GCR GLOBAL CREDIT RATING CO.
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Dufil Prima Foods PLC

Nigeria Corporate Analysis **July 2019**

Rating class	Rating scale	Rating	Rating Outlook	Expiry date
Long term	National	A-$_{(NG)}$	Stable	June 2020
Short term	National	A2$_{(NG)}$		
N10bn Series 1 Fixed Rate Bond	National	A-$_{(NG)}$	Stable	June 2020

Financial data:

(USD'm comparative)

	31/12/17	31/12/18
N/USD (avg.)	305.3	305.6
N/USD (close)	305.5	306.5
Total assets	363.9	438.1
Total debt	213.7	274.9
Total capital	80.7	99.8
Cash & equiv.	17.9	7.3
Turnover	562.6	674.6
EBITDA	113.8	79.2
NPAT	73.6	43.6
Op. cash flow	38.6	(5.9)

Estimated market share: noodles (83%), cooking oil (15%)

Market cap. n.a

Dufil Prima Foods Plc ("Dufil" or "the Group")

Rating history:

Initial rating (June 2016)
Long term: A-$_{(NG)}$
Short term: A2$_{(NG)}$
Rating Outlook: Stable
N10bn Series 1 Bond (Oct. 2017): A-$_{(NG)}$
Rating Outlook: Positive

Last rating (July 2018)
Long term: A-$_{(NG)}$
Short term: A2$_{(NG)}$
N10bn Series 1 Bond: A-$_{(NG)}$
Rating Outlook: Positive

Rating methodologies/research
Global Master Criteria for rating Corporate entities (updated February, 2018)
Dufil Prima Foods PLC Issuer Rating Report: 2016-18.
Glossary of terms/ratios, February 2018.

GCR contacts:
Primary Analyst:
Samuel Popoola
samuel@globalratings.net

Committee Chairperson:
Dave King
king@globalratings.net

Analyst location: Lagos, Nigeria
+23 41 904 9462

www.globalratings.com.ng

Summary rating rationale

- Dufil's ratings are supported by its substantial market share in the Nigerian noodles industry, underpinned by a long operational track record, high production capacity and significant assets and relationships across the value chain. Strong shareholders further provide access to market leading technologies and operational processes.
- The Group has maintained an upward trend of robust revenue generation over the review period, underpinned, *inter alia*, by capacity expansion, business acquisitions and higher volumes. However, the high concentration to a single product category does pose a business risk, but the growth in palm oil and other related businesses is positively noted.
- Dufil is highly sensitive to exogenous cost pressures (wheat, crude oil, currency). This was evidenced in the contraction in operating margin in FY18, as the price of inputs moved negatively, while the competitive environment prevented the company from passing on costs to customers. Management expects the margins to remain flat in FY19, but widen over the medium term, driven by higher economies of scale and efficiencies.
- Global Credit Rating Co. Limited ("GCR") takes a negative view of earnings concentration to a sole distributor, with Dufil facing a potential loss of revenue and cash flow, if adverse situations manifest. Moreover, delayed payment from the distributor is already translating to some working capital pressure.
- Gross debt spiked by N19bn to a perioc high of N84bn in FY18 (75% short term) as additional facilities were drawn for working capital and expansion. While GCR takes cognisance of Dufil's unutilised facilities (of over N23bn) with various Nigerian banks, the high interest rates and rising short term maturity is of concern. However, management plans to draw additional low rate Bank of Industry ("BOI") loan and increase its use of dollar denominated loans, which will be utilised to refinance expensive short term debts. The dollar based loans will be hedged to mitigate exposures.
- The lower earnings combined with the elevated debt position, resulted in a significant deterioration in net debt to EBITDA to 339% in FY18 (FY17: 172%). Management expects it to moderate to around 300% in FY19 driven by stronger earnings. However, further spikes in the metrics would negatively impact the ratings. GCR considers the very high dividend payments to be credit negative in light of the Group's ongoing expansion requirements.

Factors that could trigger a rating action may include

Positive change: Significant diversification of earnings base into new product lines and/or new customers and geographies would enhance stability of earnings. Moderation in debt funded expansion would likely see gearing metrics improve and positively impact the ratings.

Negative change: Additional high dividend payments, could further weaken the capital position resulting in a rating downgrade. The persistence of margin pressure could reduce earnings and the cash flows available for debt service.

Background and recent developments[1]

Dufil commenced business as a manufacturer of instant noodles in 1996 and became incorporated in 2001. It has since evolved into a key player in Nigeria's packaged food subsector with a moderately diversified portfolio of products. Upon conversion to a public limited company in 2008, the Company adopted a holding company structure with two business subsidiaries. Dufil now controls seven wholly-owned business subsidiaries (including two foreign) which are engaged in manufacturing and marketing of noodles, seasoning, pasta, wheat flour, packaging material, snacks and oil. Dufil currently operates from factory locations in Lagos, Ogun, Rivers and Kaduna States, with its corporate head office situated in Lagos.

Table 1:		Dufil Prima Foods PLC		
S/N	Subsidiary	Established	Products	Factory/Location
1	De United Foods Industries Limited	1996	Seasoning, Noodles	Ogun and Lagos
2	Insignia Print Technology LFTZ Enterprise	2008	Packaging materials	Lekki FTZ, Lagos
3	Pure Flour Mills Limited	2011	Flour, Snack, Pasta	Rivers
4	Raffles Oil LFTZ Enterprise	2013	Vegetable oil	Lekki FTZ, Lagos
5	Northern Noodles Limited	2011	Noodles	Kaduna
6	De United Foods Industries Ghana Limited*	2013	Noodles and Pasta	Accra, Ghana
7	Enriched Pte. Limited*	2017	Procurement	Singapore

* Foreign subsidiaries

Some of Dufil's subsidiaries were established as part of backward integration initiatives adopted by the company with a view of securing the supply chain and hence reducing the company's exposure to adverse changes in the operating environment for its flagship product- *indomie noodles*. Consequently, many of the inputs for *indomie noodles* are now sourced from within the group. The Singapore based subsidiary is expected to mainly serve as a procurement arm for imports. This will reduce foreign exchange risks prevalent in Nigeria. In addition to the wholly owned companies, operating lease agreements exist with Standards Flour Mills Limited (Apapa, Lagos State) and Valluembra Flour Mills Limited (Aba, Abia State) for the use of their production facilities to augment production and supply of flour for internal use.

Dufil's strategy is to maintain its dominant brand in the noodles' segment of the food business, with a current market share of over 80%. This is being driven by capacity expansion, acquisition of small competitors, aggressive marketing and an efficient distribution system.

Major developments within the last one year include:

- Completion of the Ghana noodles factory, with two lines already installed and in full operation (April 2019). A third line is expected to be completed by end-July.
- One new production line added at the Kaduna factory (one more to be added in 2019)
- Installation of a Brown Film machine and a printing line at the Lekki factory in 1Q 2019.
- Launching of higher margin noodles products, including "Relish" and the "Giant pack". A number of other products (from other segments) are in the pipeline and expected to be launched in 2019.

Most production lines currently operate at full capacity, and operations are being optimised for efficiency. As Dufil makes further inroads into the market in the medium-to-long term, there are plans for a rolling capacity expansion, through the installation of additional lines and constant upgrade of plants and machinery. These will mostly be debt-funded.

Shareholding and corporate governance

Dufil's corporate governance structure complies with the requirements of Companies and Allied Matter Act and Securities and Exchange Commission. Dufil's Board retains a well-rounded directorship, with members contributing varied professional experience across key economic sectors from different countries. Some of the directors also hold other directorships in other companies.

Oversight functions are carried out through the Board Committees listed, while two management committees cover the important aspects of the day-to-day business.

Table 2: Corporate governance summary	
Directors	2 executive 5 non-executive, including an independent director and the Chairman
Frequency of meetings	At least once per annum
Separation of Chairman	Yes
Board committee	Executive Management, Audit Committee
Internal control and compliance	Yes, reports to the audit committee
External auditor	Deloitte and Touche (issued unqualified clean audited opinion)

The size and composition of the Board of Directors remained unchanged over the last 12 months, with Company affairs overseen by two executive directors and five non-executive directors.

Dufil is controlled by two major shareholders, *Tolaram and Salim Groups*, each holding a 49% stake. The remainder is held by a number of local investors. The 50% acquisition of Tolaram Africa by Kellogg's (an American multinational food-manufacturing company) in 2018 has brought a further diversification to Dufil's ultimate shareholder base and may provide access to market leading technologies and operational processes thereto.

Industry overview

According to a 2010 World Bank survey, Food and beverages consumption constitutes 57% of total household consumption expenditure in Nigeria. The rapidly expanding population continues to support this estimate. Increased urbanisation, and changing lifestyles which reflect westernisation have supported the robust growth displayed in the packaged food sector of the economy over the last decade. The sector has witnessed significant investments (local and foreign), underlying the huge demand for a variety of packaged food items. Key product categories, include; dairy, baked goods, cereal, pasta and noodles, and chilled foods, and is expected to continue the upward trend given growing preferences for packaged foods among the youths.

The sustained upward growth trajectory in the Fast Moving Consumer Goods ("FMCG") segment, which has defied the challenging economic environment, has been largely attributed to efficient marketing and distribution strategies by the players, innovation and increased branding and packaging of offerings, and the continued ban on the importation of certain food products, which has encouraged the expansion of local production. Nevertheless, benefits from local production are partly moderated by the significant portion of most raw materials being imported.

Notwithstanding the massive infrastructural deficit (which serves as a drawback to accelerated growth), the packaged food sub-sector remains highly competitive with the major players implementing various strategies to maintain market share amidst declining margins. Key locally based companies, include; Dufil, Honeywell, Flour Mills, WAMCO, Promasidor and Yale, while major international companies are represented by Cadbury, Nestle and Unilever. Other foreign owned brands maintain their presence through alliances with Nigerian companies to repackage and/or market their products in the country, thus lowering the risk of market entry.

Besides Dufil, other key players in the flour milling industry include, Flour Mills of Nigeria Plc, Olam group, Honeywell Flour, and Dangote Flour among others. Notwithstanding increasing flour milling capacity (now over 30,000 MT per day), the growing demand for wheat (for the production of bread, pastry, biscuits, etc) far outweighs local production (at <2%[2]). The Nigerian Government is investing efforts to improve local wheat production, while CBN provides some funding support to local producer. Nevertheless, local production is forecast to remain less than 10% of demand in the medium term. However, given the high import requirements, spikes in international prices resulted in margin pressure (reflected in Table 3) for local industry players and raised the need for higher import credit facilities and finance costs.

Table 3: Key comparatives FY18 (N'm)	Dufil Dec. 2018	Honeywell Mar. 2018	FMN Mar. 2018
Revenue	*206,173.0*	*71,476.3*	*542,670.4*
EBITDA	**24,194.0**	**12,365.7**	*45,281.7*
Op. profit	20,674.6	9,477.2	*42,479.6*
Net finance cost	(8,349.1)	(4,604.9)	*(34,881.4)*
NPBT	13,737.6	4,872.3	*16,541.8*
Total debt	**84,262.2**	**50,389.9**	*153,233.1*
Cash	*(2,232.4)*	*(7,247.2)*	*(22,245.4)*
Net debt	**82,029.8**	**43,142.7**	**130,987.8**
Equity	30,573.4	56,377.8	*145,373.4*
Key ratios (%):			
Gross margin	19.2	17.6	12.7
Op. margin	10.0	13.3	7.8
Net int. coverage (x)	2.5	2.1	1.2
Net debt: EBITDA	339.1	348.9	289.3

[2] According to Agricultural Promotion Policy (2016 estimate)

Earnings diversification

Table 4: Revenue diversification	2016		2017		2018	
	N'm	%	N'm	%	N'm	%
Noodles	87,767	72.7	117,242	68.3	131,079	63.6
Palm oil	16,971	14.1	31,872	18.6	55,410	26.9
Flour	5,806	4.8	6,878	4.0	3,371	1.6
Pasta	5,668	4.7	6,632	3.9	7,124	3.5
Snacks	2,868	2.4	7,859	4.6	7,433	3.6
Packaging	1,662	1.4	1,269	0.7	1,756	0.9
Total	**120,741**	**100**	**171,752**	**100**	**206,173**	**100.0**

Although noodles continues to dominate Dufil's revenue (c.64% in FY18; FY17: 68%), palm oil has become an increasingly important component (FY18: 27%; FY17: 19%). On the back of increased marketing activity and the introduction of new product varieties, noodles reported higher sales volumes, resulting in a 12% turnover growth. The cooking oil segment saw a 74% growth in FY18 underpinned by increased volumes. Other segments (save for packaging and pasta) reported declines in FY18 due to keen competition, but management plans to grow the pasta and snacks segments by c.15% in FY19 on the back of higher capacity utilisation and increased marketing activity. Furthermore, there is a long term prospect to expand its backward integration initiative and operations in the cooking oil segment.

The cross-border contribution reduced significantly in FY18. Particularly, Ghana revenues declined by c.N2bn in FY18, due to delays in completing the new factory. However, completion was achieved in April 2019 and operations have fully commenced. As only two production lines are currently available, production remains short of demand (estimated at around 200,000 cartons of Indomie). An additional line is expected to be completed and released for operations within the next one month, which will both see volumes increase and eliminate the need for importing finished Indomie. Export activity to other African countries was just N5m in FY18, from a high N2.7bn in FY17. Notwithstanding that foreign operations are expected to grow, the contribution will remain less than 15% in the short term.

GCR takes a negative view of the high concentration of its distributorship to one sole contractor, namely Multipro Consumer Products Limited ("MCPL"). Although, Dufil does benefit substantially from MCPL's extensive distribution network, there remains the risk that any material adverse change in the operating environment (as experienced in FY17) or other internal and/or exogenous factors could constrain MCPL's capacity to distribute or even make timely payments, which could in turn, spike Dufil's uncollectibles and result in severe liquidity pressure. In this regard, Dufil will need to demonstrate a clear and workable back up strategy, to mitigate possible shocks that may arise if MCPL becomes unable to perform.

Financial performance

A five-year financial synopsis is reflected at the end of this report, and commentary follows hereafter. Dufil's financial statements were compiled in line with International Financial Reporting Standards ("IFRS"), as well as the requirements of CAMA and Financial Reporting Council of Nigeria. The Auditors, Deloitte and Touche issued unqualified opinions for each of the five years of audited financial statements.

Dufil has maintained an upward trajectory in revenue over the review period, growing at a 23% CAGR to peak at N206.2bn in FY18 (well in line with budget). While the atypical 42% growth in FY17 was largely driven by price increases, the rate had moderated in FY18 as Dufil retained product prices despite the inflationary environment. Thus, the increase in turnover in FY18 was underpinned by increased production capacities and higher traded volumes. 1Q FY19 unaudited results indicate a turnover of N52.3bn (22% of budget). Management expects full year performance to be supported by increased production as additional lines become operational in Ghana and Kaduna.

Table 5: Income statement (N'm)	FY17	FY18		%
		Actual	Budget	achvd
Revenue	*171,751.8*	*206,173.0*	*211,742.4*	*97.4*
Gross profit	51,362.7	39,533.0	59,958.9	*65.9*
EBITDA	**34,747.3**	**24,194.0**	**41,806.3**	*57.9*
Depreciation	(2,694.4)	(3,519.4)	(3,802.0)	*92.6*
Op. profit	**32,052.9**	**20,674.6**	**38,004.2**	*54.4*
Net interest	(9,699.7)	(8,349.1)	(9,851.6)	*84.7*
Forex loss	(325.7)	0.0	0.0	*n.a*
Other op. income	1,138.9	1,412.1	0.0	*n.a*
NPBT	**23,166.5**	**13,737.6**	**28,152.6**	*48.8*
Key ratios (%)				
Gross margin	29.9	19.2	28.3	-
EBITDA margin	20.2	11.7	19.7	-
Op. margin	18.7	10.0	17.9	-
Net int. cover (x)	3.3	2.5	3.9	-

Being a commodity dependent entity, Dufil's profitability is highly sensitive to general price and exchange rate volatility. This was reflected in the higher cost pressures reported in FY18, emanating from a combination of the spike in the international price of wheat, increased crude oil prices (impacting the cost of imported packaging materials), and increase in wholesale foreign exchange rates by CBN. With selling prices left unchanged as a strategy to preserve market share and deepen penetration (amidst the higher external costs pressure), profit margins narrowed below review period averages and significantly underperformed budget. Albeit, on the back of tight control over internal costs (mainly marketing and administrative expenses) the margins were moderate and within industry range as at FY18. Further cost pressures have manifested in 1Q FY19, with gross and operating margins contracting further to 16% and 7% respectively and could deepen beyond levels considered appropriate for similarly rated entities.

The net interest costs tapered by c.N1.4bn in FY18, but the larger credit facilities were only drawn close to year-end, and had not begun to accrue interest. Notwithstanding this, net interest coverage contracted to 2.5x (FY17: 3.3x) owing to the decline in operating income. Management is projecting a moderate improvement in the metrics in FY19, with significant enhancements expected over the medium term on the back of stronger operating earnings and access to cheaper debt.

Overall, pre-tax profits reduced by c.N9.4bn to N13.7bn in FY18, albeit still higher than in years prior to FY17. Dufil has enjoyed very low income tax charges (cumulative of N2.7bn since FY10), on the back of various tax holidays granted. However, as these benefits lapse, management expects income tax charges to normalise and average N6bn between FY20 and FY22.

Cash flows

Cash generated declined by N8bn to N28.9bn in FY18 due to the impact of the lower core earnings. More significantly, substantial working capital pressure emanated from higher inventory balance combined with the cash settlement of some suppliers. In particular the inventory balance was impacted by the need to stock up ahead of increased production, as well as the impact of the spike in raw material costs in FY18 (absorbing an additional c.N20bn of cash). Although, some cushioning was derived from the realisation of some related party receivables (mainly from PT Indofood and Multipro Private Limited), the outstanding balance from MCPL remained largely unchanged at c.N12bn and constitutes a continual pressure on liquidity. Management has indicated that the bulk of payments are received within the 30 day credit period, any material adverse change in the operating environment may constrain MCPL's capacity for timely payment, which could imply further liquidity strain on Dufil. Overall, a period high absorption of N18.5bn was reported in FY18 (FY17: N13.5bn).

After paying down finance cost and higher withholding tax, Dufil reported negative net operating and free cash flows in FY18, highlighting the sharp volatility over the review period. Total capex costs increased to N14.7bn (FY17: N11.1b), reflecting the increasing requirements for maintenance as capacity increases, as well as the various expansion projects.

Despite the continuous expansion being embarked upon and the negative free cash flow, Dufil paid out dividends of over N7bn in FY18 and plans to distribute an additional N10.8bn in FY19. The quantum is perceived as imprudent from a credit quality perspective as it may constrain the Company's ability to meet rising debt service obligations, aside from the ongoing capex and working capital requirement. Consequently, net increase in debt of N23.1bn was reported in FY18 (FY17: N15.2bn), highlighting higher debt utilised to finance capex and the negative impact of the dividend payments.

Funding profile

Dufil continues to place heavy reliance on debt to finance its ongoing expansion and increasing operational requirements. In this regard, gross debt spiked by c.N19bn to register at a new high of N84.3bn at FY18 (before tapering to N82.8bn in 1Q FY19). Of this, short term obligations accounted for 75% of the total, but the skew was significantly impacted by additional facilities drawn down close to year end. The bulk of these comprised import finance facilities ("IFFs"), commercial papers and overdraft facilities from banks and financial institutions. A number of the maturing obligations (about N3.2bn) were refinanced in FY18 at a lower rate through BOI and NEXIM loans. The diverse sources of debt financing (most of which are renewable annually) and a cumulative N23bn unutilised uncommitted facilities as at December FY18, indicates funding flexibility and is positively viewed.

Table 6: Debt profile (N'm)	Purpose	Drawdown as at 31-Dec-2018	Unutilised as at 31-Dec-2018	Maturity
IFF	WC	45,051.3	--	Various
Term loans	Capex/refin.	24,806.6	--	Sep-22
BOI/NEXIM	Capex/refin.	9,628.3	--	Mar-25
Overdrafts:	Various	4,679.9	23,083.6	Various
Access		*457.1*	*542.9*	
Citibank		*306.2*	*693.8*	
Coronation		*222.2*	*1,777.8*	
Diamond		*382.2*	*267.8*	
EcoBank		*153.3*	*346.7*	
FBN Merchant		*0.0*	*1,300.0*	
FCMB		*167.1*	*1,132.9*	
Fidelity		*102.3*	*897.7*	
FBN		*304.4*	*695.6*	
FSDH		*0.0*	*700.0*	
GTBank		*1,346.4*	*653.6*	
Rand Merchant		*659.5*	*840.5*	
SCB		*0.0*	*1,363.5*	
StanbicIBTC		*17.6*	*3,982.4*	
UBA		*65.4*	*4,934.6*	
Union		*86.7*	*913.3*	
Zenith		*409.4*	*2,040.6*	
Total debt		**84,166.1**		

In order to augment insufficient internal funding, Dufil obtained most of the short term debt at high interest rates ranging between 16-18% and were mostly secured by negative pledges over the assets of the Group. Foreign supplies for raw materials matched against dollar-denominated loans from Nigerian banks, totaling around USD125,000 in FY18. Management has indicated plans to raise its proportion of dollar-denominated debt in FY19. These will be short-tenured, obtained at lower (single digit) rates, and be utilised to refinance expensive local short term debts. To mitigate exposures to adverse foreign exchange movement, management intends to hedge the debt instrument.

Long term loans comprise the N10bn Series 1 Bond, and low rate (7-10%) facilities from BOI and NEXIM Bank. The Bonds are unsecured and have a maturity of five years at 18.25% interest rate per annum. An additional N9.1bn long term BOI loan was obtained in FY18 to finance expansion (including the Pasta and Insignia projects).

Table 7: Funding profile (N'm)	FY16	FY17	FY18		% achvd
			Actual	Budget	
ST debt	41,800.4	44,697.5	63,463.2	29,508.2	215.1
LT debt	7,632.5	20,576.9	20,799.0	43,165.1	48.2
Total debt	**49,432.9**	**65,274.5**	**84,262.2**	**72,673.3**	**115.9**
Cash	(4,968.4)	(5,465.2)	(2,232.4)	(996.8)	224.0
Net debt	**44,464.5**	**59,809.2**	**82,029.8**	**71,676.6**	**114.4**
Key ratios (%):					
Total debt: EBITDA	229.4	187.9	348.3	173.8	-
Net debt: EBITDA	206.4	172.1	339.1	171.4	-
EBITDA: net int. (x)	3.0	3.6	2.9	4.2	-
Cash: ST debt (x)	0.1	0.1	0.0	0.0	-

The spike in debt coupled with the significant reduction in earnings resulted in a substantial deterioration in the gearing metrics, with net debt to EBITDA rising two-fold, far beyond budget. In addition to the rising gearing, the higher short term maturity amid declining profitability suggests imminent refinancing risk and is a key credit concern. It is crucial that Dufil manages down gearing in order to maintain favourable relationships with lenders and sufficiently access credits. In this regard, despite a projection of higher debt in FY19, management expects net debt to EBITDA to moderate to 3.0x on the back of firmer earnings. In the absence of price increases, the ongoing external cost pressures will continue to constrain profitability, negatively impact earnings based gearing metrics, and constrain the ratings.

Update on N10bn Series 1 Bond Issue

In FY17, Dufil registered a N40bn multi-year Bond programme, followed by the successful issuance of N10bn under Series I in August, 2017. The Bond is a senior unsecured obligation, with interest on the bonds accruing from issue date and payable semi-annually in arrears in March and September of every year. The principal will be settled through a bullet repayment upon maturity. The key features of the Bond are detailed in Table 8.

Table 8: Key features of the Bond	
Bond size	N10,000,000,000
Interest rate:	18.25%
Repayment frequency (p.a):	2 (semi-annually)
Tenor:	5years
Next payment date	01-Sept-19
Maturity date	01-Sept-22
Total coupon payment as at 31 March 2019	N2,726,465,464

GCR has reviewed the trustees report (received from ARM Trustees and Stanbic IBTC trustees), regarding the performance of the bonds, dated 2 July 2019 and notes that the coupon payment was made to bondholders at the respective due dates. In addition, the trustees did not report any breach to covenants or pledges, or changes to the security structure.

Dufil Prima Foods PLC

(Naira in Millions except as Noted)

Statement of comprehensive income	**Year end : 31 December**	**2014**	**2015**	**2016**	**2017**	**2018**	**1Q 2019**
Turnover		89,717.7	103,893.9	120,741.0	171,751.8	206,173.0	52,321.6
EBITDA		**16,285.5**	**8,012.2**	**21,546.7**	**34,747.3**	**24,194.0**	**4,528.9**
Depreciation		(2,276.9)	(2,430.1)	(2,599.3)	(2,694.4)	(3,519.4)	(1,018.8)
Operating income		**14,008.6**	**5,582.1**	**18,947.4**	**32,052.9**	**20,674.6**	**3,510.1**
Net finance charges		(2,043.1)	(4,457.2)	(7,298.5)	(9,699.7)	(8,349.1)	(2,357.8)
Foreign exchange (loss)/gain		(1,772.2)	(67.9)	(4,084.5)	(325.7)	0.0	0.0
Other operating income/(expense)		626.1	403.6	737.5	1,138.9	1,412.1	0.0
NPBT		**10,819.5**	**1,460.6**	**8,301.9**	**23,166.5**	**13,737.6**	**1,152.2**
Taxation paid		15.1	(115.3)	(203.8)	(695.8)	(421.8)	(40.0)
Profit from continuing operations		**10,834.6**	**1,345.4**	**8,098.1**	**22,470.7**	**13,315.8**	**1,112.2**
Other comprehensive (loss)/gain		(85.9)	(123.9)	(150.2)	(0.2)	39.5	0.0
Interim dividend paid		0.0	0.0	0.0	0.0	0.0	0.0
Total Comprehensive Income		**10,748.7**	**1,221.4**	**7,947.9**	**22,470.5**	**13,355.3**	**1,112.2**
Statement of cash flows							
Cash generated by operations		**19,816.4**	**10,255.7**	**20,516.8**	**37,163.8**	**28,940.6**	**2,131.1**
Utilised to increase working capital		(10,041.1)	1,373.0	(14,733.9)	(13,449.7)	(18,471.3)	5,186.5
Net interest paid		(2,129.4)	(4,550.7)	(7,187.8)	(9,622.3)	(8,284.9)	0.0
Taxation paid		(2,142.2)	(1,931.3)	(2,239.7)	(2,316.6)	(3,974.3)	0.0
Cash flow from operations		**5,503.7**	**5,146.8**	**(3,644.6)**	**11,775.1**	**(1,790.0)**	**7,317.6**
Maintenance capex†		(2,276.9)	(2,430.1)	(794.9)	(2,694.4)	(3,519.4)	(1,018.8)
Discretionary cash flow from operations		**3,226.8**	**2,716.7**	**(6,243.9)**	**9,080.7**	**(5,309.4)**	**6,298.8**
Dividends paid		(11,818.4)	(67.5)	(67.5)	(15,937.9)	(7,428.7)	0.0
Retained cash flow		**(8,591.6)**	**2,649.2**	**(6,311.5)**	**(6,857.2)**	**(12,738.1)**	**6,298.8**
Net expansionary capex		(2,111.5)	(632.2)	0.0	(8,358.3)	(11,198.0)	(2,932.8)
Investments and other		(16.7)	3.8	0.2	0.0	0.0	0.0
Proceeds on sale of assets/investments		99.4	45.5	64.1	47.2	848.3	0.0
Shares issued		0.0	0.0	0.0	0.0	0.0	0.0
Cash movement: (increase)/decrease		(753.6)	(391.2)	(3,707.0)	(496.8)	3,232.9	(2,062.6)
Borrowings: increase/(decrease)		11,374.0	(1,675.0)	8,149.8	15,665.1	19,854.9	(1,303.3)
Net increase/(decrease) in debt		**10,620.4**	**(2,066.2)**	**4,442.7**	**15,168.3**	**23,087.8**	**(3,365.9)**
Statement of financial position							
Ordinary shareholders interest		9,053.0	10,216.9	18,103.9	24,642.6	30,573.4	31,568.7
Outside shareholders interest		0.0	0.0	0.0	0.0	0.0	0.0
Pref. shares and conv debentures		0.0	0.0	0.0	0.0	0.0	0.0
Total shareholders' interest		**9,053.0**	**10,216.9**	**18,103.9**	**24,642.6**	**30,573.4**	**31,568.7**
Current debt		33,443.8	35,286.6	41,800.4	44,697.5	63,463.2	47,547.9
Non-current debt		8,778.4	5,449.4	7,632.5	20,576.9	20,799.0	35,285.7
Total interest-bearing debt		**42,222.3**	**40,735.9**	**49,432.9**	**65,274.5**	**84,262.2**	**82,833.5**
Interest-free liabilities		7,702.6	9,162.0	12,786.3	21,250.9	19,439.2	34,219.9
Total liabilities		**58,977.8**	**60,114.8**	**80,323.1**	**111,168.0**	**134,274.8**	**148,622.2**
Property, Plant and Equipment		28,049.3	28,619.2	26,811.0	35,145.6	45,757.0	48,597.5
Investments and other non-current assets		724.7	190.8	219.6	175.0	326.1	0.0
Cash and cash equivalent		870.2	1,261.4	4,968.4	5,465.2	2,232.4	4,158.5
Other current assets		29,333.6	30,043.4	48,324.1	70,382.1	85,959.4	95,866.2
Total assets		**58,977.8**	**60,114.8**	**80,323.1**	**111,168.0**	**134,274.8**	**148,622.2**
Ratios							
Cash flow:							
Operating cash flow: total debt (%)		13.0	12.6	neg	18.0	neg	53.3
Discretionary cash flow: net debt (%)		7.8	6.9	neg	15.2	neg	32.0
Profitability:							
Turnover growth (%)		32.0	15.8	16.2	42.2	20.0	1.5
Gross profit margin (%)		27.6	17.3	26.9	29.9	19.2	15.7
EBITDA: revenues (%)		18.2	7.7	17.8	20.2	11.7	8.7
Operating profit margin (%)		15.6	5.4	15.7	18.7	10.0	6.7
EBITDA: average total assets (%)		31.4	13.7	32.1	38.4	20.4	13.1
Return on equity (%)		112.4	14.0	57.2	105.1	48.2	14.3
Coverage:							
Operating income : gross interest (x)		6.6	1.2	2.6	3.3	2.4	n.a
Operating income : net interest (x)		6.9	1.3	2.6	3.3	2.5	1.5
Activity and liquidity:							
Trading assets turnover (x)		4.9	4.6	4.4	4.3	3.7	3.5
Days receivable outstanding (days)		38.6	32.6	39.4	50.6	48.8	38.1
Current ratio (:1)		0.8	0.7	1.0	1.2	1.1	1.2
Capitalisation:							
Net debt: equity (%)		456.8	386.4	245.6	242.7	268.3	249.2
Total debt: equity (%)		466.4	398.7	273.1	264.9	275.6	262.4
Net debt: EBITDA (%)		253.9	492.7	206.4	172.1	339.1	434.3
Total debt: EBITDA (%)		259.3	508.4	229.4	187.9	348.3	457.3

† Depreciation used as a proxy for maintenance capex expenditure