

India

ADD (no change)

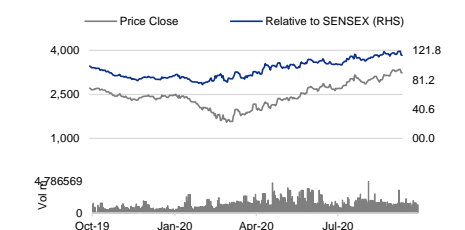
Consensus ratings*: Buy 38 Hold 5 Sell 3

Current price:	Rs11,698
Target price:	Rs13,621
Previous target:	Rs14,261
Up/downside:	16.4%
InCred Research / Consensus:	-1.9%
Reuters:	MRTI.NS
Bloomberg:	MSIL IN
Market cap:	US\$43,042m
	Rs3,677,881m
Average daily turnover:	US\$63.0m
	Rs5386.2m
Current shares o/s:	314.4m
Free float:	41.8%

*Source: Bloomberg

Key changes in this note

- Maintain sales volume estimates.
- EBITDA cut by 5-6% for FY26F-27F.
- PAT raised by 2% for FY27F.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	(0.3)	(2.3)	(7.9)
Relative (%)	(2.6)	(6.3)	(14.3)

Major shareholders	% held
Suzuki Motor	58.2
ICICI Prudential	4.4
SBI Mutual Fund	2.3

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Maruti Suzuki

The EBITDA margin slide disappoints

- 4Q EPS dip of 10% yoy to Rs123 missed our estimate (4%) but in line with consensus, as higher other expenses pruned EBITDA margin to a 2-year low.
- Management gave guidance of domestic volume growth remaining tepid while exports to rise 20%, driven by EVs. We have cut FY26F/27F EBITDA by 5-6%.
- With the valuation attractive at close to -1SD below the 10-year mean P/E and P/BV levels, we maintain ADD rating with a lower DCF-based TP of Rs13,621.

4QFY25 EBITDA margin drop disappoints

Maruti Suzuki's 4QFY25 EBITDA was down 13% yoy and 5% qoq at Rs42.6bn, 14% below our/Bloomberg or BB consensus estimate. However, higher other income (+47% qoq) led to just a 4% miss in PAT. Other expenses rose 100bp qoq which led to the EBITDA miss, of which 30% can be attributed to new plant start-up costs, where production ramp-up is awaited in FY26F. The rest of the impact was due to an adverse product mix (lower proportion of exports and CNG vehicles), and higher advertisement expenses. Suzuki's manufacturing unit in Gujarat made a PAT of Rs1.5bn from other income and tax write-back. Dividend per share increased marginally to Rs135.

Management conference-call highlights

Management expects the car industry's growth to remain on the slow growth path at ~2% yoy, while the company is confident of outperforming the industry, driven by upcoming model launches in the electric vehicle or EV and sports utility vehicle or SUV space. Management indicated that retail sales were higher than dispatches in 4Q and FY25, leading to Vahan retail market share gain. The company gave export growth guidance of 20% for FY26F, driven by EV launch. The EV sales volume guidance stood at 70,000 vehicles per annum, a major portion of which is meant for exports.

EBITDA cut by 5-6% for FY26F-27F

Following the lower-than-expected ASP in 4Q and prolonged higher vehicle discount trend, we have cut FY26F revenue by 2% and maintained it for FY27F. Considering the EV demand slowdown challenge on Maruti Suzuki's new launches, we have cut the EBITDA margin by 50bp to around 12%, leading to a cut of 5-6% for FY26F-27F. The higher-than-expected other income benefits and lower capex trend of Rs80bn per annum helped to retain our PAT estimate for FY26F.

EV success and execution to drive valuation rerating; maintain ADD

We have cut our discounted cash flow or DCF-based target price to Rs13,621 (Rs14,261 earlier) to reflect short-term demand challenges and EBITDA margin pressure from EV ramp-up. Key downside risks: Any delay in demand revival or a rise in competition impacting profitability. Considering that forward P/E and P/BV valuations are attractive at -1SD below the 10-year mean level (Figs. 10 & 11), we feel the worst of demand slowdown has been factored in. Better execution and success of EV, we feel, can lead to a sharp valuation rerating. We maintain our ADD rating on the stock.

Financial Summary	Mar-24A	Mar-25A	Mar-26F	Mar-27F	Mar-28F
Revenue (Rsm)	1,409,326	1,519,001	1,731,550	2,029,301	2,273,499
Operating EBITDA (Rsm)	164,011	176,539	206,892	236,142	265,593
Net Profit (Rsm)	127,810	139,552	170,100	188,498	207,738
Core EPS (Rs)	421.5	470.5	541.0	599.5	660.7
Core EPS Growth	64.6%	11.6%	15.0%	10.8%	10.2%
FD Core P/E (x)	28.78	26.35	21.62	19.51	17.70
DPS (Rs)	125.0	135.0	190.0	210.0	240.0
Dividend Yield	1.07%	1.15%	1.62%	1.80%	2.05%
EV/EBITDA (x)	18.57	17.02	14.35	12.13	10.54
P/FCFE (x)	51.06	17.70	38.81	21.55	26.32
Net Gearing	(75.3%)	(71.5%)	(67.5%)	(69.3%)	(67.2%)
P/BV (x)	4.38	3.91	3.50	3.13	2.82
ROE	18.4%	16.6%	17.1%	17.0%	16.8%
% Change In Core EPS Estimates			(0.42%)	1.73%	
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

The EBITDA margin slide disappoints

Management conference-call highlights ►

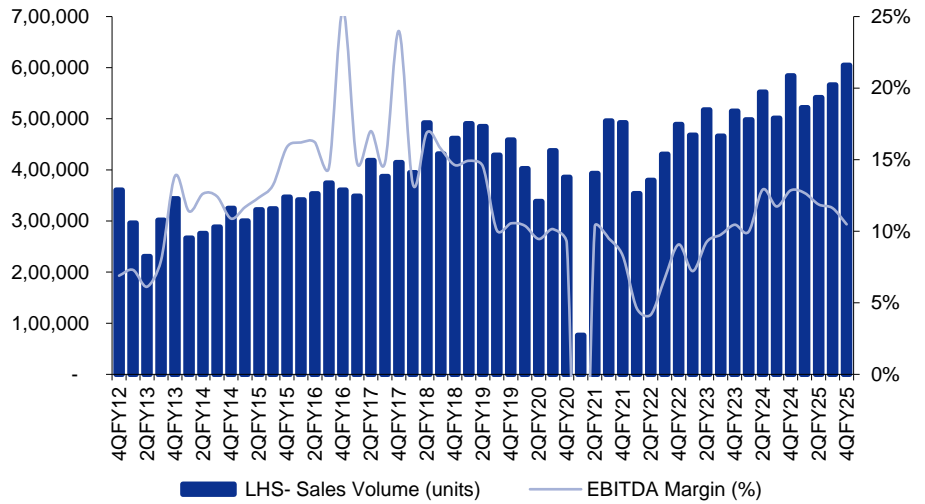
- **Industry outlook:** In FY25, the passenger car industry reported volume growth of 2.5% yoy and for FY26F, management expects industry growth to slow down further to 1–2% yoy while the company is confident of outperforming the industry, driven by upcoming model launches. Overall car demand remains weak as 88% of the population is unable to buy vehicles due to rising prices.
- **Segment-wise & powertrain trends:** in FY25, the SUV mix rose to 55% of industry sales, MPVs stood 10% while hatchbacks mix fell to 23.5% (from 46% in FY19). The powertrain mix was as follows: CNG 18%, diesel 19%, hybrid 2.4% and EV 2.7%.
- **Export business:** Management gave guidance of 20% export volume growth for FY26F while qoq export volume declined in 4QFY25 due to a lower mix of small cars (-30 bp). Maruti vehicles contributed nearly 50% to the company's export volume and the export market share at 44%. Export revenue stood at Rs55bn.
- **Domestic retail sales:** Domestic retail sales touched 400,000 units, up 4.2% yoy, in 4QFY25. The overall domestic market share growth was marginal. Rural markets continued to outperform their urban counterparts.
- **Product launches:** Two new models were launched in FY25. Two additional models (an SUV and an EV) are scheduled for launch in FY26F. By 2030F, the company aims to expand its portfolio to 28 models. Plans to sell 70,000 units annually of its e-Vitara model, with a focus on exports, beginning 1HFY26F.
- **Financial performance:** EBIT declined qoq due to Kharkhoda greenfield plant-related expenses (-30bp), higher manufacturing and administrative overheads, adverse commodity price impact (-30bp), and increased advertising expenditure. The impact was partially offset by reduced sales promotion expenses and higher non-operating income
- **Margin and cost management:** Multiple levers in place to support margin and manage headwinds. Steel cost pressure persists, although 85% localization has been achieved. Safeguard duties are unlikely to impact margin. The supply chain for rare earth materials remains volatile and is being closely monitored.
- **Logistics & inventory:** The share of railway logistics increased to 24% in FY25 (vs. 21.5% in FY24). The company entered a lean inventory phase, with wholesales exceeding retail sales. The current inventory stands at 28 days.
- **Other expenses:** They rose 100bp qoq because of CSR initiatives, digitalization projects, repairs and maintenance to Manesar plant and advertising expenses.
- **Capex & investments:** Capex in FY24 stood at Rs84bn. FY26F capex is projected to be in the range of Rs80–90bn. The new Kharkhoda plant, operational since Feb 2025, is ramping up. It has flexible production lines which enable production of multiple models, including heavier EVs.
- **Corporate average fuel efficiency or CAFE-3 norms:** The industry is awaiting the finalization of CAFE-3 norms, which will be effective from 2027.

Figure 1: Results comparison

Y/E Mar (Rs m)	4QFY25	4QFY24	yoy % chg	3QFY25	qoq % chg	FY25	FY24	yoy % chg	Comments
Revenue	4,06,738	3,82,349	6.4	3,84,921	5.7	15,19,001	14,09,326	7.8	3% below our estimate.
Raw material costs	2,92,353	2,71,384	7.7	2,75,567	6.1	10,77,551	10,07,263	7.0	
RM costs as a % of revenue	71.9	71.0	89.9	71.6	28.7	70.9	71.5	(53.3)	
EBITDA	42,647	49,144	(13.2)	44,703	(4.6)	1,83,695	1,64,011	12.0	14% below our estimate.
EBITDA margin (%)	10.5	12.9	(236.8)	11.6	(112.8)	12.1	11.6	45.6	136bp above our estimate.
Depreciation & amortization	8,724	7,290	19.7	8,050	8.4	31,593	30,223	4.5	3% below our estimate.
EBIT	33,923	41,854	(18.9)	36,653	(7.4)	1,52,102	1,33,788	13.7	-
Interest expenses	472	762	(38.1)	484	(2.5)	1,931	1,932	(0.1)	14% below our estimate.
Other income	14,466	11,180	29.4	9,850	46.9	48,817	38,958	25.3	61% above our estimate.
Pre-tax profit	47,917	52,272	(8.3)	46,019	4.1	1,98,988	1,70,814	16.5	
Tax	10,806	11,200	(3.5)	10,769	0.3	43,904	38,310	14.6	
Tax rate (%)	22.6	21.4	112.5	23.4	(85)	22.1	22.4	(36)	-
Normalized net profit	37,111	41,072	(9.6)	35,250	5.3	1,55,084	1,32,504	17.0	4% below our estimate.
Exceptional items	-	(2,294)		-		(8,376)	(4,694)		
Reported net profit	37,111	38,778	(4.3)	35,250	5.3	1,46,708	1,27,810	14.8	
Normalized EPS (Rs)	122.9	136.0	(9.6)	116.7	5.3	513.4	438.6	17.0	4% below our estimate.
Volume (nos)	6,04,635	5,84,031	3.5	5,66,213	6.8	22,34,266	21,35,323	4.6	
Net realization (Rs)	6,72,700	6,54,672	2.8	6,79,817	(1.0)	6,79,866	6,60,006	3.0	3% below our estimate.
EBITDA/vehicle	70,533	84,146	(16.2)	78,951	(10.7)	82,217	76,808	7.0	

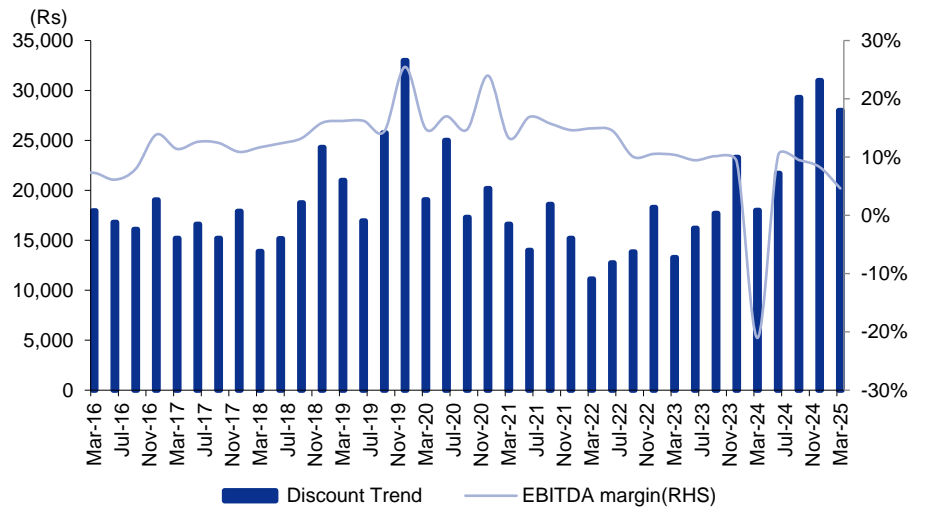
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 2: EBITDA margin correction prevails



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 3: ASP discounts ease sequentially



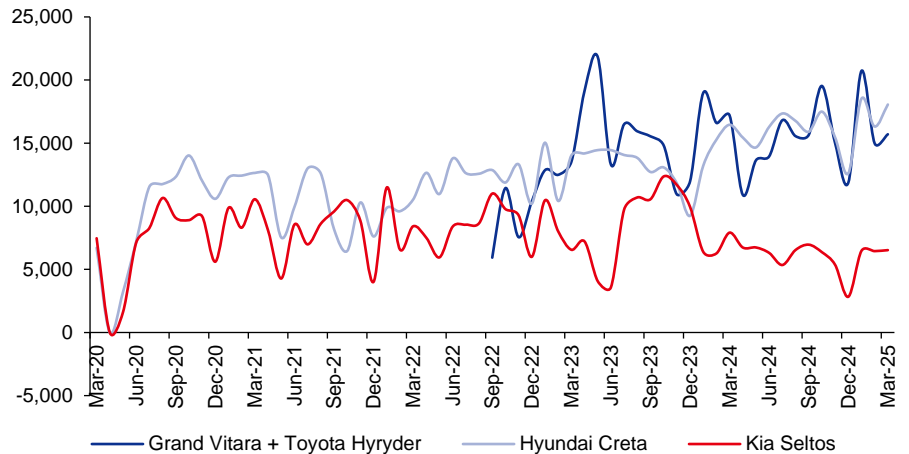
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: Maruti Suzuki's model-wise volume performance

	4QFY25	4QFY24	yoy	3QFY25	qoq	FY25	FY24	yoy
Mini	90,892	86,986	4%	68,632	32%	3,00,683	3,12,132	-4%
Alto	29,760	33,450	-11%	23,425	27%	1,02,232	1,11,955	-9%
WagonR	61,132	53,536	14%	45,207	35%	1,98,451	2,00,177	-1%
Compact	1,21,788	1,24,974	-3%	1,00,400	21%	4,30,803	4,93,460	-13%
S-Presso	6,368	9,010	-29%	4,430	44%	23,538	30,139	-22%
Swift	51,096	44,263	15%	42,697	20%	1,79,641	1,95,321	-8%
Celerio	8,448	11,470	-26%	6,171	37%	33,025	39,931	-17%
Baleno	47,802	52,735	-9%	41,487	15%	1,67,161	1,95,606	-15%
Ignis	8,074	7,496	8%	5,615	44%	27,438	32,463	-15%
Compact Sedan	45,537	48,504	-6%	41,050	11%	1,65,021	1,64,517	0%
Dzire/ Dzire tour	45,537	48,504	-6%	41,050	11%	1,65,021	1,64,517	0%
Sedan	2,541	1,434	77%	1,720	48%	8,402	10,337	-19%
Ciaz	2,541	1,434	77%	1,720	48%	8,402	10,337	-19%
Van	33,152	36,185	-8%	33,920	-2%	1,35,672	1,37,139	-1%
Eeco	33,152	36,185	-8%	33,920	-2%	1,35,672	1,37,139	-1%
SUV	1,91,223	1,81,708	5%	1,85,298	3%	7,20,186	6,42,296	12%
Grand Vitara	36,871	35,672	3%	31,324	18%	1,23,946	1,21,169	na
Vitara Brezza	46,685	45,682	2%	48,819	-4%	1,89,163	1,69,897	11%
Ertiga	45,920	45,039	2%	49,993	-8%	1,90,974	1,49,757	28%
XL6/ S-Cross	9,386	12,960	-28%	8,255	14%	37,111	45,130	-18%
Fronx	50,322	40,342	25%	42,053	20%	1,66,216	1,34,735	23%
Jimny	809	803	1%	3,299	-75%	8,740	17,009	-49%
Invicto	1,230	1,210	2%	1,555	-21%	4,036	4,599	-12%
LCV	9,190	10,150	-9%	8,871	4%	34,492	33,763	2%
Sales to other OEM	25,223	15,350	64%	27,102	-7%	1,06,422	58,612	82%
Total	5,19,546	5,05,291	3%	4,66,993	11%	19,01,681	18,52,256	3%

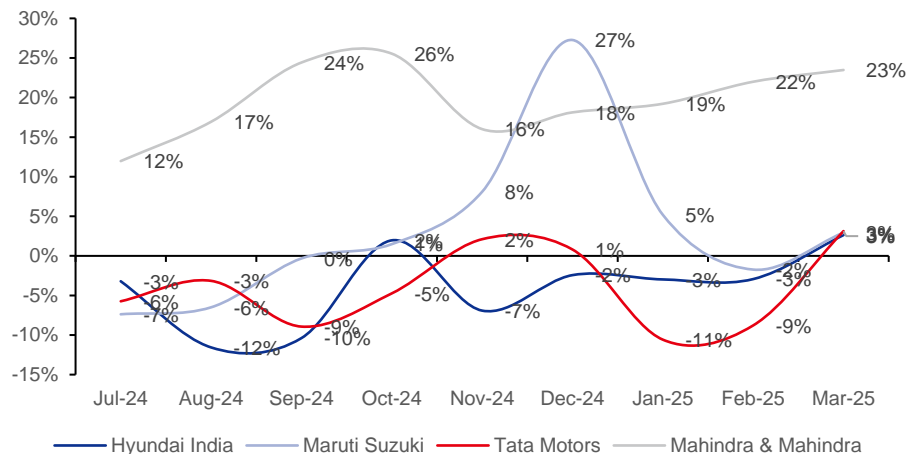
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 5: Grand Vitara's volume sustains at close to that of leader Hyundai Creta



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 6: Recent demand slowdown impacted Hyundai Motor India and Tata Motors the most among top OEMs, in terms of yoy growth



SOURCE: SIAM, INCRED RESEARCH, COMPANY REPORTS

Figure 7: Key assumptions

	FY23	FY24F	FY25A	FY26F	FY27F	FY28F
Domestic sales volume	17,06,831	18,52,256	19,01,681	19,66,410	21,38,146	22,84,705
Growth (%)	20.7%	8.5%	2.7%	3.4%	8.7%	6.9%
Export sales volume	2,59,333	2,83,067	3,32,585	4,32,473	5,20,000	5,75,000
Growth (%)	8.8%	9.2%	17.5%	30.0%	20.2%	10.6%
Total sales volume	19,66,164	21,35,323	22,34,266	23,98,882	26,58,146	28,59,705
Growth (%)	19.0%	8.6%	4.6%	7.4%	10.8%	7.6%
Gross ASP per vehicle (Rs)	5,97,727	6,60,006	6,79,866	7,21,815	7,63,427	7,95,012
Growth (%)	11.9%	10.4%	3.0%	6.2%	5.8%	4.1%
Net ASP per vehicle (Rs)	5,97,727	6,60,006	6,79,866	7,21,815	7,63,427	7,95,012
Growth (%)	11.9%	10.4%	3.0%	6.2%	5.8%	4.1%
Contribution per vehicle (Rs)	1,59,089	1,88,291	1,94,375	2,05,986	2,13,685	2,20,483
Growth (%)	18.1%	18.4%	3.2%	6.0%	3.7%	3.2%
EBITDA per vehicle (Rs)	55,986	76,808	79,015	86,245	88,837	92,874
Growth (%)	60.5%	37.2%	2.9%	9.2%	3.0%	4.5%
EBITDA margin (%)	9.4%	11.6%	11.6%	11.9%	11.6%	11.7%

SOURCE: SIAM, INCRED RESEARCH, COMPANY REPORTS

Figure 8: Change in our earnings estimates

	FY26F		FY27F	
Rs m	Old	New	Old	New
Sales volume (nos)	24,01,749	23,98,882	26,57,972	26,58,146
Change (%)		-0.1%		0.0%
Net sales (Rs.m)	17,68,008	17,31,550	20,27,325	20,29,300
Change (%)		-2.1%		0.1%
EBITDA (Rs.m)	2,19,550	2,06,892	2,47,262	2,36,142
Change (%)		-5.8%		-4.5%
EBITDA margin	12.4%	11.9%	12.2%	11.6%
Bps		(47)		(56)
PAT (Rs.m)	1,70,814	1,70,100	1,85,290	1,88,498
Change (%)		-0.4%		1.7%
EPS (Rs.)	565.5	563.1	613.4	624.0
Change (%)		-0.4%		1.7%

SOURCE: SIAM, INCRED RESEARCH, COMPANY REPORTS

Figure 9: Discounted cash flow or DCF-based target price

Economic Profit Valuation			Discounted Cash Flow Valuation		
	Rs m	%		Rs m	%
Adjusted Opening Invested Capital	287260.8	8	Value of Phase 1: Explicit (2026 to 2028)	352595.7	10
NPV of Economic Profit During Explicit Period	392428.5	11	Value of Phase 2: Value Driver (2029 to 2039)	1854346.7	51
NPV of Econ Profit of Remaining Business (1, 2)	698963.7	19	Value of Phase 3: Fade (2040 to 2050)	1200892.7	33
NPV of Econ Profit of Net Inv (Grth Business) (1, 3)	2231586.2	62	Terminal Value	202361.9	6
Enterprise Value	3610239.1	100	Enterprise Value	3610197.0	100
Plus: Other Assets	0.0	0	FCF Grth Rate at end of Phs 1 implied by DCF Valuation		8
Less: Minorities	0.0	0	FCF Grth Rate at end of Phs 1 implied by Current Price		7
Less: Net Debt (as at 26 Apr 2025)	-672317.0	-19			
Equity Value	4282556.1	119			
No. Shares (millions)	314.4				
Per Share Equity Value	13621				

Sensitivity Table

		No of Years in Fade Period				
		5	8	11	14	17
WACC	9.7%	13,434	14,894	16,386	17,902	19,437
	10.7%	12,443	13,672	14,905	16,138	17,365
	11.7%	11,565	12,600	13,621	14,626	15,609
	12.7%	10,783	11,656	12,504	13,325	14,116
	13.7%	10,087	10,825	11,530	12,201	12,839

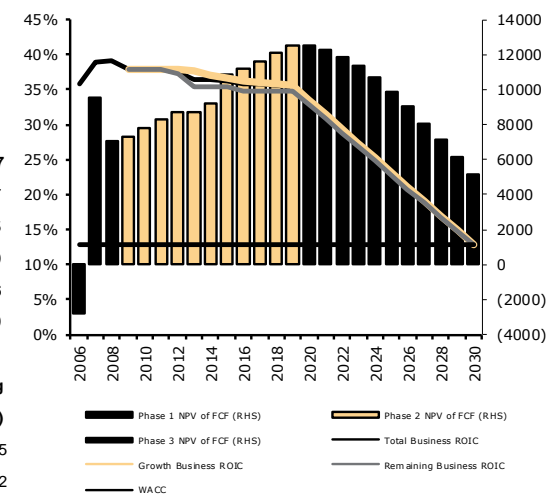
Performance Summary

	Phase 2 Avg			Phase 2 Avg
	2026	2027	2028	(2029 - 2039)
Invested Capital Growth (%)	28.2	5.2	18.9	11.5
Operating Margin (%)	12.8	12.2	12.0	11.2
Capital Turnover (x)	6.5	5.9	6.3	4.7

Source: InCred Research

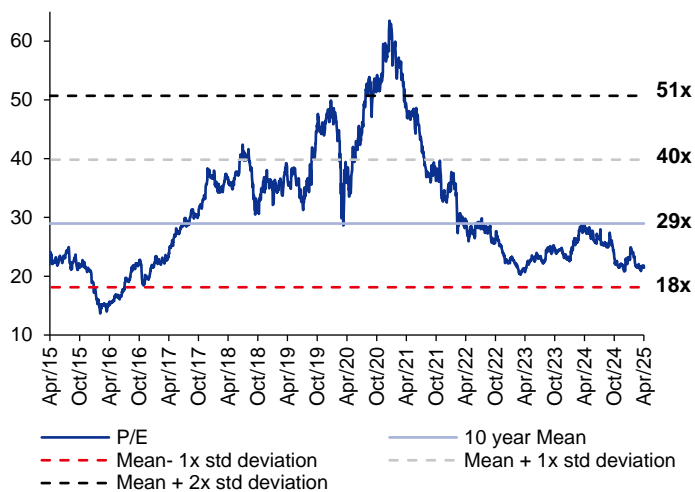
1. In periods following the Explicit Period i.e. Phase 2 and Phase 3
2. Remaining Business is defined as Capital as at the end of Phase 1 and capex = depreciation thereafter
3. Net Investment is defined as capex over and above depreciation after Phase 1

Returns, WACC and NPV of Free Cash Flow



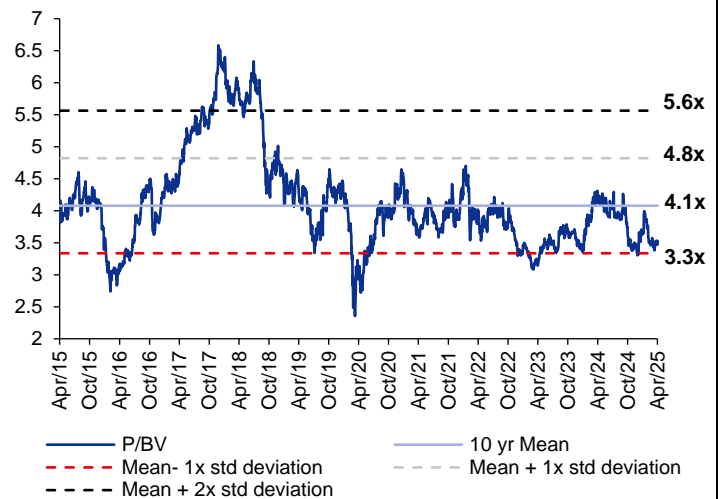
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 10: One-year forward P/E is near the 10-year -1SD level



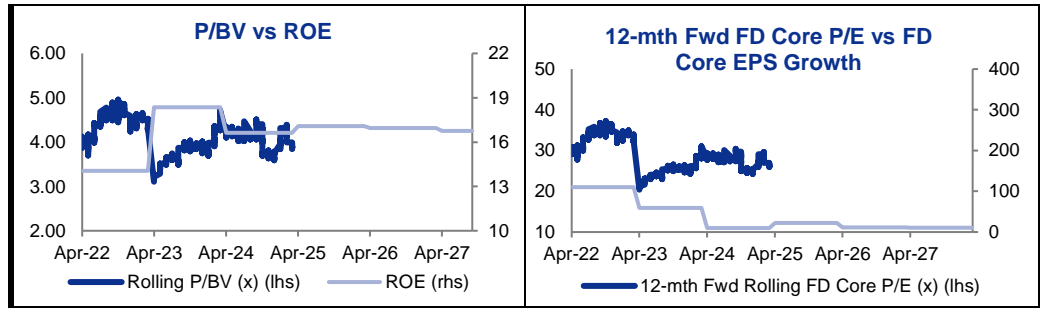
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 11: One-year forward P/BV is near the 10-year -1SD level



SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-24A	Mar-25A	Mar-26F	Mar-27F	Mar-28F
Total Net Revenues	1,409,326	1,519,001	1,731,550	2,029,301	2,273,499
Gross Profit	402,063	434,285	494,135	568,006	630,518
Operating EBITDA	164,011	176,539	206,892	236,142	265,593
Depreciation And Amortisation	(30,223)	(31,593)	(34,838)	(39,924)	(44,604)
Operating EBIT	133,788	144,946	172,055	196,218	220,989
Financial Income/(Expense)	37,026	46,886	48,282	48,584	48,800
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)					
Profit Before Tax (pre-EI)	170,814	191,832	220,336	244,802	269,789
Exceptional Items					
Pre-tax Profit	170,814	191,832	220,336	244,802	269,789
Taxation	(38,310)	(43,904)	(50,237)	(56,305)	(62,051)
Exceptional Income - post-tax	(4,694)	(8,376)			
Profit After Tax	127,810	139,552	170,100	188,498	207,738
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	127,810	139,552	170,100	188,498	207,738
Recurring Net Profit	132,504	147,928	170,100	188,498	207,738
Fully Diluted Recurring Net Profit	132,504	147,928	170,100	188,498	207,738

Cash Flow

(Rs mn)	Mar-24A	Mar-25A	Mar-26F	Mar-27F	Mar-28F
EBITDA	164,011	176,539	206,892	236,142	265,593
Cash Flow from Invt. & Assoc.					
Change In Working Capital	16,607	(1,011)	(10,164)	8,158	(18,225)
(Incr)/Decr in Total Provisions	(27,381)	(3,343)	(6,185)	24,870	11,300
Other Non-Cash (Income)/Expense					
Other Operating Cashflow	(4,433)	(7,785)	(1,824)	(800)	(700)
Net Interest (Paid)/Received	37,026	46,886	48,282	48,584	48,800
Tax Paid	(38,310)	(43,904)	(50,237)	(56,305)	(62,051)
Cashflow From Operations	147,520	167,382	186,764	260,650	244,716
Capex	(73,496)	(85,962)	(90,000)	(88,000)	(103,000)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments		128,411			
Other Investing Cashflow	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Cash Flow From Investing	(75,496)	40,449	(92,000)	(90,000)	(105,000)
Debt Raised/(repaid)					
Proceeds From Issue Of Shares					
Shares Repurchased					
Dividends Paid	(39,300)	(42,444)	(59,736)	(66,024)	(75,456)
Preferred Dividends					
Other Financing Cashflow	137,950	(125,523)	1,444		
Cash Flow From Financing	98,650	(167,967)	(58,292)	(66,024)	(75,456)
Total Cash Generated	170,674	39,864	36,472	104,626	64,261
Free Cashflow To Equity	72,024	207,831	94,764	170,650	139,716
Free Cashflow To Firm	73,956	209,762	96,764	172,850	142,716

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

Balance Sheet

(Rs mn)	Mar-24A	Mar-25A	Mar-26F	Mar-27F	Mar-28F
Total Cash And Equivalents	632,453	672,317	708,789	813,414	877,675
Total Debtors	46,013	65,377	66,416	72,276	93,431
Inventories	41,196	51,230	66,416	83,396	93,431
Total Other Current Assets	113,572	141,011	152,835	163,635	174,335
Total Current Assets	833,234	929,935	994,455	1,132,722	1,238,873
Fixed Assets	322,388	304,661	359,823	407,899	466,295
Total Investments	18,162	20,162	22,162	24,162	26,162
Intangible Assets					
Total Other Non-Current Assets	1,124				
Total Non-current Assets	341,674	324,823	381,985	432,061	492,457
Short-term Debt					
Current Portion of Long-Term Debt					
Total Creditors	145,824	174,211	180,271	211,270	224,235
Other Current Liabilities	103,359	125,841	128,087	161,232	180,634
Total Current Liabilities	249,183	300,052	308,358	372,502	404,870
Total Long-term Debt	331				
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities					
Total Non-current Liabilities	331				
Total Provisions	13,478	15,683	17,251	18,976	20,874
Total Liabilities	262,992	315,735	325,610	391,478	425,744
Shareholders Equity	839,820	940,467	1,050,831	1,173,304	1,305,586
Minority Interests					
Total Equity	839,820	940,467	1,050,831	1,173,304	1,305,586

Key Ratios

	Mar-24A	Mar-25A	Mar-26F	Mar-27F	Mar-28F
Revenue Growth	19.9%	7.8%	14.0%	17.2%	12.0%
Operating EBITDA Growth	49.0%	7.6%	17.2%	14.1%	12.5%
Operating EBITDA Margin	11.6%	11.6%	11.9%	11.6%	11.7%
Net Cash Per Share (Rs)	2,010.57	2,138.41	2,254.42	2,587.20	2,791.59
BVPS (Rs)	2,671.18	2,991.31	3,342.34	3,731.88	4,152.63
Gross Interest Cover	69.25	75.06	86.03	89.19	73.66
Effective Tax Rate	22.4%	22.9%	22.8%	23.0%	23.0%
Net Dividend Payout Ratio	29.7%	28.7%	35.1%	35.0%	36.3%
Accounts Receivables Days	10.23	13.38	13.89	12.47	13.30
Inventory Days	15.23	15.55	17.35	18.71	19.64
Accounts Payables Days	47.77	53.84	52.28	48.90	48.38
ROIC (%)	50.0%	34.8%	43.4%	38.5%	41.2%
ROCE (%)	23.7%	21.8%	22.3%	22.2%	22.0%
Return On Average Assets	10.6%	9.6%	10.5%	10.6%	10.6%

Key Drivers

	Mar-24A	Mar-25A	Mar-26F	Mar-27F	Mar-28F
ASP (% chg, main prod./serv.)	10.4%	3.0%	6.2%	5.8%	4.1%
Unit sales grth (% , main prod./serv.)	8.6%	4.6%	7.4%	10.8%	7.6%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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Stock Ratings

Definition:

- Add** The stock's total return is expected to exceed 10% over the next 12 months.
- Hold** The stock's total return is expected to be between 0% and positive 10% over the next 12 months.
- Reduce** The stock's total return is expected to fall below 0% or more over the next 12 months.

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

Sector Ratings

Definition:

- Overweight** An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
- Neutral** A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
- Underweight** An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

Country Ratings

Definition:

- Overweight** An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
- Neutral** A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
- Underweight** An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.