

India

**REDUCE** (no change)

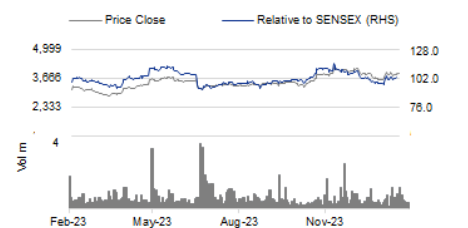
Consensus ratings\*: Buy 19 Hold 12 Sell 10

Current price:	Rs3,917
Target price:	Rs3,227 ▲
Previous target:	Rs3,127
Up/downside:	-17.6%
InCred Research / Consensus:	-20.5%
Reuters:	EICH.NS
Bloomberg:	EIM IN
Market cap:	US\$12,912m
	Rs1,072,255m
Average daily turnover:	US\$27.0m
	Rs2240.7m
Current shares o/s:	273.3m
Free float:	50.8%

\*Source: Bloomberg

**Key changes in this note**

- Sales cut by 2-4% for FY24F-26F.
- EBITDA raised by 1-3% for FY24F-26F.



Source: Bloomberg

<b>Price performance</b>	1M	3M	12M
Absolute (%)	2.2	1.8	18.3
Relative (%)	3.7	(6.8)	0.7

**Major shareholders**

	% held
Lal Family	49.2
SBI Mutual Fund	1.9
Amansa Holdings Pvt Ltd	1.8

**Research Analyst(s)**



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# Eicher Motors Ltd

## Market share dips in 3Q, but margin healthy

- 3Q flat qoq EPS was in line with Bloomberg consensus estimate but beat our estimate, as a better product mix benefit helped sustain high EBITDA margin.
- Management gave guidance of a good response for the company's 450cc bike launch, but exports may take another two-to-three quarters to recover.
- Raise our estimates slightly, but retain REDUCE rating as market share loss due to rising competition in the premium bike segment is an area of concern.

### Sustains EBITDA margin with an improved product mix

The 3QFY24 consolidated EBITDA of Eicher Motors was flat qoq at Rs10.9bn, a 7% beat to our estimate but in line with Bloomberg consensus estimate. The average selling price or ASP recovery from its 2Q lows led to the EBITDA beat. The EBITDA margin eased by 30bp qoq to 26.1% due to higher other expenses. Other income rose 32% yoy, leading to a 30% yoy rise in EPS to Rs37.2. Joint venture Volvo Eicher Commercial Vehicles' (VECV) net profit rose 14% qoq to Rs2.1bn.

### Management conference-call highlights

Management indicated that competition from Bajaj Triumph and Harley motorcycles hasn't made a major impact as its customer enquiry and conversion rate improved recently, leading to a waiting period of around three-to-four weeks for its bikes. Export retail sales, as per management, have recovered to provide growth while it may take two-to-three quarters for the inventory to correct and wholesales to return to the growth path. VECV's JV started the delivery of 5-t electric truck and plans to start 2-t truck sales in 1QCY25F.

### Raise EPS estimates by 1-3% for FY24F-26F

Export slowdown and weakness in Hunter 350cc bike recently (Fig. 5) led to a cut in our sales volume estimates by 6% for FY24F-26F. We feel easing Hunter 350cc bike sales could have helped improve the product mix and thereby benefitted 3Q. Building a better EBITDA margin profile from the rest of the product mix, we increase our FY24F-26F EBITDA margin estimates by around 150bp, leading to a 1-3% EBITDA upgrade.

### Competition yet to fully play out; retain REDUCE rating

The slowdown in bike volume momentum and sharp loss of market share in the premium bike segment (above 125cc engine size) (Fig. 2) is a cause of concern as competitors' products (Bajaj Triumph and Hero Harley) have just started deliveries. However, the valuation is attractive as it is below the 10-year mean P/BV and P/E levels and we feel it is better to wait for competition to fully play out. We maintain our REDUCE rating on the stock with a marginally higher sum-of-the-parts or SOTP-based target price of Rs3,227 (Rs3,127 earlier) to reflect the EPS upgrade. Key upside risks are the success of new models launched or an easing competition scenario.

### Financial Summary

	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Revenue (Rsm)	102,979	143,652	163,606	185,934	212,525
Operating EBITDA (Rsm)	21,324	33,666	42,526	47,406	51,126
Net Profit (Rsm)	16,767	28,370	38,732	42,141	44,116
Core EPS (Rs)	59.9	103.8	141.7	154.1	161.4
Core EPS Growth	17.0%	73.3%	36.5%	8.8%	4.7%
FD Core P/E (x)	63.85	37.74	27.65	25.41	24.27
DPS (Rs)	21.0	37.0	46.0	50.0	55.0
Dividend Yield	0.54%	0.95%	1.17%	1.28%	1.40%
EV/EBITDA (x)	45.34	28.46	22.16	19.47	17.62
P/FCFE (x)	(42.25)	(118.60)	146.13	82.64	68.31
Net Gearing	(82.4%)	(85.6%)	(82.3%)	(81.6%)	(81.9%)
P/BV (x)	8.49	8.14	6.86	5.91	5.15
ROE	13.6%	22.0%	26.9%	25.0%	22.7%
% Change In Core EPS Estimates			1.34%	2.62%	3.37%
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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## Market share dips in 3Q, but margin healthy

### Management conference-call highlights >

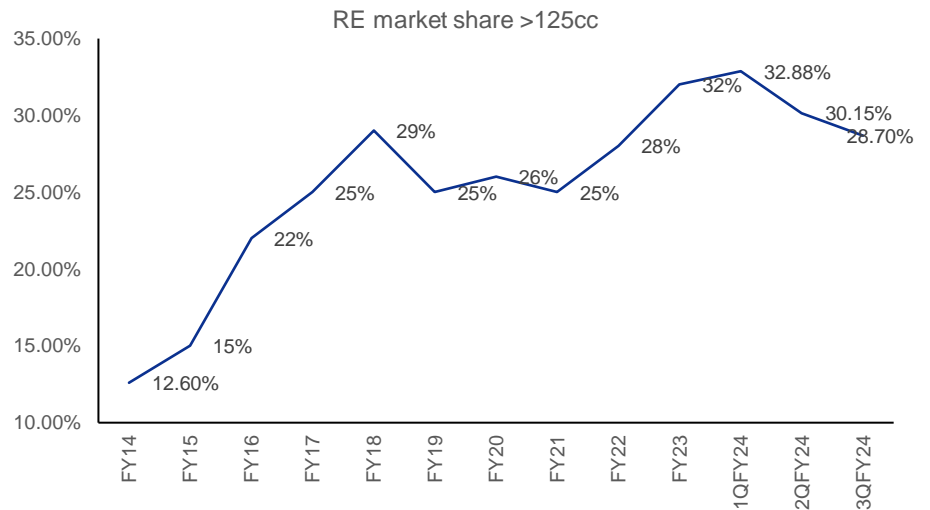
- **New launches:** Launched two new motorcycles - Himalayan on the new Sherpa 450 platform, which is likely to drive growth in the middleweight motorcycling segment, and Shotgun 650, which has been launched for the European and UK markets, to begin with, in Jan 2024. In India, they are likely to be available from Mar 2024F. The company has also launched a new range of features and colourway in its Meteor 350 model. On the Sherpa platform, management plans to launch more models under the 350-650cc category. In the 350cc category, the company has a 3m customer base and going ahead, it plans to target new customers.
- **Overall performance:** The EBITDA margin for the quarter grew by ~300bp on a yoy basis led by higher ASP of new products and refreshed versions of its existing models. During the quarter, the enquiry rate went up by 15-16% qoq with an increasing conversion rate and bookings also saw an uptick of 12% qoq. The order backlog remains at three-to-four weeks which, management feels, is a healthy level.
- **International business:** Management sees the international market witnessing a slowdown in growth at the wholesale level due to macroeconomic headwinds like higher energy costs in Europe and a higher inflation rate (12%) in Australia. Therefore, it plans to focus at the retail level by introducing new products and new variants of its existing products. Emerging markets like Thailand are opening, thereby providing visibility on growth for the next two-to-three quarters. Management stated that Eicher Motors remains among the top-3 players in the European market in the middle weight category, and market share in the US and APAC region remains at 9% and 8%, respectively. The company inaugurated a service centre in Dubai.
- **Costs front:** Steel and other precious metal prices have been stable, helping the company to save 0.9% of its margin, and management expects the current level of commodity prices to sustain. Due to the Red Sea disruption, container costs have gone up by 20-30% and shipments have been delayed by 30 days.
- **Value-added services:** During the quarter, the company introduced REOWN, a new company-operated, pre-owned motorcycle business initiative that facilitates the purchase or sale of Royal Enfield motorcycles and exchange any motorcycles to upgrade to Royal Enfield bikes with ease.
- **Electric vehicle or EV segment:** Management stated that the team size has increased to 140 members, and it is now in the discussion stage of selecting the suppliers of components and batteries.
- **VE Commercial Vehicles:** Announced its entry into the small commercial vehicle segment with an Electric-First offer, which will be available from 2025F. During the quarter, it also began the delivery of India's first electric 5.5T truck and continued delivering electric buses to customers across the country. The commercial vehicle industry is likely to grow led by urban areas, last mile delivery replacement demand due to regulation changes and the government's push to capex. The company is participating in the bus tenders, as the payment mechanism has improved.

**Figure 1: Results comparison**

Y/E Mar (Rs m)	3QFY24	3QFY23	yoy % chg	2QFY24	qoq % chg	9MFY24	9MFY23	yoy % chg	Comments for the quarter
Revenue	41,788	37,210	12.3	41,145	1.6	1,22,797	1,06,379	15.4	6% above our estimate.
Raw material costs	22,579	21,655	4.3	22,201	1.7	67,052	60,941	10.0	
RM costs as a % of revenue	54	58	(416.5)	54	7.4	55	57	(268.3)	
<b>EBITDA</b>	<b>10,903</b>	<b>8,572</b>	<b>27.2</b>	<b>10,872</b>	<b>0.3</b>	<b>31,983</b>	<b>25,099</b>	<b>27.4</b>	<b>7% above our estimate.</b>
EBITDA margin (%)	26.1	23.0	305.3	26.4	(33.2)	26.0	23.6	245.1	24bp above our estimate.
Depreciation & amortization	1,475	1,348	9.4	1,425	3.5	4,324	3,782	14.3	
<b>EBIT</b>	<b>9,427</b>	<b>7,224</b>	<b>30.5</b>	<b>9,446</b>	<b>(0.2)</b>	<b>27,659</b>	<b>21,318</b>	<b>29.7</b>	
Interest expenses	124	76	64.0	127	(2.0)	355	199	79.0	
Other income	2,537	1,923	31.9	2,738	(7.3)	7,707	3,896	97.8	10% above our estimate.
Pre-tax profit	11,840	9,071	30.5	12,057	(1.8)	35,011	25,015	40.0	
Tax	3,019	2,302	31.2	2,911	3.7	8,865	6,349	39.6	
Profit before minority interest	8,821	6,770	30	9,146	(4)	26,147	18,666	40.1	
Profit in joint venture	1,139	639	78	1,016	12	3,159	1,418	123	-
<b>Normalized net profit</b>	<b>9,960</b>	<b>7,408</b>	<b>34.4</b>	<b>10,163</b>	<b>(2.0)</b>	<b>29,306</b>	<b>20,084</b>	<b>45.9</b>	<b>10% above our estimate.</b>
Exceptional items	-	-	nm	-	nm	-	-	nm	
Reported net profit	9,960	7,408	34.4	10,163	(2.0)	29,306	19,879	47.4	
Normalized EPS (Rs)	36.4	27.1	34.4	37.2	(2.0)	107.2	73.4	45.9	
Volumes (nos.)	2,28,073	2,21,401	3.0	2,36,335	(3.5)	6,92,114	6,16,370	12.3	
Net realization (Rs)	1,83,224	1,68,066	9.0	1,74,097	5.2	1,77,424	1,72,589	2.8	
EBITDA/vehicle	47,804	38,718	23.5	46,001	3.9	46,210	40,721	13.5	

SOURCES: INCRED RESEARCH, COMPANY REPORTS

**Figure 2: Royal Enfield or RE's market share in the >125cc category is on a downtrend from its FY23 peak**



SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 3: Sales volume break-up (units)**

	3QFY24	3QFY23	yoy (%)	2QFY24	qoq (%)	9MFY24	9MFY23	yoy (%)
RE - Domestic	2,13,386	2,02,109	6%	2,16,401	-1%	6,36,958	5,42,818	17%
RE - Export	14,687	19,292	-24%	19,934	-26%	55,156	73,552	-25%
Commercial vehicles	23,469	18,162	29%	19,464	21%	62,504	53,247	17%
<b>Total sales volume</b>	<b>2,51,542</b>	<b>2,39,563</b>	<b>5%</b>	<b>2,55,799</b>	<b>-2%</b>	<b>5,07,341</b>	<b>6,69,617</b>	<b>-24%</b>

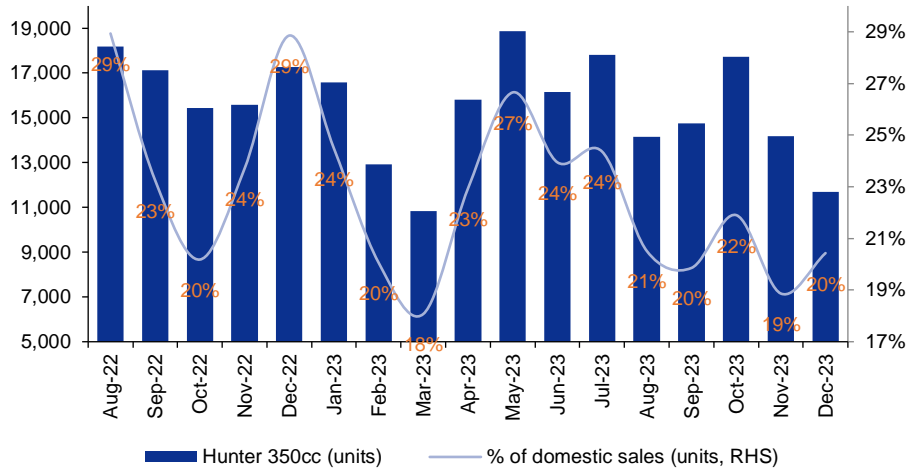
SOURCE: INCRED RESEARCH, COMPANY REPORTS

**Figure 4: Royal Enfield or RE's quarterly performance**

(Rs m)	3QFY24	3QFY23	yoy (%)	2QFY24	qoq (%)	9MFY24	9MFY23	yoy (%)
Net sales	40,542	35,902	12.9%	39,307	3.1%	1,18,861	1,02,353	16.1%
EBITDA	11,148	8,569	30.1%	10,974	1.6%	32,249	24,487	31.7%
EBITDA margin (%)	27.5%	23.9%	363	27.9%	(42)	27.1%	23.9%	321
<b>Normalized PAT</b>	<b>9,137</b>	<b>6,807</b>	<b>34.2%</b>	<b>9,385</b>	<b>-2.6%</b>	<b>27,661</b>	<b>18,757</b>	<b>47.5%</b>
Total volume (in nos.)	2,28,073	2,21,401	3.0%	2,36,335	-3.5%	6,92,114	6,16,370	12.3%
ASP (Rs)	1,67,983	1,62,156	3.6%	1,66,319	1.0%	1,71,736	1,66,058	3.4%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 5: Hunter 350cc bike sales begin to decline



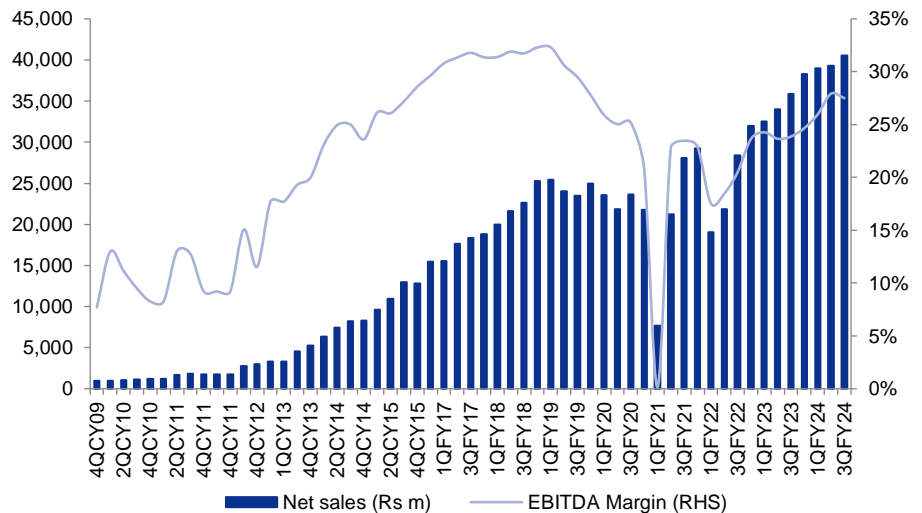
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 6: VECV's quarterly performance

(Rs m)	3QFY24	3QFY23	yoy (%)	2QFY24	qoq (%)	9MFY24	9MFY23	yoy (%)
Net sales	54,830	46,039	19.1%	51,290	6.9%	1,56,030	1,27,529	22.3%
EBITDA	4,380	3,050	43.6%	4,040	8.4%	12,290	7,606	61.6%
EBITDA Margin (%)	8.0%	6.6%	136	7.9%	11	7.9%	6.0%	191
<b>Normalized PAT</b>	<b>2,110</b>	<b>1,163</b>	<b>81.4%</b>	<b>1850</b>	<b>14.1%</b>	<b>5,775</b>	<b>2,597</b>	<b>122.4%</b>
Total volume (in nos.)	23,469	18,162	29.2%	19,464	20.6%	62,504	53,247	17.4%
ASP (Rs)	23,36,273	25,34,908	-7.8%	26,35,121	-11.3%	24,96,320	23,95,046	4.2%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 7: Volume at a new high while the EBITDA margin declines qoq



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 8: Our revised consolidated entity's earnings estimates

	FY24F		FY25F		FY26F	
	Old	New	Old	New	Old	New
RE sales volume	9,78,853	9,22,414	11,32,393	10,67,752	12,79,040	12,03,363
Change (%)		-5.8%		-5.7%		-5.9%
Net sales (Rs m)	1,66,326	1,63,606	1,93,923	1,85,934	2,21,661	2,12,525
Change (%)		-1.6%		-4.1%		-4.1%
EBITDA (Rs m)	42,794	42,526	46,824	47,406	49,654	51,126
Change (%)		-0.6%		1.2%		3.0%
EBITDA margin	25.7%	26.0%	24.1%	25.5%	22.4%	24.1%
Bp		26		135		166
EPS (Rs)	139.7	141.6	150.1	154.1	156.0	161.3
Change (%)		1.3%		2.6%		3.4%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 9: Key assumptions

(Rsm)	FY21A	FY22A	FY23	FY24F	FY25F	FY26F
<b>Volume (nos.)</b>						
Royal Enfield	6,12,060	3,94,969	8,34,895	9,22,414	10,67,752	12,03,363
VECV	41,250	12,631	72,706	88,013	95,343	1,17,455
Consol.	6,53,310	4,07,600	9,07,601	10,10,427	11,63,096	13,20,817
<b>Sales</b>						
Royal Enfield	86,190	66,451	1,39,897	1,58,306	1,85,434	2,11,525
VECV	85,970	13,905	1,89,520	2,24,649	2,48,367	2,95,298
Consol.	1,72,160	80,357	3,29,417	3,82,955	4,33,801	5,06,823
<b>EBITDA Margin (%)</b>						
Royal Enfield	21.0%	24.0%	23.7%	27.1%	25.3%	23.9%
VECV	6.9%	8.0%	7.3%	7.9%	7.4%	7.0%
Consol.	14.0%	21.2%	14.3%	15.8%	15.0%	14.1%
<b>Net Profit</b>						
Royal Enfield	13,297	11,947	25,455	35,893	38,845	40,934
VECV	264	7	2,641	3,847	3,895	4,553
Consol.	13,561	11,955	28,096	39,740	42,740	45,487

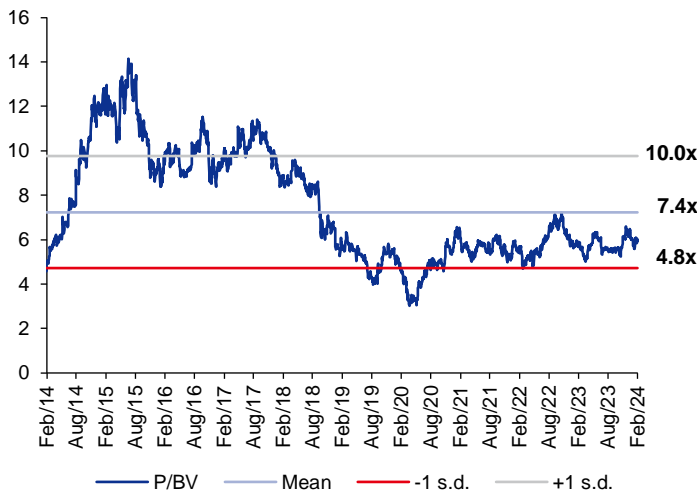
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 10: Eicher Motors' sum-of-the-parts or SOTP valuation

Sum-of-the-parts (Rs m)	EBITDA 1-year fwd	Multiple (x)	EV	Net debt 1-year fwd	Equity Value	Stake	Attributable	No. of Shares (m)	Value per Share (Rs)
Royal Enfield	50,178	12	6,02,133	(1,62,553)	7,64,686	100%	7,64,686	273.3	2,798
Volvo Eicher CV (incl. engine business)	20,395	10	2,03,946	(11,704)	2,15,650	54.4%	1,17,314	273.3	429
<b>SOTP value of Eicher Motors</b>									<b>3,227</b>

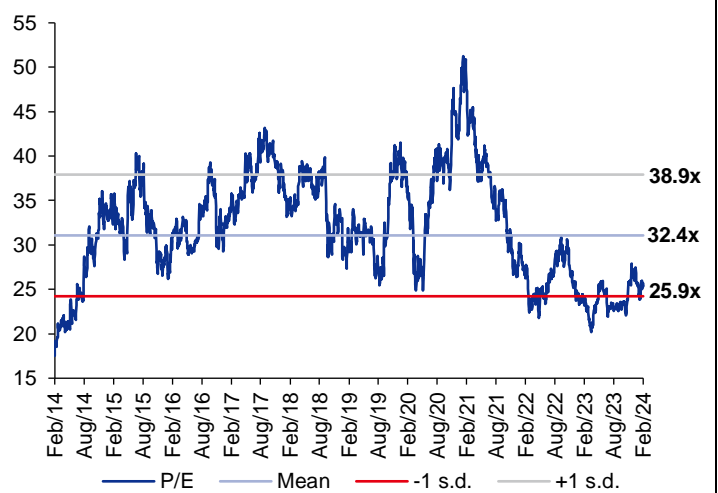
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 11: Forward P/BV valuation below the mean level



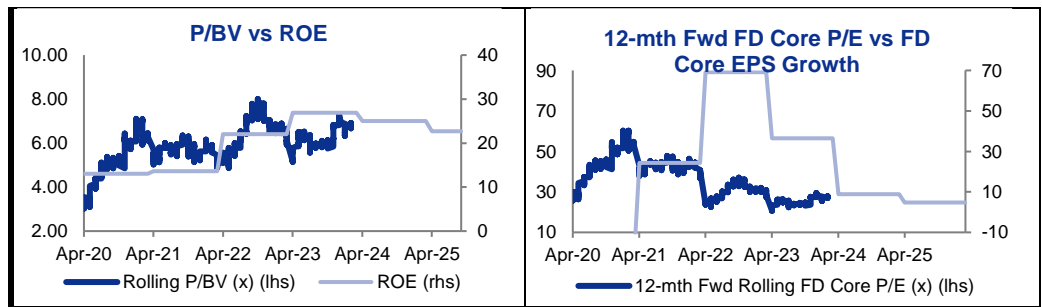
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 12: Forward P/E valuation at -1SD level



SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
<b>Total Net Revenues</b>	<b>102,979</b>	<b>143,652</b>	<b>163,606</b>	<b>185,934</b>	<b>212,525</b>
<b>Gross Profit</b>	<b>43,427</b>	<b>61,533</b>	<b>74,446</b>	<b>83,575</b>	<b>92,936</b>
<b>Operating EBITDA</b>	<b>21,324</b>	<b>33,666</b>	<b>42,526</b>	<b>47,406</b>	<b>51,126</b>
Depreciation And Amortisation	(4,519)	(5,262)	(5,900)	(6,700)	(8,600)
<b>Operating EBIT</b>	<b>16,804</b>	<b>28,404</b>	<b>36,626</b>	<b>40,706</b>	<b>42,526</b>
Financial Income/(Expense)	(188)	(280)	(495)	(650)	(900)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	4,408	5,951	10,727	11,138	11,453
<b>Profit Before Tax (pre-EI)</b>	<b>21,025</b>	<b>34,075</b>	<b>46,858</b>	<b>51,194</b>	<b>53,079</b>
Exceptional Items					
<b>Pre-tax Profit</b>	<b>21,025</b>	<b>34,075</b>	<b>46,858</b>	<b>51,194</b>	<b>53,079</b>
Taxation	(5,259)	(8,857)	(12,714)	(13,698)	(14,395)
Exceptional Income - post-tax	400				
<b>Profit After Tax</b>	<b>16,165</b>	<b>25,218</b>	<b>34,143</b>	<b>37,495</b>	<b>38,684</b>
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax	601	3,152	4,589	4,646	5,432
<b>Net Profit</b>	<b>16,767</b>	<b>28,370</b>	<b>38,732</b>	<b>42,141</b>	<b>44,116</b>
Recurring Net Profit	16,367	28,370	38,732	42,141	44,116
<b>Fully Diluted Recurring Net Profit</b>	<b>16,367</b>	<b>28,370</b>	<b>38,732</b>	<b>42,141</b>	<b>44,116</b>

Cash Flow

(Rs mn)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
<b>EBITDA</b>	<b>21,324</b>	<b>33,666</b>	<b>42,526</b>	<b>47,406</b>	<b>51,126</b>
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(1,494)	(2,139)	(1,397)		(580)
(Incr)/Decr in Total Provisions	(285)	5,838	(2,818)	(1,388)	(1,981)
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	1,001	3,152	4,589	4,646	5,432
Net Interest (Paid)/Received	4,220	5,671	10,232	10,488	10,553
Tax Paid	(5,259)	(8,857)	(12,714)	(13,698)	(14,395)
<b>Cashflow From Operations</b>	<b>19,507</b>	<b>37,331</b>	<b>40,417</b>	<b>47,453</b>	<b>50,156</b>
Capex	(6,334)	(6,542)	(10,250)	(11,200)	(10,300)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	(37,525)	(40,218)	(22,839)	(23,296)	(24,181)
<b>Cash Flow From Investing</b>	<b>(43,859)</b>	<b>(46,760)</b>	<b>(33,089)</b>	<b>(34,496)</b>	<b>(34,481)</b>
Debt Raised/(repaid)	(986)	400			
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(5,741)	(10,120)	(12,581)	(13,675)	(15,043)
Preferred Dividends					
Other Financing Cashflow					
<b>Cash Flow From Financing</b>	<b>(6,727)</b>	<b>(9,720)</b>	<b>(12,581)</b>	<b>(13,675)</b>	<b>(15,043)</b>
Total Cash Generated	(31,079)	(19,148)	(5,253)	(718)	632
<b>Free Cashflow To Equity</b>	<b>(25,337)</b>	<b>(9,029)</b>	<b>7,328</b>	<b>12,957</b>	<b>15,675</b>
<b>Free Cashflow To Firm</b>	<b>(24,164)</b>	<b>(9,149)</b>	<b>7,823</b>	<b>13,607</b>	<b>16,575</b>

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

**Balance Sheet**

(Rs mn)	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Total Cash And Equivalents	104,431	113,513	129,466	148,795	171,086
Total Debtors	3,020	7,020	8,674	11,177	13,329
Inventories	11,324	9,109	10,843	13,209	16,227
Total Other Current Assets	13,944	11,183	12,964	15,552	18,833
<b>Total Current Assets</b>	<b>132,719</b>	<b>140,826</b>	<b>161,947</b>	<b>188,733</b>	<b>219,475</b>
Fixed Assets	29,291	30,570	34,920	39,420	41,120
Total Investments					
Intangible Assets					
Total Other Non-Current Assets					
<b>Total Non-current Assets</b>	<b>29,291</b>	<b>30,570</b>	<b>34,920</b>	<b>39,420</b>	<b>41,120</b>
Short-term Debt	588	988	988	988	988
Current Portion of Long-Term Debt					
Total Creditors	17,881	17,527	19,517	24,386	28,976
Other Current Liabilities	13,362	15,780	15,000	16,000	17,000
<b>Total Current Liabilities</b>	<b>31,832</b>	<b>34,295</b>	<b>35,505</b>	<b>41,374</b>	<b>46,964</b>
Total Long-term Debt					
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
<b>Total Non-current Liabilities</b>					
Total Provisions	4,098	5,591	5,334	5,534	5,835
<b>Total Liabilities</b>	<b>35,930</b>	<b>39,886</b>	<b>40,839</b>	<b>46,907</b>	<b>52,799</b>
Shareholders Equity	126,080	131,510	156,028	181,246	207,796
Minority Interests					
<b>Total Equity</b>	<b>126,080</b>	<b>131,510</b>	<b>156,028</b>	<b>181,246</b>	<b>207,796</b>

**Key Ratios**

	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
Revenue Growth	18.1%	39.5%	13.9%	13.6%	14.3%
Operating EBITDA Growth	16.4%	57.9%	26.3%	11.5%	7.8%
Operating EBITDA Margin	20.7%	23.4%	26.0%	25.5%	24.1%
Net Cash Per Share (Rs)	379.82	411.58	469.93	540.63	622.16
BVPS (Rs)	461.16	481.02	570.69	662.93	760.05
Gross Interest Cover	89.62	101.44	73.99	62.62	47.25
Effective Tax Rate	25.0%	26.0%	27.1%	26.8%	27.1%
Net Dividend Payout Ratio	35.1%	35.7%	32.5%	32.5%	34.1%
Accounts Receivables Days	8.16	12.76	17.51	19.48	21.04
Inventory Days	61.51	45.41	40.84	42.88	44.92
Accounts Payables Days	101.86	78.69	75.82	78.28	81.43
ROIC (%)	76.5%	107.8%	149.0%	123.8%	109.1%
ROCE (%)	13.6%	21.5%	24.8%	23.6%	21.4%
Return On Average Assets	10.8%	17.2%	21.3%	20.1%	18.4%

**Key Drivers**

	Mar-22A	Mar-23A	Mar-24F	Mar-25F	Mar-26F
ASP (% chg, main prod./serv.)	19.4%	(0.3%)	2.4%	1.2%	1.2%
Unit sales grth (% , main prod./serv.)	(1.6%)	38.6%	10.5%	15.8%	12.7%
ASP (% chg, 2ndary prod./serv.)	11.0%	17.5%	N/A	2.0%	(3.0%)
Unit sales grth (% ,2ndary prod/serv)	38.2%	27.5%	21.1%	8.3%	23.2%

SOURCE: INCRED RESEARCH, COMPANY REPORTS



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