

06 August 2024

India | Equity Research | Q1FY25 results review

## Oil and Natural Gas Corporation

Oil &amp; Gas

### Q1FY25 – steady start, KG ramp-up key to future prospects

ONGC reported adjusted EBITDA/PAT (standalone) of INR 178.6bn (-2/+7% YoY/QoQ)/INR 89.4bn (-11/-9% YoY/QoQ) vs I-Sec's estimate of INR 174/INR 92.7bn in Q1FY25. QoQ growth in EBITDA was driven by lower opex while higher depreciation, tax rate and lower other income led to earnings (QoQ) decline and miss vs our estimates. Consolidated EBITDA/PAT of INR 226bn/ 99.3bn declined 26/30% YoY due to weaker performance by subsidiaries HPCL/MRPL's earnings, partly offset by some strength seen in OVL earnings in Q1FY25. Going forward, ramp-up of the KG basin asset remains the key performance driver over FY25-26E – this remains the key to production growth and earnings strength. We also expect a recovery in HPCL/MRPL's earnings prospects coupled with reducing leverage in ONGC's consolidated balance sheet. Reiterate **BUY**.

### Steady brent prices, ONGC realisation remains steady

Brent crude prices averaged USD 83.1/bbl in Q1 (vs USD82.8/bbl in Q4), with continuous supply cuts from Russia and Saudi Arabia, geopolitical issues and low inventories in the US offsetting the continuing demand concerns, specifically from China and western Europe. Q1FY25's average realisation of USD 73.3/bbl (net windfall tax of USD 9.8/bbl) was down 1/1% YoY/QoQ (vs USD 74.1/bbl in Q4). Crude prices have remained at USD 84–85/bbl levels over Q2FY25 so far, but the adjustments in windfall taxes have been keeping pace to maintain net realisation at USD 74–76/bbl, well above its historical average over FY15–23. The only clear risk to realisation, therefore, remains an unforeseen bearish trend in crude prices dragging Brent prices to <USD 75/bbl for a sustainable period, which we believe is unlikely.

### Gas prices to remain above long-term average

Q1FY25 gas price realisation of INR 21.1/scm was flattish QoQ driven by APM gas price capped at USD 6.5/mmbtu for FY24/25. However, given KG basin's gas eligibility for premium pricing and the recent proposal for new well production to get a 20% premium to APM prices, we see net gas realisation averaging INR 22.6/scm over FY25–27E, above INR 19.7/scm seen in FY24. We note these prices compare quite favourably with FY18–23's average blended price of INR 10.9/scm.

### Financial Summary

Y/E March (INR bn)	FY24A	FY25E	FY26E	FY27E
Net Revenue	6,430	7,369	7,844	8,146
EBITDA	1,028	1,137	1,301	1,352
EBITDA %	16.0	15.4	16.6	16.6
Net Profit	504	554	651	669
EPS (Rs)	40.1	44.0	51.8	53.2
EPS % Chg YoY	15.5	9.8	17.6	2.7
P/E (x)	7.6	7.0	5.9	5.8
EV/EBITDA (x)	4.5	4.0	3.1	2.7
RoCE (Pre-tax) (%)	16.2	15.0	15.9	14.7
RoE (%)	16.3	15.6	16.4	15.1

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#### Market Data

Market Cap (INR)	3,851bn
Market Cap (USD)	45,890mn
Bloomberg Code	ONGC IN
Reuters Code	ONGC.BO
52-week Range (INR)	345 /172
Free Float (%)	31.0
ADTV-3M (mn) (USD)	82.5

Price Performance (%)	3m	6m	12m
Absolute	8.5	12.4	76.6
Relative to Sensex	2.1	3.5	57.0

#### Earnings Revisions (%)

	FY25E	FY26E	FY27E
Revenue	(0.8)	(0.4)	(0.1)
EBITDA	(2.7)	(1.2)	(1.6)
EPS	(5.3)	(3.3)	(4.5)

#### Previous Reports

22-05-2024: [Q4FY24 results review](#)

13-02-2024: [Q3FY24 results review](#)

### Production to see meaningful increase

Q1FY25 oil production stood at 5.24mt, down 1% YoY, and gas production stood at 5.0bcm, down 4% YoY. ONGC's standalone production of oil and gas (including JV share) has steadily declined over the past five years. With the start of production from KG basin and new assets, we believe this anomaly should get redressed over the next couple of years. We are, therefore, optimistic on production prospects, and we factor in a CAGR of ~4.9% in oil and gas output (standalone) over FY25–27E.

### Stock price up ~12.4% in the past six months; maintain BUY

We have cut our estimates by 5.3/3.3/4.5% over FY25/26/27E to factor in weaker Q1FY25 performance for subsidiaries HPCL and MRPL and slight delay in KG 98/2 basin production. Stronger cashflow and production outlook, meatier subsidiary earnings over the next two–three years and higher investment value of listed investments drive the uptick in our TP to INR 375 (from INR 340), 23% upside from CMP. Maintain **BUY**.

**Key risks:** 1) Sharp reversal in oil & gas price trends. 2) Slower-than-expected ramp-up of production from KG basin. 3) Any unexpected regulatory setbacks.

### Q1FY25 conference call: Takeaways

#### Quarterly performance

- Standalone earnings declined on YoY basis due to lower natural gas realisations and increase in depletion and exploration write/off of unsuccessful wells at western offshore assets of ONGC.
- Increase in survey expenditure is due to rise in survey activities in JV Chennai blocks and at western offshore.
- Royalty for the quarter increased (YoY) – mainly due rise in crude prices and SAED (windfall tax) which gets revised every fortnight.
- Decline in consolidated profit was attributed to weaker subsidiary performance – HPCL and MRPL.
- There was delay in KG 98/2 project execution due to bad weather.
- Despite ramp-up in KG 98/2 production, Q1 was weaker. Usually, western offshore gets impacted because of monsoon every Q1.
- To counter the decline in production from some matured and marginal fields, ONGC is taking proactive steps by implementing well interventions and advancing new well drilling activities that are under various stages of development.

#### KG 98/2 basin

- From Q3FY24, KG 98/2 will see some uptick in oil production. The field currently produces 12,000bbl/d of oil (from 4 wells) and ~0.4mmscmd of gas. The company expects to start additional wells in Q2 and Q3, which should help reach production of 30,000bbl/d in Q4 and 45,000bbl/d in subsequent quarters.
- Current gas production from Eastern offshore is 2.4mmscmd out of which a) 0.4mmscmd is from KG 98/2 which is likely to reach 1.4mmscmd by Aug'24 and reach 6mmscmd by Mar'25; b) 1.2mmscmd is from U field (cluster 2 of KG basin), c) 0.5 mmscmd from G-1 and 0.2mmscmd from Vashishta.
- KG basin oil realisation enjoys premium over Brent. As of now, the company does not factor windfall tax for KG basin oil.
- The company has till date invested INR 300bn in KG 98/2 project and expects better IRR than the initially targeted return.

- 20% premium on gas price from well intervention has already been notified; however, mechanism for measurement (technical aspect) is likely to be notified by end of FY25.

### Volume and capex

- Management has guided for oil volume of 20.5 mt on standalone basis and JV production of 1.7mmt (22.3 mt including JV) for FY25 and 21.9 mt on standalone basis and 23.08 mt (including JV) for FY27 that will translate into 12% increase over 2 years.
- For gas – company targets to achieve 20.95bcm (standalone) and 21.6bcm (including JV) for FY25 and 25.91bcm (including JV) for FY27.
- Management has guided to capex of INR 320-330bn each for FY25 and FY26. OVL capex for FY25 stands at INR 50-60bn and if Mozambique project starts capex should be INR 85-90bn.
- Development projects in pipeline – Daman upside in Tapti awarded in May'24 and is likely to complete by Feb'26; KG 98/2 currently under progress; Mumbai high north redevelopment phase 4 likely to be completed in 3 years; redevelopment of Santal field, Lynch field (onshore) and Subhashan should take 3 years and Bechraji commercial polymer project to take 2 years.
- ONGC Green Limited has capex target of INR 1trn by CY30. This would be towards setting up 10 GW green energy (70% of solar and 30% of onshore wind), green hydrogen (80KTPA), offshore wind, biofuel including flare reduction and improving efficiency.

### Other Subsidiary

- In OVL, the cost has come down as in Columbia block the company has paid royalty in cash earlier and now it has switched to pay royalty in kind.
- On OPAL petrochemical restructuring, the company is awaiting government clearance.
- OPAL EBITDA for Q1 was INR 290mn vs loss of INR 4,790mn while PAT reported loss of INR 9,830mn vs loss of INR 34,560mn for FY24. Capacity utilisation in FY24 was 92% and 89% in Q1FY25.
- OVL is generating sufficient cashflow to manage its operation. Oil and gas production for FY24 was 10.5mmt and targets 11mmt for FY25.

### **Exhibit 1: Standalone financial snapshot**

(INR mn)	Q1FY25	Q1FY24	% ch YoY	Q4FY24	% ch QoQ
Net sales	3,24,314	3,31,013	(2.0)	3,26,857	(0.8)
EBITDA	1,78,587	1,82,466	(2.1)	1,66,847	7.0
OPM (%)	55.1	55.1		51.0	
Other inc.	20,609	16,119	27.9	36,800	(44.0)
Interest	11,822	10,077	17.3	10,349	14.2
Depreciation	67,812	54,902	23.5	64,694	4.8
PBT	1,19,561	1,33,606	(10.5)	1,28,604	
Reported PAT	89,381	1,00,150	(10.8)	98,694	
Recurring PAT	89,381	1,00,150	(10.8)	98,694	(9.4)
Recurring EPS (INR/sh)	7.1	8.0	(10.8)	7.8	(9.4)

Source: Company data, I-Sec research

### Exhibit 2: Operational data

Volumes	Q1FY25	Q1FY24	% ch YoY	Q4FY24	% ch QoQ
Oil sales (mt)	4.64	4.72	-1.8	4.69	-1.0
Gas sales (bcm)	3.82	4.08	-6.4	3.82	-0.0
Oil production (mt)	5.24	5.31	-1.4	5.36	-2.3
Gas production (bcm)	5.01	5.22	-4.1	5.10	-1.8
Total production (mtoe)	10.24	10.53	-2.7	10.46	-2.0
Total Value added Product (TMT)	629.00	589.00	6.8	622.00	1.1

Source: Company data, I-Sec research

### Exhibit 3: Pricing data

Realisation highlights	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25
Oil Realisation USD/bbl	95.0	108.5	72.6	77.0	71.8	74.0	73.4	72.5	74.1	73.3
Brent USD/bbl	96.0	110.0	100.7	88.3	81.3	78.0	86.6	84.3	82.8	84.7
Gas Realisation USD/mmbtu	3.2	6.3	6.3	8.8	8.9	7.1	6.8	6.9	6.9	6.9
LPG realisation (USD/mt)	811.1	948.6	772.7	658.9	734.2	662.3	519.6	658.2	684.5	661.3
Naphtha realisation (USD/bbl)	99.9	93.2	75.9	72.1	75.0	65.9	70.6	72.8	72.9	74.4
C2-C3 realisation (USD/mt)	492.2	597.1	567.2	649.9	704.6	586.4	608.9	613.2	635.5	614.0

Source: Company data, I-Sec research

### Exhibit 4: Consolidated financial snapshot

INR mn	Q1FY25	Q1FY24	% Chg YoY	Q4FY24	% Chg QoQ
<b>Net sales</b>	<b>16,65,768</b>	<b>16,38,236</b>	<b>1.7</b>	<b>16,67,706</b>	<b>-0.1</b>
<b>EBITDA</b>	<b>2,26,786</b>	<b>3,07,296</b>	<b>-26.2</b>	<b>2,40,534</b>	<b>-5.7</b>
OPM (%)	14%	19%		14%	
Other inc.	29,855	25,435	17.4	31,046	-3.8
Interest	29,384	23,639	24.3	26,828	9.5
Depreciation	89,598	76,952	16.4	86,910	3.1
<b>PBT</b>	<b>1,37,660</b>	<b>2,32,141</b>	<b>-40.7</b>	<b>1,57,842</b>	<b>-12.8</b>
Share of profit of associates/JV	2,151	5,258	-59.1	11,776	-81.7
Minority Interest	2,992	32,491	-90.8	14,192	-78.9
Exceptional items	-	-		(17,334)	
Reported PAT	99,365	1,41,339	-29.7	1,01,074	-1.7
<b>Recurring PAT</b>	<b>99,365</b>	<b>1,41,339</b>	<b>-29.7</b>	<b>1,14,044</b>	<b>-12.9</b>
<b>Recurring EPS (INR/sh)</b>	<b>7.9</b>	<b>11.2</b>	<b>(29.7)</b>	<b>9.1</b>	<b>-12.9</b>

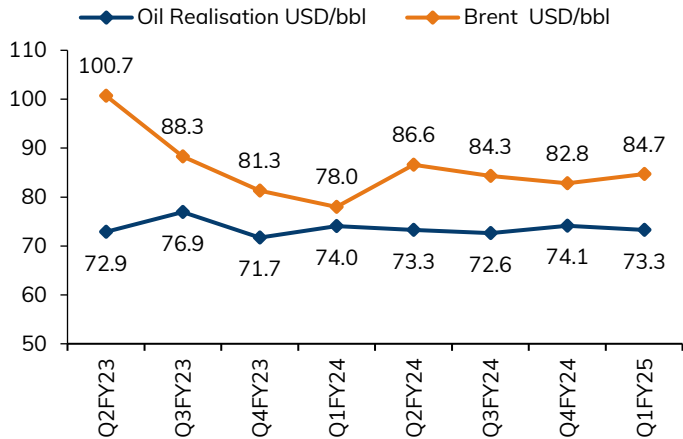
Source: Company data, I-Sec research

### Exhibit 5: OVL volume snapshot

OVL Highlights	Q1FY25	Q1FY24	% Chg YoY	Q4FY24	% Chg QoQ
<b>OVL Prod Volumes</b>					
Oil MMT	1.8	1.8	(0.9)	1.8	0.7
Gas Bcm	0.7	0.8	(13.1)	0.8	-14.4
<b>Total</b>	<b>2.5</b>	<b>2.6</b>	<b>(4.7)</b>	<b>2.6</b>	<b>-4.2</b>
<b>OVL Sales Volumes</b>					
Oil MMT	1.2	1.2	(4.5)	1.2	-0.3
Gas Bcm	0.5	0.6	(17.4)	0.4	9.2
<b>Total</b>	<b>1.7</b>	<b>1.8</b>	<b>(8.7)</b>	<b>1.6</b>	<b>2.3</b>

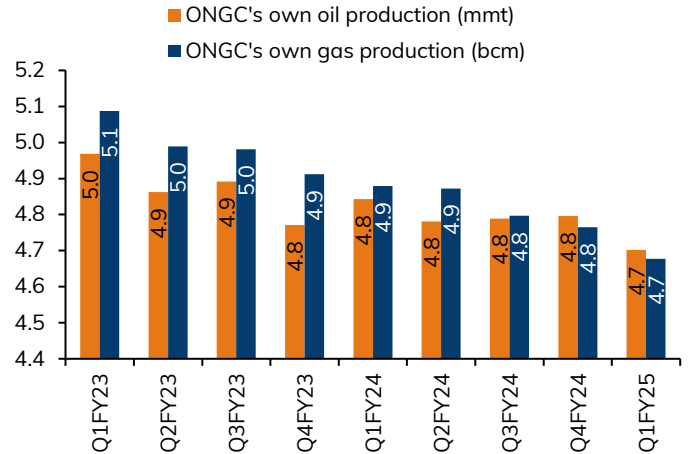
Source: Company data, I-Sec research

**Exhibit 6: ONGC's net realisation was impacted by windfall tax in last 8 quarters**



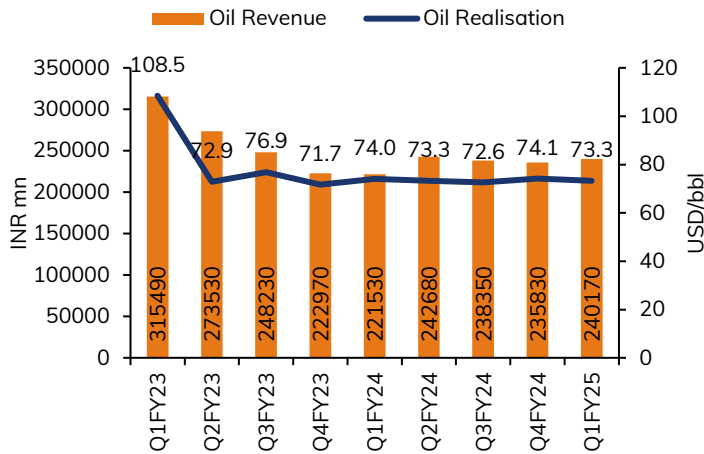
Source: Company data, I-Sec research

**Exhibit 7: ONGC's standalone (excl. JV) production remains muted in Q1FY25**



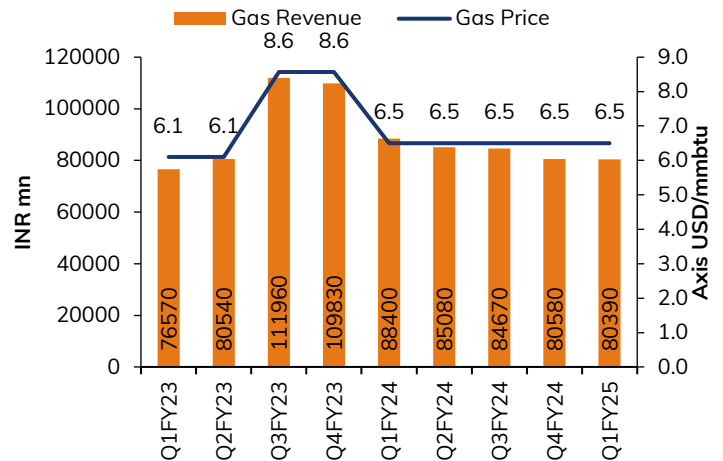
Source: Company data, I-Sec research

**Exhibit 8: Oil revenue impacted by windfall tax in last 8 quarters**



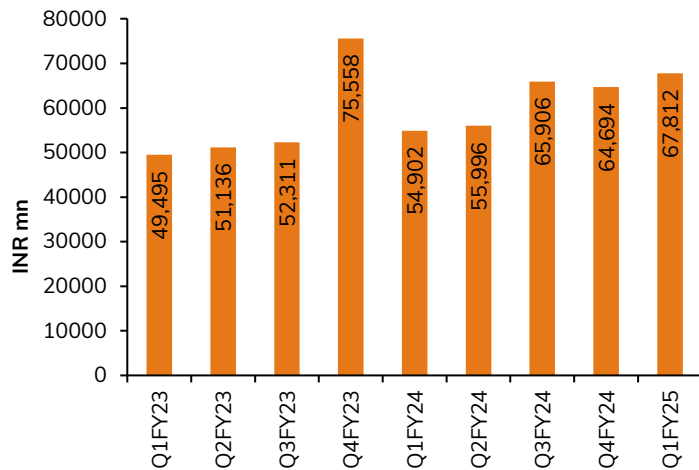
Source: Company data, I-Sec research

**Exhibit 9: Gas revenue impacted in last 5 quarters due to new gas pricing policy**



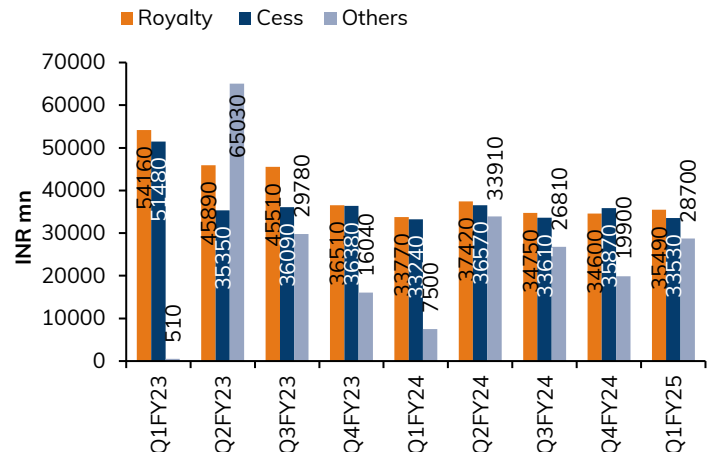
Source: Company data, I-Sec research

**Exhibit 10: Depreciation increased YoY and QoQ**



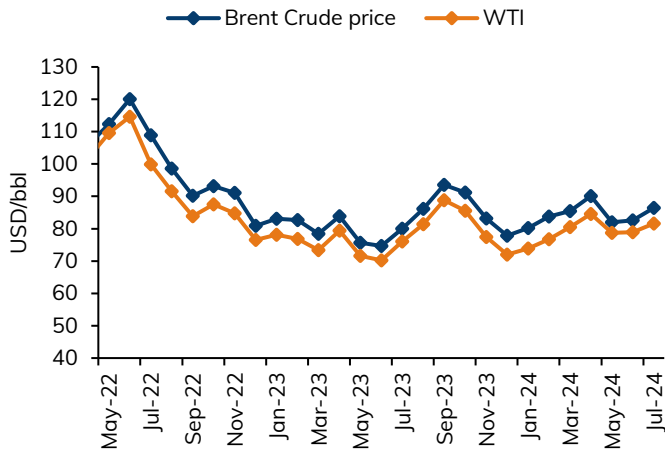
Source: Company data, I-Sec research

**Exhibit 11: Other opex/costs include windfall tax**



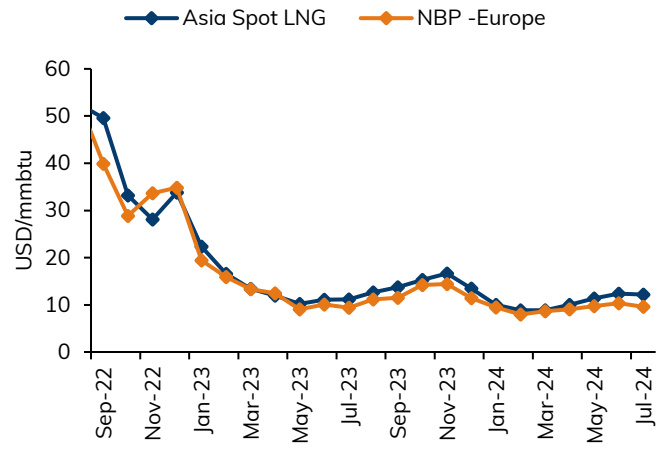
Source: Company data, I-Sec research

**Exhibit 12: Crude prices have remained steady**



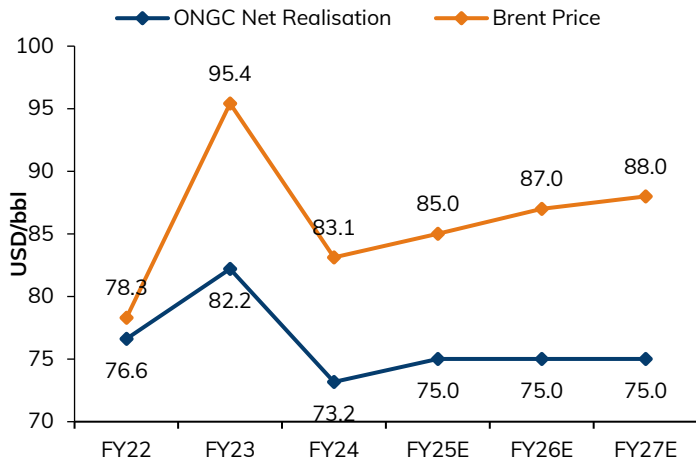
Source: Bloomberg, I-Sec research; Nov'23 prices are upto 11<sup>th</sup> Nov

**Exhibit 13: Global LNG prices have softened**



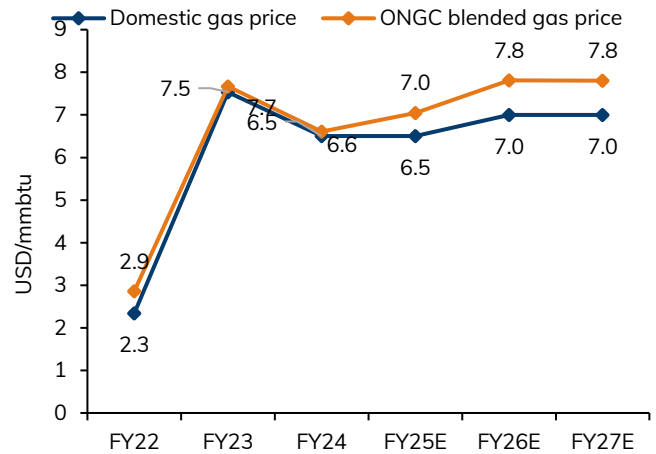
Source: Bloomberg, I-Sec research; Nov'23 prices are upto 11<sup>th</sup> Nov

**Exhibit 14: Brent crude estimates and ONGC net price for FY22-27E**



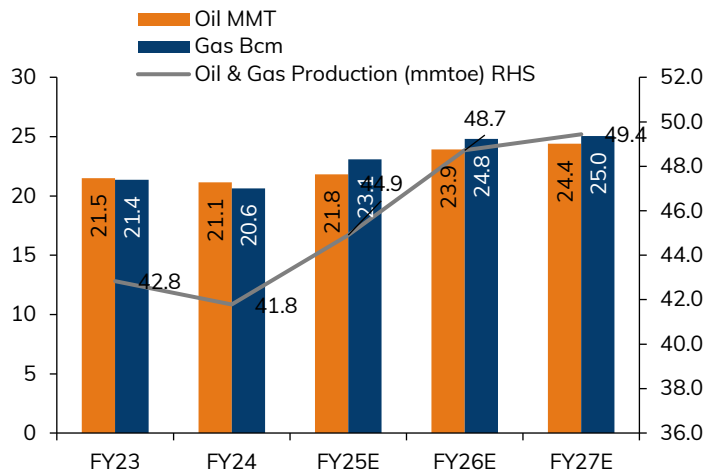
Source: Company data, I-Sec research

**Exhibit 15: ONGC blended gas realisation over FY22-27E**



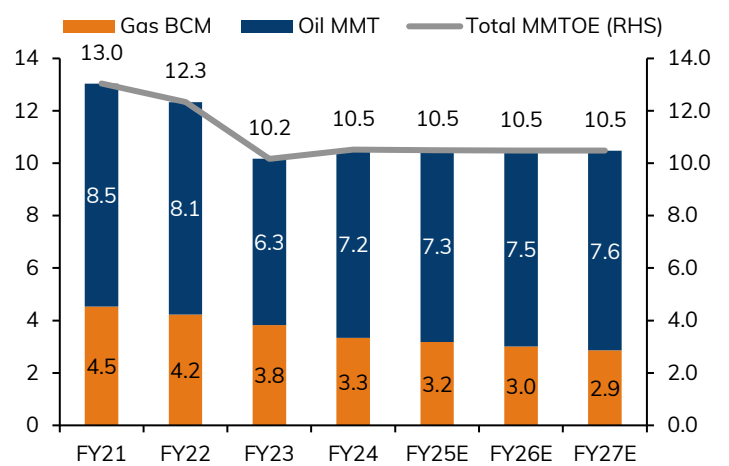
Source: Company data, I-Sec research

**Exhibit 16: ONGC standalone production CAGR likely at 4.9% over FY25-27E**



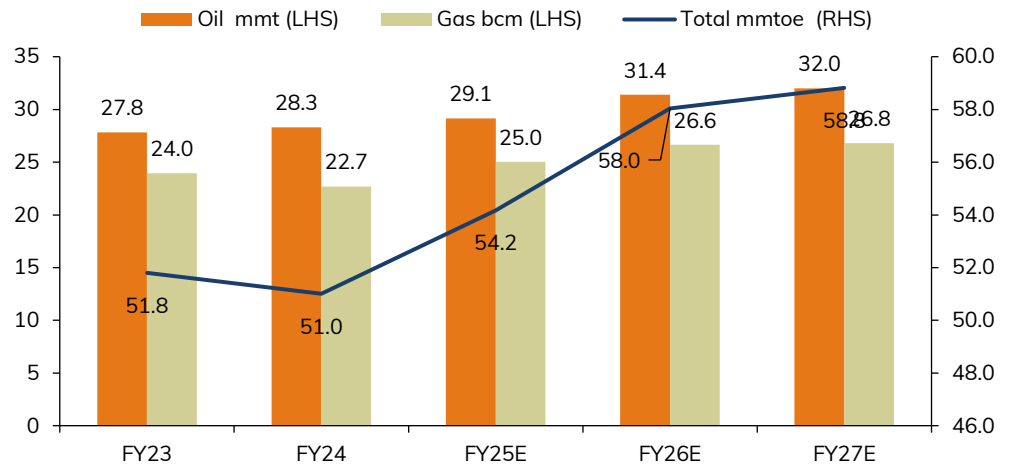
Source: Company data, I-Sec research

**Exhibit 17: OVL production likely to remain muted over FY25-27E**



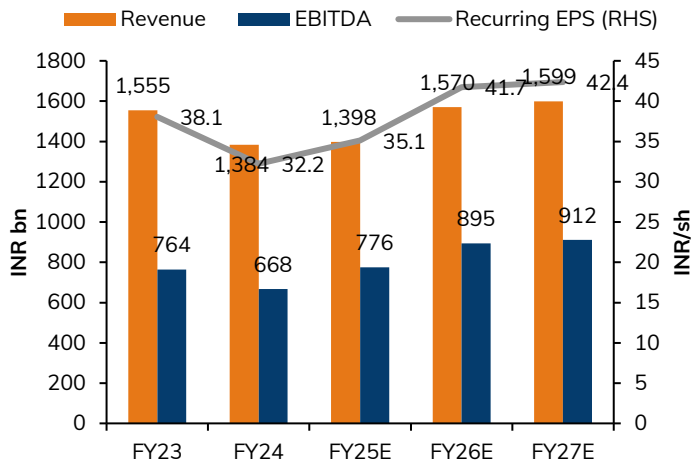
Source: Company data, I-Sec research

**Exhibit 18: ONGC group oil & gas production CAGR likely at 4.2% over FY25–27E**



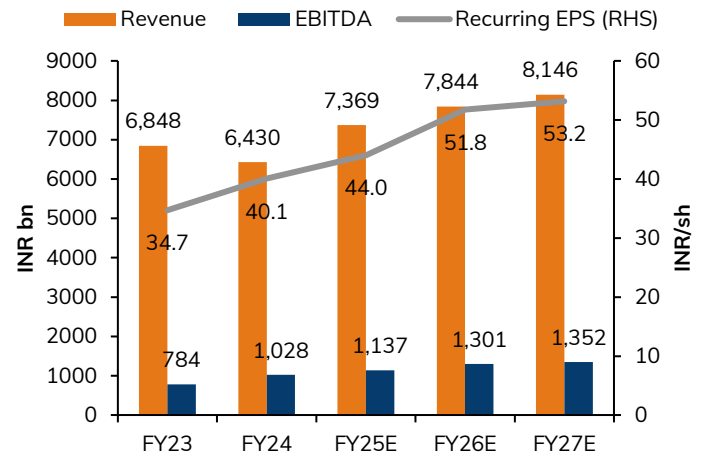
Source: Company data, I-Sec research

**Exhibit 19: ONGC standalone earnings to grow over FY25–27E**



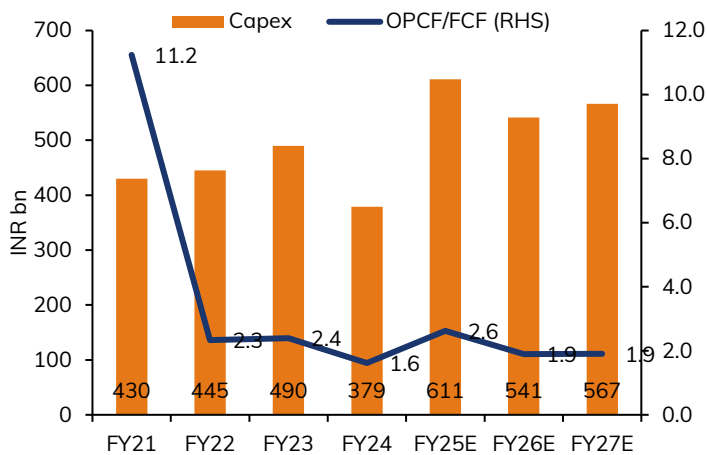
Source: Company data, I-Sec research

**Exhibit 20: ONGC group earnings to grow over FY25–27E**



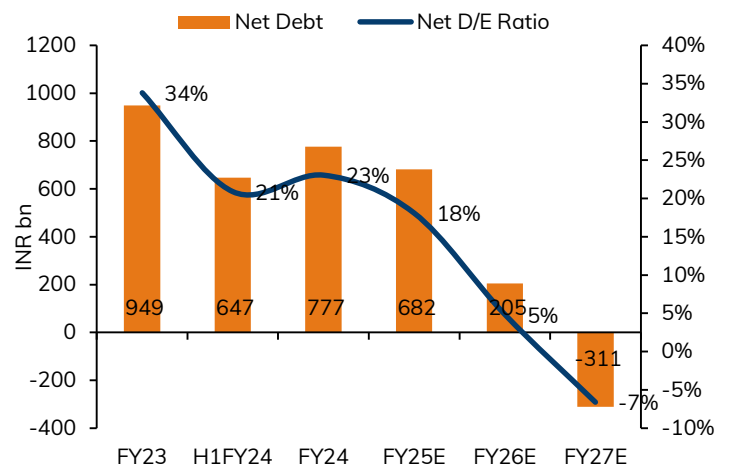
Source: Company data, I-Sec research

**Exhibit 21: Higher capex supported by strong OPCF/FCF**



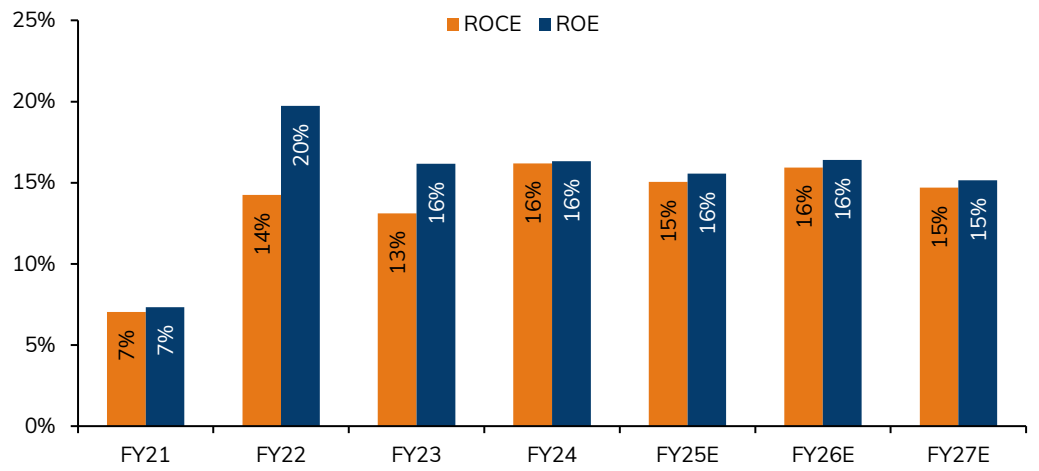
Source: Company data, I-Sec research

**Exhibit 22: Leverage to decline materially**



Source: Company data, I-Sec research

### Exhibit 23: Return ratios may remain healthy



Source: Company data, I-Sec research



## Valuations unchallenging – our fair value implies 23% upside

We arrive at DCF-based EV of INR 325/share for ONGC's standalone business and OVL factoring in 1) net realisation of USD 75/bbl for crude (USD 70/bbl thereafter), and blended gas realisation of ~INR 22.4/scm in FY25/26E. 2) ~4.9% CAGR (standalone including JV: 5.7% CAGR for oil and 4.2% CAGR for gas) in production over FY25-27E and a steady decline thereafter.

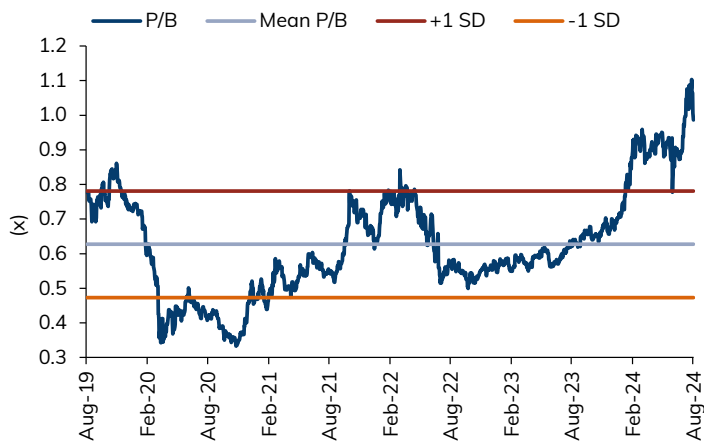
We value other listed investments/subsidiaries at ~20% discount to CMP and netting off for net debt, **we get a fair value of INR 375/sh for ONGC**. The stock should also benefit from the steadily rising dividend yield, which stood at ~4.2% based on FY24 pay-out and is forecast to stay at ~5.2% levels over FY25-26E.

### Exhibit 24: Valuation summary

	Reserves	Fair value		
	mmboe	USD/boe	USD mn	INR/share
DCF value of 2P reserves	7,289	6.2	45,356	299
16% stake in Mozambique Area 1 gas discoveries at cost	516	3.0	1,548	10
Value of Russian assets	1,148	1.5	1,722	11
<b>Valuation of E&amp;P assets</b>	<b>8,953</b>	<b>5.4</b>	<b>48,627</b>	<b>321</b>
Net debt			-3184	(21)
Market value of investments			<b>11,468</b>	<b>76</b>
<b>Target price (INR/sh)</b>			<b>56,911</b>	<b>375</b>
<b>Upside</b>				<b>23%</b>

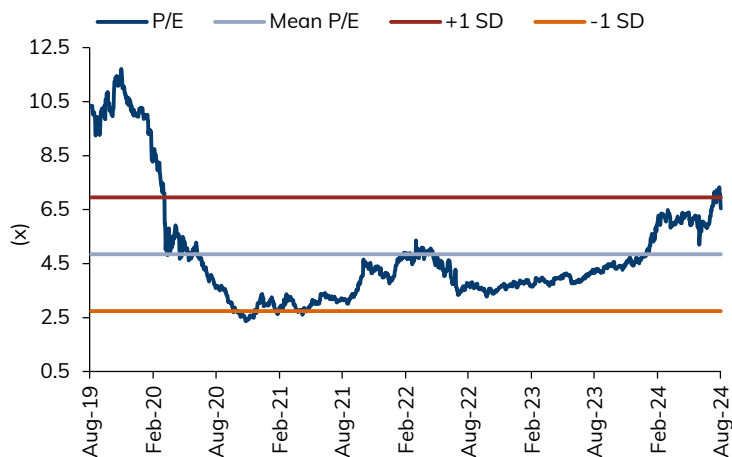
Source: Company data, I-Sec research

### Exhibit 25: ONGC's P/E trading above 5-year average band



Source: Company data, I-Sec research

### Exhibit 26: ONGC's P/B trading above higher band



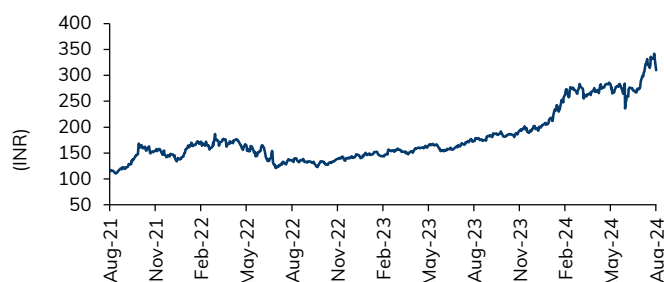
Source: Company data, I-Sec research

### Exhibit 27: Shareholding pattern

%	Dec'23	Mar'24	Jun'24
Promoters	58.9	58.9	58.9
Institutional investors	27.9	27.8	27.7
MFs and others	7.6	7.4	8.2
FIs/Banks	0.0	0.0	0.0
Insurance	10.7	11.1	10.9
FIIIs	9.6	9.3	8.6
Others	13.2	13.3	13.4

Source: Bloomberg

### Exhibit 28: Price chart



Source: Bloomberg

## Financial Summary

### Exhibit 29: Profit & Loss

(INR bn, year ending March)

	FY24A	FY25E	FY26E	FY27E
<b>Net Sales</b>	<b>6,430</b>	<b>7,369</b>	<b>7,844</b>	<b>8,146</b>
<b>EBITDA</b>	<b>1,028</b>	<b>1,137</b>	<b>1,301</b>	<b>1,352</b>
EBITDA Margin (%)	16.0	15.4	16.6	16.6
Depreciation & Amortization	288	369	399	430
EBIT	741	768	902	923
Interest expenditure	102	68	71	76
Other Non-operating Income	122	115	132	151
<b>PBT</b>	<b>761</b>	<b>815</b>	<b>963</b>	<b>998</b>
<b>Profit / (Loss) from Associates</b>	<b>24</b>	<b>26</b>	<b>28</b>	<b>29</b>
Less: Taxes	198	216	252	262
PAT	547	599	711	735
Less: Minority Interest	79	71	87	96
<b>Net Income (Reported)</b>	<b>492</b>	<b>554</b>	<b>651</b>	<b>669</b>
Extraordinaries (Net)	(16)	-	-	-
<b>Recurring Net Income</b>	<b>504</b>	<b>554</b>	<b>651</b>	<b>669</b>

Source Company data, I-Sec research

### Exhibit 30: Balance sheet

(INR bn, year ending March)

	FY24A	FY25E	FY26E	FY27E
Total Current Assets	1,280	1,483	2,026	2,593
of which cash & bank	367	501	1,039	1,613
Total Current Liabilities & Provisions	1,095	1,154	1,178	1,198
<b>Net Current Assets</b>	<b>185</b>	<b>329</b>	<b>848</b>	<b>1,396</b>
Other Non Current Assets	641	645	647	648
Net Fixed Assets	2,863	3,010	3,030	3,019
Other Fixed Assets	121	124	126	129
Capital Work in Progress	1,160	1,188	1,243	1,323
Non Investment	968	1,168	1,191	1,215
Current Investment	54	54	54	54
Deferred Tax assets	14	14	14	14
<b>Total Assets</b>	<b>6,007</b>	<b>6,532</b>	<b>7,153</b>	<b>7,798</b>
<b>Liabilities</b>				
<b>Borrowings</b>	<b>1,198</b>	<b>1,260</b>	<b>1,338</b>	<b>1,416</b>
<b>Deferred Tax Liability</b>	<b>382</b>	<b>382</b>	<b>382</b>	<b>382</b>
Lease Liability	255	260	265	271
Other Liabilities	522	532	542	553
Equity Share Capital	63	63	63	63
Reserves & Surplus*	3,308	3,684	4,125	4,580
<b>Total Net Worth</b>	<b>3,371</b>	<b>3,747</b>	<b>4,188</b>	<b>4,643</b>
Minority Interest	280	351	438	534
<b>Total Liabilities</b>	<b>6,007</b>	<b>6,532</b>	<b>7,153</b>	<b>7,798</b>

Source Company data, I-Sec research

### Exhibit 31: Quarterly trend

(INR mn, year ending March)

	Sep-23	Dec-23	Mar-24	Jun-24
Net Sales	352	348	346	353
% growth (YOY)	4%	-1%	0%	2%
EBITDA	180	163	167	179
Margin %	51%	47%	48%	51%
Other Income	21	34	37	21
Extraordinaries	0	0	0	0
Adjusted Net Profit	102	95	99	89

Source Company data, I-Sec research

### Exhibit 32: Cashflow statement

(INR bn, year ending March)

	FY24A	FY25E	FY26E	FY27E
<b>Cash Flow from operation before working Capital</b>	<b>1,137</b>	<b>1,202</b>	<b>1,366</b>	<b>1,417</b>
Working Capital Changes	1	2	32	40
Tax	(146)	(216)	(252)	(262)
<b>Operating Cashflow</b>	<b>993</b>	<b>988</b>	<b>1,146</b>	<b>1,195</b>
Capital Commitments	(377)	(611)	(541)	(567)
<b>Free Cashflow</b>	<b>616</b>	<b>376</b>	<b>605</b>	<b>629</b>
Others CFI	(196)	(59)	136	156
<b>Cashflow from Investing Activities</b>	<b>(573)</b>	<b>(670)</b>	<b>(405)</b>	<b>(410)</b>
Inc (Dec) in Borrowings	(154)	62	78	78
Interest Cost	(77)	(68)	(71)	(76)
Others	(225)	(177)	(210)	(214)
<b>Cash flow from Financing Activities</b>	<b>(457)</b>	<b>(183)</b>	<b>(204)</b>	<b>(212)</b>
<b>Chg. in Cash &amp; Bank balance</b>	<b>(37)</b>	<b>134</b>	<b>538</b>	<b>573</b>
Closing cash & balance	367	501	1,039	1,613

Source Company data, I-Sec research

### Exhibit 33: Key ratios

(Year ending March)

	FY24A	FY25E	FY26E	FY27E
<b>Per Share Data (INR)</b>				
Recurring EPS	40.1	44.0	51.8	53.2
Diluted EPS	40.1	44.0	51.8	53.2
Recurring Cash EPS	63.0	73.3	83.5	87.3
Dividend per share (DPS)	12.9	14.1	16.7	17.0
Book Value per share (BV)	267.9	297.9	332.9	369.1
Dividend Payout (%)	32.2	32.0	32.3	32.0
<b>Growth (%)</b>				
Net Sales	(6.1)	14.6	6.4	3.9
EBITDA	31.2	10.5	14.5	3.9
EPS	15.5	9.8	17.6	2.7
<b>Valuation Ratios (x)</b>				
P/E	7.6	7.0	5.9	5.8
P/CEPS	4.9	4.2	3.7	3.5
P/BV	1.1	1.0	0.9	0.8
EV / EBITDA	4.5	4.0	3.1	2.7
EV / Operating Income	5.4	5.2	4.0	3.4
Dividend Yield (%)	4.2	4.6	5.5	5.6
<b>Operating Ratios</b>				
EBITDA Margins (%)	16.0	15.4	16.6	16.6
Effective Tax Rate (%)	26.5	26.5	26.2	26.3
Net Profit Margins (%)	7.8	7.5	8.3	8.2
NWC / Total Assets (%)	3.1	5.0	11.9	17.9
Fixed Asset Turnover (x)	1.3	1.3	1.3	1.3
Working Capital Days	20.3	22.7	21.8	21.6
Net Debt / Equity %	23.0	18.8	5.8	(5.4)
<b>Profitability Ratios</b>				
RoCE (%)	11.9	11.1	11.8	10.8
RoCE (Pre-tax) (%)	16.2	15.0	15.9	14.7
RoE (%)	16.3	15.6	16.4	15.1

Source Company data, I-Sec research

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