)		
<b>Approved</b>	<b>37.8</b>	<b>27.6</b>	<b>2.8</b>	<b>61.6</b>	<b>1.9</b>	<b>14.8</b>	<b>4.6</b>	<b>1.1</b>	<b>45.9</b>	<b>46.4</b>	
<b>Increase over current %</b>	<b>54</b>	<b>254</b>	<b>254</b>	<b>3248</b>	<b>(72)</b>	<b>697</b>	<b>686</b>	<b>161</b>	<b>691</b>	<b>656</b>	
<b>pipeline volume currently (mmscmd)</b>	<b>14.9</b>	<b>3.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>1.5</b>	<b>0.1</b>	<b>19.8</b>
<b>% of total</b>	<b>14.2</b>	<b>2.9</b>	<b>0.1</b>	<b>0.1</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>1.4</b>	<b>0.1</b>	<b>18.8</b>
<b>Impact on total tariff (Rs/mmbtu)</b>	<b>1.9</b>	<b>0.6</b>	<b>0.0</b>	<b>0.1</b>	<b>(0.0)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.6</b>	<b>0.0</b>	<b>3.1</b>
<b>Impact on total tariff (Rs/tcm)</b>	<b>74.7</b>	<b>23.2</b>	<b>0.0</b>	<b>2.2</b>	<b>(0.0)</b>	<b>0.3</b>	<b>0.0</b>	<b>0.0</b>	<b>22.7</b>	<b>0.9</b>	<b>124.0</b>
<b>Impact (%)</b>	<b>6</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>9.4</b>

Source: PNGRB, Company, Centrum Research

## Valuations & View – Keep the faith

Despite the cut in our earnings by -1.8%/-4.2% for FY20E/FY21E due to lower than expected tariff orders, our revised EBITDA/PAT factor in a CAGR of 9.5%/9.3% respectively over FY19-FY21E. At current prices, the valuations of 11.9x FY21E EPS, 7.4x EV/EBITDA and 1.7x P/BV are pessimistic. We value GAIL using FY21E EV/EBITDA multiples of 6.5x for transmission business, 7x for trading business, 6x for petchem business and 6.5x for LPG+LHC segment, which delivers a target price of Rs395/share, 10% upside from the previous close price. At the target price, implied multiples are 13.1x FY21E EPS/ 8.1x EV/EBITDA.

**Fig 3: GAIL SoTP Valuation**

	FY21E	Multiple	EV
GAIL segmental EBITDA	(Rs mn)	(x)	(Rs mn)
Natural gas transmission	49,078	6.5	3,19,497
LPG transmission	3,856	6.5	25,101
NG Trading	25,364	7.0	1,77,550
Petchem	11,830	6.0	70,978
LPG and Liquid Hydrocarbons	20,364	6.5	1,32,366
Other unallocated	1,263	5.5	6,945
<b>EBITDA</b>	<b>1,11,754</b>	<b>6.6</b>	<b>7,32,436</b>
Net debt			11,966
Total Equity Value			7,20,470
# of shares			2,255.07
Equity value/ share			319
Listed Investments			75
<b>Total Equity Value</b>			<b>395</b>
<b>CMP</b>			<b>358</b>
<b>Upside (downside) %</b>			<b>10%</b>

Source: Centrum Research

P&L					
YE March (Rs Mn)	FY17	FY18	FY19	FY20E	FY21E
<b>Revenues</b>	<b>481,489</b>	<b>536,616</b>	<b>748,983</b>	<b>681,713</b>	<b>750,870</b>
Materials cost	363,932	404,369	564,399	513,708	565,821
% of revenues	75.6%	75.4%	75.4%	75.4%	75.4%
Employee cost & others	12,575	13,015	13,926	14,900	15,943
% of revenues	2.6%	2.4%	1.9%	2.2%	2.1%
Others	40,887	42,893	77,387	48,473	57,352
% of revenues	8.5%	8.0%	10.3%	7.1%	7.6%
<b>EBITDA</b>	<b>64,094</b>	<b>76,339</b>	<b>93,271</b>	<b>104,632</b>	<b>111,754</b>
EBITDA margin (%)	13.3%	14.2%	12.5%	15.3%	14.9%
Depreciation & Amortisation	13,968	14,151	15,502	16,091	17,141
<b>EBIT</b>	<b>50,126</b>	<b>62,188</b>	<b>77,769</b>	<b>88,541</b>	<b>94,613</b>
Interest expenses	4,794	2,751	1,385	2,283	1,555
<b>PBT from operations</b>	<b>45,333</b>	<b>59,437</b>	<b>76,383</b>	<b>86,259</b>	<b>93,058</b>
Other income	7,452	5,870	11,348	8,172	8,244
Exceptional items	(2,987)	277	(983)	-	-
<b>PBT</b>	<b>49,798</b>	<b>65,584</b>	<b>86,748</b>	<b>94,431</b>	<b>101,302</b>
Taxes	19,079	23,400	30,592	31,162	33,430
Effective tax rate (%)	38.3%	35.7%	35.3%	33.0%	33.0%
<b>PAT</b>	<b>30,718</b>	<b>42,184</b>	<b>56,157</b>	<b>63,269</b>	<b>67,872</b>
Minority/Associates					
<b>Reported PAT</b>	<b>30,718</b>	<b>42,184</b>	<b>56,157</b>	<b>63,269</b>	<b>67,872</b>
<b>Adjusted PAT</b>	<b>32,720</b>	<b>41,999</b>	<b>56,816</b>	<b>63,269</b>	<b>67,872</b>

Ratios					
YE March	FY17	FY18	FY19	FY20E	FY21E
<b>Growth (%)</b>					
Revenue	(7.3)	11.4	39.6	-9.0	10.1
EBITDA	50.2	19.1	22.2	12.2	6.8
PAT	79.1	23.0	35.3	11.4	7.3
<b>Margin (%)</b>					
EBITDA	13.3	14.2	12.5	15.3	14.9
PBT from operations	10.3	12.2	11.6	13.9	13.5
Adjusted PAT	6.8	7.8	7.6	9.3	9.0
<b>Return (%)</b>					
ROE	8.6	10.4	12.9	13.1	12.9
ROCE	10.5	13.2	14.8	15.4	15.3
ROIC	12.5	14.5	17.5	18.2	17.9
<b>Turnover (days)</b>					
Gross block turnover ratio (x)	1.1	1.2	1.6	1.3	1.4
Debtors	29.4	26.8	22.2	25.9	23.6
Inventory	17.3	16.3	13.7	15.8	14.3
Creditors	21.1	22.4	19.1	19.9	17.9
<b>Solvency (x)</b>					
Net debt-equity	0.2	0.1	0.2	0.1	0.1
Debt-equity	0.3	0.2	0.2	0.2	0.2
Interest coverage ratio	10.5	22.6	56.1	38.8	60.8
Gross debt/EBITDA	1.5	0.9	0.9	0.9	0.8
Current Ratio	2.3	1.3	1.4	1.6	1.5
<b>Per share (RS)</b>					
Adjusted EPS	15.1	18.6	25.2	28.1	30.1
BVPS	169.2	178.8	195.5	214.1	233.9
CEPS	20.7	24.9	32.1	35.2	37.7
DPS	6.8	7.2	8.8	9.8	10.5
Dividend payout (%)	45.0	38.5	35.0	35.0	35.0
<b>Valuation (x) (A)</b>					
P/E (adjusted)	23.7	19.2	14.2	12.8	11.9
P/BV	2.1	2.0	1.8	1.7	1.5
EV/EBITDA	13.4	10.6	9.0	8.0	7.4
Dividend yield (%)	1.9	2.0	2.5	2.7	2.9

Source: Company, Centrum Research estimates

Balance Sheet					
YE March (Rs Mn)	FY17	FY18	FY19	FY20E	FY21E
Equity share capital	16,913	22,551	22,551	22,551	22,551
Reserves & surplus	364,581	380,730	418,378	460,235	504,816
Shareholders' fund	381,494	403,281	440,929	482,785	527,367
Total debt	50,060	20,800	24,113	27,144	18,562
Def tax liab. (net)	46,559	46,309	59,477	65,930	72,642
Other LT liabilities/Provisions	20,854	11,416	25,922	26,700	27,501
<b>Total liabilities</b>	<b>498,967</b>	<b>481,806</b>	<b>550,442</b>	<b>602,559</b>	<b>646,071</b>
Gross block	447,524	463,361	501,361	536,361	571,361
Less: acc. depreciation	160,280	174,062	189,099	205,190	222,331
Net block	287,244	289,299	312,262	331,171	349,031
Capital WIP	35,852	53,739	90,623	115,623	140,623
Net fixed assets	323,096	343,038	402,885	446,795	489,654
Investments	95,096	111,427	106,204	106,204	106,204
Inventories	16,984	19,195	23,219	21,134	23,278
Sundry debtors	38,282	40,515	50,743	46,186	50,871
Cash	13,419	25,294	12,147	21,615	19,691
Loans & advances	75,823	41,353	48,587	48,587	48,587
Total current asset	144,508	126,357	134,696	137,521	142,427
Trade payables	27,160	38,816	39,612	34,862	38,609
Other current liab.	29,565	51,721	46,425	46,668	46,482
Provisions	7,007	8,479	7,308	6,432	7,123
Net current assets	80,775	27,342	41,352	49,560	50,212
<b>Total assets</b>	<b>498,967</b>	<b>481,806</b>	<b>550,442</b>	<b>602,559</b>	<b>646,071</b>

Cash Flows					
YE March (Rs Mn)	FY17	FY18	FY19	FY20E	FY21E
Op profit bef WC changes	66,949	80,978	98,310	106,065	113,258
Trade and other receivables	2,800	3,875	(21,486)	6,643	(6,829)
Trade payables	(39,740)	14,989	(5,671)	(5,383)	4,253
Net change – WC	(36,940)	18,864	(27,157)	1,260	(2,576)
Direct taxes	(13,345)	(13,216)	(24,386)	(24,709)	(26,718)
<b>Net cash from operations</b>	<b>16,663</b>	<b>86,626</b>	<b>46,767</b>	<b>82,615</b>	<b>83,964</b>
Capital expenditure	(20,000)	(29,425)	(60,000)	(60,000)	(60,000)
Acquisitions, net	(38,474)	(3,617)	5,222	-	-
Others	71,171	7,362	2,759	11,359	11,364
<b>Net cash from investing</b>	<b>12,697</b>	<b>(25,680)</b>	<b>(52,018)</b>	<b>(48,641)</b>	<b>(48,636)</b>
<b>FCF</b>	<b>(3,337)</b>	<b>57,201</b>	<b>(13,233)</b>	<b>22,615</b>	<b>23,964</b>
Issue of share capital	-	-	-	-	-
Increase/(decrease) in debt	(13,103)	(30,116)	3,313	3,031	(8,582)
Dividend paid	(20,777)	(18,956)	(11,209)	(27,536)	(28,670)
<b>Net cash from financing</b>	<b>(33,880)</b>	<b>(49,072)</b>	<b>(7,896)</b>	<b>(24,506)</b>	<b>(37,251)</b>
<b>Net change in cash</b>	<b>(4,520)</b>	<b>11,875</b>	<b>(13,147)</b>	<b>9,468</b>	<b>(1,924)</b>

Source: Company, Centrum Research estimates

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Source: Bloomberg

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