# CPH Chemie + Papier Holding AG

Switzerland | Industrial Goods & Services

## 1H 2020 earnings update

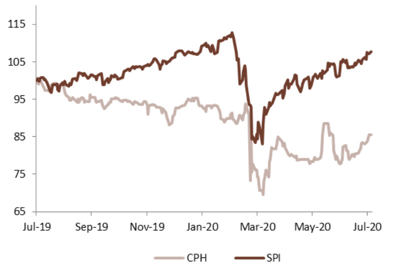
23 July 2020

### Company Data

| | |
|---|---|
| Price: | CHF 71.4 |
| Market Cap: | CHF 428.4mn |
| Free Float: | 41.2% |
| No. of shares: | 6.0mn |
| Avg. traded volume (30 day): | 554 |
| Bloomberg: | CPHN SW |
| Reuters: | CPHN-EB |
| ISIN: | CH0001624717 |

*Source: SIX Swiss Exchange and Bloomberg*

### Share Price Development




*Source: Bloomberg*

### Key Financial Data

| | 2018 | 2019 | 2020E | 2021E |
|---|---|---|---|---|
| Sales | 533.5 | 524.7 | 447.8 | 458.8 |
| EBITDA % | 15.6% | 16.8% | 11.4% | 11.1% |
| EBIT % | 9.7% | 10.8% | 4.5% | 4.4% |
| Net Margin % | 7.9% | 9.2% | 6.1% | 3.6% |
| Basic EPS | 7.05 | 8.06 | 4.58 | 2.72 |
| Diluted EPS | 7.05 | 8.06 | 4.58 | 2.72 |
| DPS | 1.80 | 1.80 | 1.80 | 1.80 |
| Equity Ratio % | 50.7% | 62.6% | 65.6% | 66.0% |
| Capex | (18.2) | (22.0) | (20.9) | (31.4) |
| P/Sales | 0.8x | 0.8x | 1.0x | 0.9x |
| P/E | 10.1x | 8.8x | 15.5x | 26.1x |
| EV/EBITDA | 5.9x | 5.6x | 9.7x | 9.6x |

*Source: Research Dynamics, Company data*

### Next Events

| | |
|---|---|
| Investor Day | 8 Sep 2020 |
| ZKB Equity Conference 2020 in Zurich | 4 Nov 2020 |

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## Navigating a challenging environment

### Muted 1H/20 results, with cautious short-term outlook

CPH reported a muted set of numbers, with the top-line decreasing by 13.3% YoY to CHF 231.8mn (-8.2% YoY ex-currency) due to the adverse impact of the coronavirus pandemic. The net sales erosion was mainly attributable to the weakness in the Paper division (-25.9% YoY). Group EBIT decreased to CHF 17.8mn from CHF 32mn in 1H/19, with the EBIT margin compressing to 7.7% from 12.0% in the same period last year. Despite the top-line and EBIT margin pressure, net profit attributable to shareholders grew by 1.0% to CHF 27.4mn, with the corresponding margin improving by 168bps to 11.8%. The bottom-line improvement mirrored an extraordinary income of CHF 12.0mn, attributable to the release of provisions for lower-than-expected costs for clean-up works required at the Chemistry division's former Uetikon operating site. Although all divisions reported positive EBIT for the period, the Paper division dragged Group EBIT. Amidst the pandemic, lower demand for printing paper has led to pressure on advertising income for media publishing houses, which forced them to reduce their publication sizes and print runs. The Paper division reported an EBIT of CHF 2.3mn, significantly lower compared to the CHF 19.0mn reported in 1H/19, and the corresponding margin decreased to 2.1% from 12.9% during the same period last year.

### Segmental performance

**Paper:** The Paper division reported a 25.9% YoY decline in sales to CHF 108.8mn, primarily due to the structural erosion amidst ongoing digitalization and lower advertising volumes. This forced media houses to reduce their publication sizes and print runs, which further impacted paper volume and prices. The demand decline for newsprint and magazine papers forced the company to keep both its paper machines idle for some days during the period. The divisional EBIT decreased significantly by 87.8% YoY to CHF 2.3mn from CHF 19.0mn in 1H/19, with the corresponding margin decreasing to 2.1% (1H/19:12.9%).

**Packaging:** The current pandemic crisis benefited the Packaging division through increasing demand for medication products for which the company supplies packaging products. Net sales at the Packaging division increased by 7.3% YoY to CHF 86.7mn from CHF 80.8mn on a half-yearly basis. The division which supplies films for blister packs used in the pharmaceuticals' industry experienced record levels of new product orders. The strategic geographical location of production plants in Asia, Europe and the Americas enabled the company to balance its capacities and ensure effective supplies during the period. The divisional EBIT improved to CHF 13.0mn from CHF 10.1mn, with the corresponding EBIT margin improving by approximately 260bps YoY to 15.0% to post a new record. The EBIT margin improved on the sizable decline in raw material prices during the period.

**Chemistry**: The Chemistry division reported a decrease of 8.8% YoY in net sales to CHF 36.2mn in 1H/20. The decrease in the top-line was due to dampened business trends in many industries which the Chemistry division serves by supplying molecular sieves, gels and deuterated compounds. The sudden uncertainty due to the pandemic has prompted companies in many sectors such as oil, gas and ethanol to defer their investment decisions. However, incoming orders for molecular sieves employed in the concentration of medical oxygen reached new record levels. The segment reported an 18.1% decrease in EBIT to CHF 2.5mn with the corresponding margin narrowing to 7.0% from 7.8% in 1H/19.

### Full-year guidance lowered

Subsequent to the weak performance during the first half and the current situation, management sounded caution over the pace of the economic recovery. The Group expects a slowdown in the global economic activities due to the coronavirus crisis for FY2020 and lowered its guidance issued at the beginning of the year. The group expects full-year net sales and earnings to witness a fall, with the net result expected to be in the low-double digit millions.

**Paper:** The company expects additional pressure on paper prices due to existing overcapacities in the market. However, the demand for graphic papers is likely to recover slightly in Europe in the second half of 2020. Management expects net sales to be lower than 2019 level and EBIT to fall in negative territory.

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**Packaging:** As the pandemic subsides gradually, management expects the demand for blister pack films to return to more normal levels. Additionally, management plans to further increase the share of products which are in the high barrier film segment. In FY2020, the company expects a substantial increase in net sales and is also confident of an improved EBIT result as compared to the previous year.

**Chemistry:** The company expects the size and pace of the global economic growth in 2H/20 to dictate the business trends in the Chemistry division. In FY2020, the company expects net sales to be lower and EBIT margin to be broadly in-line with 2019 levels.

**Estimate change**

The reported 1H/20 result is muted as expected due to the current coronavirus pandemic. For the second half of the year, the recovery in business activity is expected to be slower. Considering the prevailing operating environment, we have lowered our FY2020 estimates. The net sales and EBIT have been revised downwards to CHF 447.8mn and CHF 20.2mn from CHF 503.8mn and CHF 26.4mn, respectively. However, we raise our PAT estimate to CHF 27mn from CHF 22mn to primarily account for the extraordinary income from release of previous provisions in 1H/20.

## Valuation and conclusion

We value CPH using DCF and relative valuation techniques. Our intrinsic value of CHF 87.2 per share is a slight reduction from our previous target price (CHF 90.0), implying an upside of 22.5% from current levels. For relative valuation, since the Group operates in three entirely different divisions, we compare each of CPH's divisions with different sets of relevant industry peers. We have employed three parameters – EV/EBITDA, P/S and P/E – to analyze the relative valuation of the Group. CPH currently trades at a P/S multiple of 0.9x (FY2020E), a significant 36% discount to the weighted average multiple of division peers.

In the short-term, we expect the uncertainty to continue in 2H2020 as economic activity is likely to pick up only gradually amidst the ongoing coronavirus pandemic. However, in the medium term, as business activity picks up steam, we expect the valuation discount to narrow and the stock to witness a revaluation. We opine that the company's growth prospects in key markets, improved operating efficiencies from new production facilities and expansion of the Packaging and Chemistry divisions should lead to a valuation improvement. The Paper division should benefit from local market, cost leadership, cost saving initiatives, advanced technology and continued operational improvements, although the business environment continues to remain challenging due to overcapacities and decreasing demand for newsprint paper. However, over time tough the operating environment may push marginal paper producers out of business which should lead to reduced capacities and aid a recovery in paper prices.

We remain encouraged by management's commentaries which did not include any major changes to the mid- to long-term goals. Moreover, we expect the group-level cost optimization initiatives to offer support to the company's stock price.

**Exhibit 1: CPH – Comparison with division peers**

| Company | EV/EBITDA 3 year average | EV/EBITDA CY2020E | EV/EBITDA CY2021E | P/S 3 year average | P/S CY2020E | P/S CY2021E | P/E 3 year average | P/E CY2020E | P/E CY2021E |
|---|---|---|---|---|---|---|---|---|---|
| CPH Chemie & Paper | 7.8x | 7.8x | 7.1x | 0.9x | 0.9x | 0.8x | 13.6x | 17.8x | 16.3x |
| **Paper peers:** | | | | | | | | | |
| Holmen | NA | 18.2x | 16.6x | NA | 3.2x | 3.2x | NA | 30.3x | 26.8x |
| Stora Enso | 7.9x | 9.9x | 8.1x | 1.0x | 1.0x | 1.0x | 13.7x | 24.2x | 14.2x |
| Altri | 7.1x | 10.5x | 7.7x | 1.7x | 1.4x | 1.3x | 10.0x | 29.6x | 12.2x |
| Metsa Board | 11.4x | 9.7x | 8.2x | 1.2x | 1.1x | 1.1x | 14.0x | 19.6x | 13.8x |
| UPM-Kymmene | 8.5x | 9.5x | 8.2x | 1.4x | 1.5x | 1.4x | 12.8x | 18.4x | 15.3x |
| Norkse Scogindustrier | 10.8x | NA | NA | 0.0x | NA | NA | 2.8x | NA | NA |
| James Cropper | 16.8x | NA | NA | 1.3x | NA | NA | 35.3x | NA | NA |
| OJI Holdings | 8.4x | 852.7x | 822.8x | 0.4x | 0.3x | 0.3x | 13.5x | 9.2x | 7.8x |
| **Chemistry peers:** | | | | | | | | | |
| Honeywell Int. | 13.0x | 15.6x | 14.3x | 2.8x | 3.4x | 3.2x | 21.0x | 22.0x | 19.5x |
| Clariant | 10.9x | NA | NA | 1.4x | NA | NA | 33.0x | NA | NA |
| Arkema | 6.1x | 8.0x | 7.2x | 0.8x | 0.9x | 0.8x | 12.6x | 17.7x | 13.6x |
| WR Grace & Co. | 14.4x | 11.4x | 9.2x | 2.4x | 1.9x | 1.7x | 30.3x | 17.0x | 12.1x |
| **Packaging peers:** | | | | | | | | | |
| Meadvestwaco | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| MacFarlane Group | 10.5x | NA | NA | 0.7x | 0.0x | 0.0x | 16.7x | 9.6x | 9.4x |
| Gerresheimer | 10.5x | 13.1x | 11.9x | 1.6x | 2.1x | 2.0x | 25.2x | 24.0x | 21.1x |
| West Pharmaceutical Services | 24.7x | 41.4x | 37.4x | 5.3x | 9.4x | 8.8x | 41.9x | 70.2x | 62.9x |
| Convertidora Industrial | 5.0x | NA | NA | 0.3x | NA | NA | 41.9x | NA | NA |
| PSB Industries | 4.7x | 10.8x | 4.3x | 0.3x | 0.3x | 0.2x | 15.3x | -7.9x | 26.4x |
| Astrapak Ltd | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Bilcare Ltd | 34.4x | NA | NA | 0.0x | NA | NA | 6.9x | NA | NA |
| Median | 10.5x | 11.1x | 8.7x | 1.2x | 1.4x | 1.3x | 15.3x | 19.6x | 14.2x |
| High | 34.4x | 852.7x | 822.8x | 5.3x | 9.4x | 8.8x | 41.9x | 70.2x | 62.9x |
| Low | 4.7x | 8.0x | 4.3x | 0.0x | 0.0x | 0.0x | 2.8x | -7.9x | 7.8x |
| Premium (disc) to peers | (26%) | (30%) | (18%) | (25%) | (37%) | (33%) | (11%) | (9%) | 15% |

*Source: Thomson Eikon (as on 21 July 2020)*

**Exhibit 2: CPH – Comparison with weighted average of division peers**

| | EV/EBITDA 3 year average | EV/EBITDA CY2020E | EV/EBITDA CY2021E | P/S 3 year average | P/S CY2020E | P/S CY2021E | P/E 3 year average | P/E CY2020E | P/E CY2021E |
|---|---|---|---|---|---|---|---|---|---|
| Weighted peer multiples | 9.6x | 11.2x | 9.4x | 1.1x | 1.3x | 1.2x | 17.5x | 19.8x | 16.8x |
| CPH | 7.8x | 7.8x | 7.1x | 0.9x | 0.9x | 0.8x | 13.6x | 17.8x | 16.3x |
| Premium (disc) to peers | (19%) | (30%) | (25%) | (19%) | (36%) | (32%) | NM | (10%) | (3%) |

*Source: Thomson Eikon (as on 21 July 2020)*

# DETAILED FINANCIAL STATEMENTS

## Income Statement

| *CHF mn (except per share)* | FY15 | FY16 | FY17 | FY18 | FY19 | FY20E | FY21E |
|---|---|---|---|---|---|---|---|
| Chemistry sales | 63 | 69 | 75 | 79 | 78 | 72 | 74 |
| Paper sales | 248 | 246 | 264 | 301 | 293 | 215 | 215 |
| Packaging sales | 110 | 119 | 130 | 153 | 153 | 161 | 170 |
| **Net Sales** | **420** | **435** | **470** | **534** | **525** | **448** | **459** |
| Cost of Sales | (285) | (267) | (309) | (311) | (298) | (262) | (275) |
| **Gross profit** | **135** | **168** | **161** | **222** | **227** | **186** | **184** |
| Personnel cost | (86) | (89) | (84) | (92) | (93) | (93) | (93) |
| Outsourced maintenance/repairs | (16) | (18) | (17) | (19) | (20) | (17) | (16) |
| Other operating expense | (21) | (25) | (26) | (28) | (26) | (25) | (24) |
| **Total operating costs** | **(123)** | **(131)** | **(127)** | **(139)** | **(139)** | **(135)** | **(132)** |
| **EBITDA** | **12** | **37** | **34** | **83** | **88** | **51** | **51** |
| Depreciation | (34) | (31) | (30) | (30) | (30) | (30) | (30) |
| Amortisation | (0) | (1) | (1) | (1) | (1) | (1) | (1) |
| **Operating profit (EBIT) before impairment** | **(22)** | **6** | **3** | **52** | **57** | **20** | **20** |
| Impairment | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Operating profit (EBIT)** | **(22)** | **6** | **3** | **52** | **57** | **20** | **20** |
| Finance costs | (13) | (6) | (8) | (7) | (6) | (4) | (4) |
| Finance income | 1 | 1 | 2 | 1 | 0 | 0 | 0 |
| **Total financial income (expenses)** | **(12)** | **(5)** | **(7)** | **(6)** | **(6)** | **(4)** | **(4)** |
| **Profit before taxes (before exceptional items)** | **(34)** | **1** | **(4)** | **46** | **51** | **16** | **16** |
| Non-operating items | 2 | (4) | 23 | 0 | 1 | 15 | 4 |
| Income taxes | (1) | (4) | (3) | (3) | (3) | (3) | (4) |
| **Profit attributable to the parent** | **(33)** | **(8)** | **16** | **42** | **48** | **27** | **16** |
| **Basic EPS** | (5.5) | (1.3) | 2.7 | 7.1 | 8.1 | 4.6 | 2.7 |
| **Diluted EPS** | (5.5) | (1.3) | 2.7 | 7.1 | 8.1 | 4.6 | 2.7 |
| **DPS** | 0.6 | 0.7 | 0.7 | 1.8 | 1.8 | 1.8 | 1.8 |

*Source: Research Dynamics, Company data*

## Balance Sheet

| *CHF mn* | FY15 | FY16 | FY17 | FY18 | FY19 | FY20E | FY21E |
|---|---|---|---|---|---|---|---|
| Assets | | | | | | | |
| **Non-current assets** | | | | | | | |
| PPE | 404.3 | 384.6 | 384.1 | 376.1 | 366.4 | 356.5 | 357.2 |
| Intangible assets | 2.4 | 3.1 | 4.8 | 5.8 | 5.6 | 5.6 | 5.6 |
| Long-term financial assets | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 |
| Long-term financial receivables | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Other non-current assets | 20.2 | 52.6 | 56.4 | 55.3 | 54.0 | 54.0 | 54.0 |
| Total non-current assets | 436.9 | 450.3 | 455.3 | 447.2 | 436.0 | 426.1 | 426.8 |
| **Current assets** | | | | | | | |
| Inventories | 54.5 | 68.9 | 59.2 | 69.6 | 78.5 | 75.8 | 76.3 |
| Trade accounts receivable | 66.4 | 69.1 | 77.8 | 72.1 | 72.4 | 70.0 | 74.5 |
| Other receivables | 8.0 | 8.9 | 18.0 | 13.1 | 14.0 | 12.0 | 12.0 |
| Prepaid expenses and accrued income | 4.9 | 4.8 | 7.0 | 9.2 | 8.6 | 8.6 | 8.6 |
| Short-term financial receivables | 0.0 | 0.1 | 0.0 | 100.3 | 0.0 | 0.0 | 0.0 |
| Liquid funds and Securities | 53.2 | 70.4 | 80.2 | 89.0 | 93.1 | 102.7 | 101.2 |
| **Total assets** | **624.0** | **672.4** | **697.6** | **800.5** | **702.7** | **695.2** | **699.5** |
| **Shareholders' Equity and Liabilities** | | | | | | | |
| Share capital | 30.0 | 30.0 | 30.0 | 12.0 | 12.0 | 12.0 | 12.0 |
| Capital reserves | 8.4 | 4.8 | 0.8 | 15.0 | 4.2 | 4.2 | 4.2 |
| Profit reserves | 397.4 | 351.2 | 346.4 | 336.2 | 375.2 | 412.7 | 429.4 |
| Net result for the year | (33.1) | (7.9) | 16.0 | 42.3 | 48.3 | 27.5 | 16.3 |
| **Non-current liabilities** | | | | | | | |
| Long-term financial liabilities | 126.5 | 145.6 | 143.5 | 120.5 | 116.8 | 110.8 | 107.0 |
| Pension scheme liabilities | 1.0 | 1.1 | 0.6 | 1.3 | 0.7 | 0.7 | 0.7 |
| Other long-term liabilities | 2.3 | 0.1 | 0.0 | 0.8 | 0.6 | 0.6 | 0.6 |
| Long-term provisions | 20.0 | 52.5 | 51.8 | 50.0 | 47.5 | 35.5 | 35.5 |
| **Current liabilities** | | | | | | | |
| Trade accounts payable | 46.7 | 53.1 | 69.5 | 69.7 | 66.3 | 60.1 | 62.8 |
| Other payables | 2.6 | 8.3 | 3.3 | 4.1 | 3.6 | 3.6 | 3.6 |
| Accrued liabilities and deferred income | 13.6 | 16.5 | 17.2 | 20.0 | 16.3 | 16.3 | 16.3 |
| Short-term financial liabilities | 6.8 | 7.0 | 9.8 | 125.8 | 5.9 | 5.8 | 5.6 |
| Short-term provisions | 1.5 | 7.6 | 5.6 | 1.2 | 3.8 | 3.8 | 3.8 |
| **Total liabilities** | **221.2** | **291.6** | **301.3** | **393.3** | **261.4** | **237.3** | **236.0** |
| **Total equity and liab.** | **624.0** | **672.4** | **697.6** | **800.5** | **702.7** | **695.2** | **699.5** |

*Source: Research Dynamics, Company data*

## Cash Flow Statement

| CHF mn | FY15 | FY16 | FY17 | FY18 | FY19 | FY20E | FY21E |
|---|---|---|---|---|---|---|---|
| Net profit for the period | (33.1) | (7.7) | 16.2 | 42.3 | 48.5 | 27.5 | 16.3 |
| Non-cash adjustments: | 35.3 | 33.9 | (1.5) | 26.3 | 31.2 | 30.8 | 30.7 |
| **Change in CA and CL:** | | | | | | | |
| (Increase)/ decrease in inventories | 8.4 | (13.1) | 13.6 | (8.6) | (10.2) | 2.8 | (0.5) |
| Decrease in trade accounts receivable | 8.1 | (0.5) | (7.7) | 5.0 | (1.3) | 2.3 | (4.5) |
| Increase/ (decrease) in trade accounts payable | (6.8) | 1.6 | 15.8 | (1.1) | (2.8) | (6.1) | 2.7 |
| Other changes in working capital | 11.5 | 7.7 | (4.2) | 0.4 | (4.3) | (10.0) | - |
| **Cash flows from operating activities** | **23.3** | **21.9** | **32.2** | **64.3** | **61.0** | **47.3** | **44.7** |
| Investments in tangible fixed assets | (21.9) | (20.7) | (32.3) | (22.3) | (21.9) | (19.8) | (30.3) |
| Disposals of tangible fixed assets | 1.6 | 20.5 | 15.4 | 6.3 | 0.8 | - | - |
| Investments in intangible assets | (1.6) | (1.2) | (2.4) | (2.2) | (1.0) | (1.1) | (1.1) |
| Investments in business activities | - | (18.5) | - | (27.9) | - | - | - |
| Repayment of long-term financial receivables | - | - | - | - | 100.9 | - | - |
| **Cash flow generated (used) in investment activities** | **(22.0)** | **(19.9)** | **(19.3)** | **(46.0)** | **78.9** | **(20.9)** | **(31.4)** |
| Increase/ (Decrease) in short-term financial liabilities and receivables | (15.3) | 0.1 | 1.0 | (4.3) | (123.4) | (0.1) | (0.2) |
| Increase/ (Decrease) in long-term financial liabilities | (1.1) | 19.0 | (0.6) | (3.0) | (1.1) | (5.9) | (3.8) |
| Increase in other long-term liabilities | (0.1) | (0.4) | 0.2 | 2.1 | (0.2) | - | - |
| Dividends to shareholders | (3.9) | (3.6) | (3.9) | (3.9) | (10.9) | (10.8) | (10.8) |
| **Cash flow generated (used) in financing** | **(20.4)** | **15.2** | **(3.3)** | **(9.1)** | **(135.6)** | **(16.8)** | **(14.8)** |
| Exchange (losses)/gains | 2.3 | 0.1 | 0.2 | (0.3) | (0.2) | - | - |
| **Net change in cash** | **(16.7)** | **17.2** | **9.8** | **8.9** | **4.1** | **9.6** | **(1.5)** |
| Opening cash balance | 69.9 | 53.1 | 70.3 | 80.1 | 89.0 | 93.1 | 102.7 |
| **Closing cash balance** | **53.1** | **70.3** | **80.1** | **89.0** | **93.1** | **102.7** | **101.2** |

*Source: Research Dynamics, Company data*

## Key Ratios

| | FY15 | FY16 | FY17 | FY18 | FY19 | FY20E | FY21E |
|---|---|---|---|---|---|---|---|
| **Growth Ratios** | | | | | | | |
| Sales Growth | (15%) | 4% | 8% | 14% | (2%) | (15%) | 2% |
| Chemistry division | 4% | 11% | 9% | 5% | (2%) | (8%) | 3% |
| Paper division | (21%) | (1%) | 7% | 14% | (3%) | (27%) | 0% |
| Packaging division | (7%) | 9% | 9% | 17% | 0% | 5% | 6% |
| Operating Profit Growth | NM | NM | (51%) | NM | 10% | (64%) | 1% |
| Net Income Growth | NM | NM | NM | 165% | 14% | (43%) | (41%) |
| **Profitability Ratios (%)** | | | | | | | |
| Operating margin (before impairment) (% ) | (5%) | 1% | 1% | 10% | 11% | 5% | 4% |
| Chemistry division | (3%) | 2% | 5% | 8% | 6% | 5% | 4% |
| Paper division | (11%) | (2%) | (5%) | 10% | 12% | (2%) | (2%) |
| Packaging division | 5% | 8% | 7% | 10% | 11% | 13% | 13% |
| EBITDA Margin % | 3% | 8% | 7% | 16% | 17% | 11% | 11% |
| Net Margin (%) | (8%) | (2%) | 3% | 8% | 9% | 6% | 4% |
| **Return Ratios** | | | | | | | |
| Profit Margin | (8%) | (2%) | 3% | 8% | 9% | 6% | 4% |
| Asset Turnover | 0.6x | 0.7x | 0.7x | 0.7x | 0.7x | 0.6x | 0.7x |
| Financial Leverage | 1.6x | 1.7x | 1.8x | 1.9x | 1.8x | 1.6x | 1.5x |
| Dupont ROE (%) | (8%) | (2%) | 4% | 11% | 11% | 6% | 4% |
| ROCE (%) | (4%) | 1% | 1% | 10% | 10% | 4% | 4% |
| ROA (%) | (5%) | (1%) | 2% | 6% | 6% | 4% | 2% |
| **Leverage Ratios** | | | | | | | |
| Debt - Equity Ratio | 0.3x | 0.4x | 0.4x | 0.6x | 0.3x | 0.3x | 0.2x |
| Net Debt - Equity Ratio | 0.2x | 0.2x | 0.2x | 0.4x | 0.1x | 0.0x | 0.0x |
| Interest Coverage | (5.5x) | 1.4x | 0.7x | 11.8x | 9.1x | 4.6x | 5.1x |
| **Liquidity Ratios** | | | | | | | |
| Current Ratio | 2.6x | 2.4x | 2.3x | 1.6x | 2.8x | 3.0x | 3.0x |
| Quick Ratio | 1.9x | 1.7x | 1.7x | 1.3x | 2.0x | 2.2x | 2.1x |
| **Valuation Ratios** | | | | | | | |
| EV/EBITDA | 25.8x | 13.3x | 14.6x | 5.9x | 5.6x | 9.7x | 9.6x |
| P/E | NM | NM | 26.7x | 10.1x | 8.8x | 15.5x | 26.1x |
| P/BV | 0.6x | 1.1x | 1.1x | 1.1x | 1.0x | 0.9x | 0.9x |

Source: Research Dynamics, Bloomberg, Company data

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