BÉLL POTTER

Analyst

Sam Haddad 612 8224 2819

Authorisation

Jonathan Snape 613 9235 1601

Breville Group (BRG)

Off the boil

Recommendation

Hold (unchanged)

Price

\$30.36

Target (12 months) \$30.50 (previously \$32.25)

Color (previously

GICS Sector

Retailing

Expected Return	
Capital growth	0.4%
Dividend yield	1.1%
Total expected return	1.5%
Company Data & Rat	ios
Enterprise value	\$4,127m
Market cap	\$4,219m
Issued capital	139.0m
Free float	72.7%
Avg. daily val. (52wk)	\$9.3m
12 month price range	\$23.27 - \$33.61

Price Perfo	ormance		
	(1m)	(3m)	(12m)
Price (A\$)	30.02	25.50	27.29
Absolute (%)	2.30	20.43	12.53
Dal manisak (0/)	0.04	40.04	40.50

Absolute Price \$40.0 \$35.0 \$30.0 \$25.0 \$20.0 \$15.0 \$10.0 \$5.0 \$0.0 Aug Dec Apr Aug Dec Apr 19 20 20 20 21 -S&P 300 Rebased BRG

Robust FY21 result, shipping delays raises near-term risks

BRG announced underlying FY21 EBIT of \$136.4m, up 24.1% YoY (on restated basis) and in line with company guidance. The key result takeaways include:

- Strong revenue growth throughout FY21: BRG's key Global Product segment achieved 37.0% constant currency revenue growth, with all regions contributing strongly. This includes the Americas +27.6%, EMEA +58.4% and APAC +37.4%. Increased consumer demand driven by work-from-home, coupled with successful geographic expansion, offset the impact of intermittent supply challenges.
- International rollout on track: Despite covid impacts, BRG's international rollout continued to progress to plan. The material lift in EMEA revenue reflects strong growth in the UK throughout the year, traction in Germany/Austria/Benelux/Switzerland, & ramp-up in Spain/France (launched in FY20/1Q21). In 4Q21, BRG also launched in Portugal/Italy, while in the Americas, BRG launched in Mexico.
- Although more challenges ahead, esp. due to shipping delays: The key challenges are: 1) inventory constraints due to supply chain delays (end-FY21 inventory ~\$80m below target); 2) supplier chain cost pressures/parts challenges; and 3) the potential transitional demand outlook as consumers begin to spend on services (in those countries opening up). Levers to counter these challenges include: 1) taking price increases where appropriate (= gross margin cushion); & 2) costs levers (= flex on CODB/sales), noting the FY21 EBIT result absorbed \$49m of increased investment. Furthermore, is the potential reversal of doubtful debt provisioning (~\$8.4m off 1H21 EBIT), although the timing of this is uncertain.
- Net cash of \$129.9m, although a significant rebuild in working capital is planned.

Earnings changes / Investment View: Retain Hold, PT \$30.50

Given supply chain risks and a potential transitional demand outlook, we have lowered our growth forecasts. Net effect is our FY22-FY24 EPS decrease by -2.8%/-4.0/-7.5%. Partially offset by model roll forward, our PT decreases to \$30.50 (previously \$32.25). While we continue to have a positive view on BRG's long-term growth prospects, we are mindful of the near-term macro risks and BRG's valuation. Hold rating retained.

Earnings Forecast				
Jun Year end	2021a	2022e	2023e	2024e
Sales (A\$m)	1,187.7	1,366.8	1,576.7	1,813.1
EBITDA (A\$m)	163.3	194.0	222.1	255.6
NPAT (reported) (A\$m)	91.0	111.1	130.5	155.3
NPAT (underlying) (A\$m)	91.0	111.1	130.5	155.3
EPS underlying (cps)	65.2	79.9	93.9	111.8
EPS underlying growth (%)	15.0%	22.6%	17.5%	19.0%
PER (on underlying EPS) (x)	46.6	38.0	32.3	27.2
EV/EBITDA (x)	25.3	21.3	18.6	16.1
Dividend (¢ps)	26.5	32.1	37.8	45.2
Yield (%)	0.9%	1.1%	1.2%	1.5%
Franking (%)	100%	60%	60%	60%
ROE (%)	19.2%	20.1%	20.7%	21.5%

SOURCE: IRESS SOURCE

FY21 EBIT result in line with guidance

Headline result

Breville Group Ltd (BRG) announced underlying FY21 EBIT of \$136.4m (matching vs BPe \$136.4m), up 20.6% vs pcp (or 24.1% on a restated FY21 basis) and in line with guidance. Underlying NPAT was \$91.0m, up 21.4% vs pcp although slightly below vs BPe \$93.8m.

A final dividend of 13.5cps (ff) was declared, down vs 20.5cps declared in the pcp. BRG previously reduced its dividend target payout ratio from 70% to 40% on a full year basis to allow continued funding of growth opportunities on a 'sustainable cash-neutral' basis.

An overview of the result is below in Figure 1.

Figure 1 – Actual vs expected summary								
	Actuals	History (FY	20 and beyond	l is post AASB-10	6)	Actual	Expected	Actual vs
	1H20	2H20	FY20	1H21	2H21	FY21	FY21e	Expected
Total Revenue	552.0	400.2	952.2	711.0	476.7	1,187.7	1,177.3	0.9%
% - Growth (pcp)	25.4%	25.2%	25.3%	28.8%	19.1%	24.7%		
EBITDA	85.2	53.6	138.8	112.4	50.9	163.3	172.4	-5.3%
%-Margin	15.4%	13.4%	14.6%	15.8%	10.7%	13.7%	14.6%	-6.1%
% - Growth (pcp)	20.8%	23.3%	21.8%	32.0%	-5.1%	17.7%		
Depn & Amort.	-9.0	-10.2	-19.2	-13.4	-7.4	-20.8	-27.1	-23.4%
EBIT	73.0	40.2	113.1	94.6	41.8	136.4	136.4	0.0%
%-Margin	13.2%	10.0%	11.9%	13.3%	8.8%	11.5%	11.6%	-0.8%
% - Growth (pcp)	17.1%	14.7%	16.2%	29.6%	4.2%	20.6%		
Net Interest	-4.2	-4.0	-8.2	-4.5	-4.5	-9.0	-4.8	
Profit before Tax	68.8	36.2	105.0	90.1	37.3	127.4	131.6	-3.2%
Tax	-19.1	-10.9	-30.0	-25.9	-10.5	-36.4	-37.8	-3.6%
Associates/Minorities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Underlying NPAT	49.7	25.3	75.0	64.2	26.8	91.0	93.8	-3.0%
%-Margin	9.0%	6.3%	7.9%	9.0%	5.6%	7.7%	8.0%	-3.8%
% - Growth (pcp)	14.1%	5.9%	11.2%	29.2%	6.0%	21.4%		
Abnormals post tax	0.0	-8.8	-8.8	0.0	0.0	0.0	0.0	
Reported NPAT	49.7	16.5	66.2	64.2	26.8	91.0	93.8	-3.0%
DPS (¢ps)	20.5	20.5	41.0	13.0	13.5	26.5	26.9	-1.3%

SOURCE: COMPANY DATA AND BELL POTTER SECURITIES ESTIMATES

Forecast changes

Given supply chain risks and a potential transitional demand outlook, we have lowered our growth forecasts. Net effect is our FY22/FY23/FY24 EPS decrease by -2.8%/-4.0/-7.5%. Partially offset by model roll forward, our 12-month price target decreases to \$30.50 (previously \$32.25). Figure 2 summarises our forecast changes for FY22e-FY24e.

Figure 2 – Earnir	ngs revisio	ons summary								
			FY22e			FY23e			FY24e	
		Old	New	% Change	Old	New	% Change	Old	New	% Change
Revenue	\$m	1389.2	1366.8	-1.6%	1635.2	1576.7	-3.6%	1910.4	1813.1	-5.1%
EBITDA	\$m	201.0	194.0	-3.5%	233.4	222.1	-4.9%	277.6	255.6	-7.9%
EBITDA Margin	%	14.5%	14.2%	-0.3%	14.3%	14.1%	-0.2%	14.5%	14.1%	-0.4%
Underlying NPAT	\$m	114.3	111.1	-2.8%	135.9	130.5	-4.0%	167.9	155.3	-7.5%
Underlying EPS	¢ps	82.3	79.9	-2.8%	97.8	93.9	-4.0%	120.9	111.8	-7.5%
DPS	¢ps	33	32	-2.6%	39	38	-3.5%	49	45	-7.2%

SOURCE: BELL POTTER SECURITIES ESTIMATES



Breville Group Limited

Company Description

Breville Group Limited (BRG) is the active manager of a number of consumer electrical appliance brands, with a core focus in the small kitchen appliances segment. BRG owns the Breville, Sage (*UK and certain European markets*), Kambrook and Ronson brands and has a license agreement with Nestle Nespresso SA for the distribution of Breville cobranded Nespresso portioned (*capsule system based*) espresso machines in a number of markets (including Australia, New Zealand and North America).

Investment Strategy

We rate BRG Hold with a price target of \$30.50.

BRG's core strategy is to invest in and build the Breville brand globally by leveraging its products and capabilities across multiple geographies. The two key ingredients to this strategy include product innovation (undertaken by a Sydney based products development team) and investment in infrastructure to support global operations.

Growth in North America, the UK and through BRG's international distributor network is targeted at the mid to high-end segment of the small appliances market. BRG's product range in these regions is more focused and primarily "New Product Development" products that are designed and development by BRG from the ground-up. By contrast, BRG's growth in Australia and New Zealand is across a broader market value segment from the low/mid to up-market end. This is matched by broader product range that is weighted to "Sourced Developed Products" which use an externally sourced (from Asia) product base.

Valuation

Our blended 12-mth price target is \$30.50. Our DCF is \$29.88 (WACC of 9.5%), while our SOTP (EV/EBITDA basis) is \$32.38. We take a 75%/25% split to derive our price target.

Risk to Investment Thesis

Key downside risks to our valuation include (but are not limited to):

- COVID-19: The substantial impact of COVID-19 on the global & domestic economies
 together with the Saudi Arabia-Russia oil price war is creating enormous volatility and
 uncertainty in global share markets. The forecasts in the report may be subject to
 significant changes if this situation continues for an extended period of time.
- Exposed to cyclical risk: More material or prolonged weakness in discretionary spending than expected, placing additional pressure on earnings than forecast. This in turn will have downside risk to dividends. The impact to earnings varies by region, with ANZ exhibiting the highest sensitivity given BRG's mature presence in these markets.
- **Deterioration in brand equity risk due to poor product quality**: Brand deterioration will lead to loss of market share and pricing power in highly competitive markets.
- Brand acceptance risk in new markets such as the UK, Germany, France and others.
- Material impairment charge risks on intangibles due to difficult market conditions or the deterioration in brand equity.
- House-brands impinging on market share and placing downward pressure on price.
- **Product & Supply Chain**: BRG's products are manufactured in China and hence are exposed to risks around sourcing, production, warehousing & supply chain disruptions.

Breville Group as at 17 August 2021

RecommendationHoldPrice\$30.36Target (12 months)\$30.50

Table 1 - Financial summary

Jun Year end	2019	2020	2021	2022e	2023e	2024e
Profit & Loss (A\$m)						
Sales revenue	760.0	952.2	1,187.7	1,366.8	1,576.7	1,813.1
Change	17.3%	25.3%	24.7%	15.1%	15.4%	15.0%
EBITDA	114.0	138.8	163.3	194.0	222.1	255.6
Change	13.7%	21.8%	17.7%	18.8%	14.5%	15.1%
Deprec. & amort.	(16.6)	(19.2)	(20.8)	(33.8)	(35.6)	(36.0)
EBIT Not letered	97.3	113.1	136.4	156.8	183.0	216.1
Net Interest	(3.0)	(8.2) 105.0	(9.0) 127.4	(1.3) 155.5	(0.3) 182.7	1.4 217.5
Pre-tax profit	94.3					
Tax expense tax rate	(26.9) 29%	(30.0) 29%	(36.4) 29%	(44.5) 29%	(52.3) 29%	(62.2) 29%
Associates	23/0	23/0	2970	29/0	29/0	-
Minorities/Prefs			-			-
Underlying Net Profit	67.4	75.0	91.0	111.1	130.5	155.3
Change	15.2%	11.2%	21.4%	22.1%	17.5%	19.0%
Abs. & extras.	-	(8.8)	-	-	-	-
Reported Profit	67.4	66.2	91.0	111.1	130.5	155.3
Assumed AASB16 adjustment to Unde	rlvina EBIT	(2.0)	(2.0)	(2.0)	(2.0)	(2.1)
Underlying EBIT (Pre-AASB16)	,g ==	111.2	134.5	154.9	181.0	214.1
Cashflow (A\$m)						
EBITDA	114.0	138.8	163.3	194.0	222.1	255.6
Working capital changes	(64.7)	22.3	1.7	(81.8)	(36.8)	(43.5)
Net Interest Expense	(2.5)	(6.8)	(8.2)	(1.3)	(0.3)	1.4
Tax	(25.4)	(28.9)	(33.4)	(40.0)	(49.4)	(58.3)
Other operating items	9.1	7.0	0.8	8.8	5.1	6.1
Operating Cash Flow	30.3	132.3	124.3	79.8	140.7	161.2
Capex	(5.5)	(7.0)	(6.8)	(7.5)	(8.7)	(10.0)
Free Cash Flow	24.9	125.3	117.4	72.3	132.1	151.3
Acquisition/Growth capex	(23.0)	(45.7)	(84.9)	(27.0)	(27.0)	(27.0)
Disposals	0.1	0.1	0.1	-	-	-
Payment of leases	-	(7.3)	(7.5)	(7.6)	(7.8)	(8.0)
Dividends paid	(45.5)	(50.8)	(45.6)	(40.8)	(48.2)	(57.1)
		-	-	-	-	-
Other investing items	-	-				
Equity	(3.8)	100.7	27.6	-	-	-
•	(3.8) (0.0)			- 3.1	- (49.1)	- (59.2)
Equity		100.7	27.6	-	-	-
Equity Core debt increase/(reduction)		100.7	27.6	-	-	-
Equity Core debt increase/(reduction) Balance Sheet (A\$m)	(0.0)	100.7 (51.1)	27.6 (1.4)	- 3.1	- (49.1)	(59.2)
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash	(0.0) 57.1	100.7 (51.1) 128.5	27.6 (1.4)	- 3.1 109.5	- (49.1) 157.8	(59.2)
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables	57.1 154.6	100.7 (51.1) 128.5 156.1	27.6 (1.4) 129.9 119.3	3.1 109.5 225.1	157.8 259.4	216.2 299.8
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP	57.1 154.6 152.3	100.7 (51.1) 128.5 156.1 153.7	27.6 (1.4) 129.9 119.3 216.7	3.1 109.5 225.1 225.1	157.8 259.4 259.4	216.2 299.8 299.8
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables	57.1 154.6 152.3 3.9 368.0	100.7 (51.1) 128.5 156.1 153.7 5.0	27.6 (1.4) 129.9 119.3 216.7 7.6	3.1 109.5 225.1 225.1 7.6 567.2	157.8 259.4 259.4 7.6	216.2 299.8 299.8 7.6
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments	57.1 154.6 152.3 3.9 368.0	128.5 156.1 153.7 5.0 443.3	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5	3.1 109.5 225.1 225.1 7.6 567.2	157.8 259.4 259.4 7.6 684.0	216.2 299.8 299.8 299.8 - 7.6 823.3
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E)	57.1 154.6 152.3 3.9 368.0	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - - 13.5	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5	- 3.1 109.5 225.1 225.1 7.6 567.2	157.8 259.4 259.4 7.6 684.0	216.2 299.8 299.8 7.6 823.3
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets	57.1 154.6 152.3 3.9 368.0 - - 12.0	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2	109.5 225.1 225.1 7.6 567.2	157.8 259.4 259.4 7.6 684.0 - 12.0 34.9	216.2 299.8 299.8 7.6 823.3 - 13.0 35.8
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 123.4	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8	109.5 225.1 225.1 7.6 567.2 12.1 34.0 232.9	157.8 259.4 259.4 7.6 684.0 - 12.0 34.9 232.9	216.2 299.8 299.8 7.6 823.3 - 13.0 35.8 232.9
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets	57.1 154.6 152.3 3.9 368.0 - 12.0 - 123.4 6.3	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8	109.5 225.1 225.1 7.6 567.2 - 12.1 34.0 232.9 19.8	157.8 259.4 259.4 7.6 684.0 - 12.0 34.9 232.9 19.8	216.2 299.8 299.8 7.6 823.3 - 13.0 35.8 232.9 19.8
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (P&E) Right-of-use Assets Intangibles Other mom-curr assets Non Current Assets	57.1 154.6 152.3 3.9 368.0 - - 12.0 - 123.4 6.3	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - - 13.5 17.2 160.2 9.9 200.8	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 297.2	3.1 109.5 225.1 225.1 7.6 567.2 - 12.1 34.0 232.9 19.8 298.7	157.8 259.4 259.4 7.6 684.0 - - 12.0 34.9 232.9 19.8 299.5	216.2 299.8 299.8 7.6 823.3 - - 13.0 35.8 232.9 19.8 301.4
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibes Other mon-curr assets Non Current Assets Total Assets	57.1 154.6 152.3 3.9 368.0 - 12.0 - 123.4 6.3	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8	3.1 109.5 225.1 225.1 7.6 567.2 12.1 34.0 232.9 19.8 298.7 865.9	157.8 259.4 259.4 7.6 684.0 12.0 34.9 232.9 19.8 299.5	216.2 299.8 299.8 7.6 823.3 - 13.0 35.8 232.9 19.8 301.4 1,124.7
Equity Core debt increase/(reduction) Balance Sheet (ASm) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Total Assets Total Assets Short term debt	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 123.4 6.3 141.8 509.8	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 297.2 770.6	3.1 109.5 225.1 225.1 7.6 567.2 12.1 34.0 232.9 19.8 298.7 865.9	157.8 259.4 259.4 7.6 684.0 - 12.0 34.9 232.9 19.8 299.5 983.6	216.2 299.8 299.8 7.6 823.3 - 13.0 35.8 232.9 301.4 1,124.7
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Non Current Assets Short term debt Creditors	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 123.4 6.3 141.8 509.8	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 297.2 - 770.6	3.1 109.5 225.1 225.1 7.6 567.2 12.1 34.0 232.9 19.8 298.7 865.9 15.0 208.2	157.8 259.4 259.4 7.6 684.0 - 12.0 34.9 232.9 19.8 299.5 983.6 15.0 239.9	(59.2) 216.2 299.8 299.8 7.6 823.3 - 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Non Current Assets Total Assets Total Assets Provisions	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 123.4 6.3 141.8 509.8 - 122.7 20.2	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2 - 147.9 25.2	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 14.4 33.2 229.8 19.8 297.2 770.6	3.1 109.5 225.1 225.1 7.6 567.2	157.8 259.4 259.4 7.6 684.0 12.0 34.9 232.9 19.8 299.5 15.0 239.9 44.3	(59.2) 216.2 299.8 299.8 7.6 823.3 - 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3 49.3
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Non Current Assets Total Assets Short term debt Creditors Provisions Other curr liabilities	57.1 154.6 152.3 3.9 368.0 - 12.0 - 123.4 6.3 141.8 509.8 - 122.7 20.2 0.5	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2 - 147.9 25.2 8.4	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 297.2 770.6 - 175.8 35.5 7.8	109.5 225.1 225.1 7.6 567.2 12.1 34.0 232.9 19.8 298.7 865.9 15.0 208.2 40.0 8.0	157.8 259.4 259.4 7.6 684.0 	216.2 299.8 299.8 299.8 7.6 823.3 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3 49.3 8.4
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibes Other more-curr assets Non Current Assets Total Assets Short term debt Creditors Provisions Other curr liabilities Current Liabilities	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 12.4 6.3 141.8 509.8 - 122.7 20.2 0.5 143.4	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2 - 147.9 25.2 8.4 181.5	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 297.2 770.6 - 175.8 35.5 7.8 219.1	3.1 109.5 225.1 225.1 7.6 567.2	157.8 259.4 259.4 7.6 684.0 12.0 34.9 232.9 19.8 299.5 15.0 239.9 44.3	(59.2) 216.2 299.8 299.8 7.6 823.3 - 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3 49.3
Equity Core debt increase/(reduction) Balance Sheet (ASm) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Total Assets Short term debt Creditors Provisions Other curr liabilities Current Liabilities Current Liabilities Current Liabilities	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 123.4 509.8 - 122.7 20.5 143.4 47.3	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2 - 147.9 25.2 8.4 181.5	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 297.2 770.6 - 175.8 35.5 5.8 35.5 7.8	3.1 109.5 225.1 225.1 7.6 567.2 12.1 34.0 232.9 19.8 298.7 865.9 15.0 208.2 40.0 8.0 271.2	157.8 259.4 259.4 7.6 684.0 - 12.0 34.9 232.9 19.8 299.5 983.6 15.0 239.9 44.3 8.2	216.2 299.8 299.8 7.6 823.3 - 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3 49.3 8,4 350.0
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibes Other more-curr assets Non Current Assets Total Assets Short term debt Creditors Provisions Other curr liabilities Current Liabilities	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 123.4 6.3 141.8 509.8 - 122.7 20.2 143.4 47.3 3.4	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2 - 147.9 25.2 181.5 17.0 15.5	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 297.2 770.6 - 175.8 35.5 5.5 219.1 31.5	3.1 109.5 225.1 225.1 7.6 567.2 12.1 34.0 232.9 19.8 298.7 865.9 15.0 208.2 40.0 271.2	157.8 259.4 259.4 7.6 684.0 - 12.0 34.9 232.9 19.8 299.5 983.6 15.0 239.9 44.3 23.0 7.4	(59.2) 216.2 299.8 299.8 7.6 823.3 - 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3 49.3 8.4 350.0
Equity Core debt increase/(reduction) Balance Sheet (ASm) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Total Assets Short term debt Creditors Provisions Other curr liabilities Current Liabilities LT debt (incl. leases) Creditors	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 123.4 509.8 - 122.7 20.5 143.4 47.3	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2 - 147.9 25.2 8.4 181.5	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 297.2 770.6 - 175.8 35.5 5.8 35.5 7.8	3.1 109.5 225.1 225.1 7.6 567.2 12.1 34.0 232.9 19.8 298.7 865.9 15.0 208.2 40.0 8.0 271.2	157.8 259.4 259.4 7.6 684.0 - 12.0 34.9 232.9 19.8 299.5 983.6 15.0 239.9 44.3 8.2	216.2 299.8 299.8 299.8 7.6 823.3 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3 49.3 8.4 350.0
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Non Current Assets Total Assets Short term debt Creditors Provisions Other curr liabilities LT debt (incl. leases) Creditors Provisions	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 123.4 6.3 141.8 509.8 - 122.7 20.2 143.4 47.3 3.4	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2 - 147.9 25.2 181.5 17.0 15.5	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 297.2 770.6 - 175.8 35.5 5.5 219.1 31.5	3.1 109.5 225.1 225.1 7.6 567.2 12.1 34.0 232.9 19.8 298.7 865.9 15.0 208.2 40.0 271.2	157.8 259.4 259.4 7.6 684.0 - 12.0 34.9 232.9 19.8 299.5 983.6 15.0 239.9 44.3 23.0 7.4	(59.2) 216.2 299.8 299.8 7.6 823.3 - 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3 49.3 8.4 350.0
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Non Current Assets Total Assets Short term debt Creditors Provisions Other curr liabilities LT debt (incl. leases) Creditors Provisions Other non curr liabilities Other non curr liabilities Current Liabilities Coreditors Provisions Other non curr liabilities	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 12.3 46.3 141.8 509.8 - 122.7 20.2 0.5 143.4 47.3 3.4 5.4	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2 - 147.9 25.2 8.4 181.5 17.0 15.5 3.8	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 297.2 770.6 - 175.8 35.5 7.8 219.1 31.5	3.1 109.5 225.1 225.1 7.6 567.2 12.1 34.0 232.9 19.8 298.7 865.9 15.0 208.2 40.0 8.0 271.2 -	157.8 259.4 259.4 7.6 684.0 	216.2 299.8 299.8 299.8 7.6 823.3 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3 49.3 8.4 350.0
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Non Current Assets Total Assets Short term debt Creditors Provisions Other curr liabilities LT debt (incl. leases) Creditors Provisions Other non curr liabilities Non Current Liabilities Non Current Liabilities	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 12.3 41.8 509.8 - 122.7 20.2 0.5 143.4 47.3 3.4 5.6 56.0	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2 - 147.9 25.2 8.4 181.5 17.0 15.5 3.8	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 297.2 770.6 - 175.8 35.5 7.8 219.1 31.5 12.2 1.4	3.1 109.5 225.1 225.1 7.6 567.2 12.1 34.0 232.9 19.8 298.7 865.9 15.0 208.2 40.0 271.2 12.2 5.6 17.8	157.8 259.4 259.4 7.6 684.0 12.0 34.9 232.9 19.8 299.5 983.6 15.0 239.9 44.3 8.2 307.4 12.2 6.5	216.2 299.8 299.8 299.8 7.6 823.3 - 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3 49.3 8.4 350.0 - 12.2 7.5
Equity Core debt increase/(reduction) Balance Sheet (ASm) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Non Current Assets Total Assets Short term debt Creditors Provisions Other curr liabilities Current Liabilities LT debt (incl. leases) Creditors Provisions Other non curr liabilities Non Current Liabilities Non Current Liabilities Total Liabilities Total Liabilities	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 123.4 509.8 - 122.7 20.2 0.5 143.4 47.3 3.4 5.4 - 56.0 199.4	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2 - 147.9 25.2 8.4 181.5 17.0 15.5 3.8 -	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 35.5 770.6 - 175.8 35.5 7.8 219.1 31.5 12.2 1.4 -	3.1 109.5 225.1 225.1 7.6 567.2	157.8 259.4 259.4 7.6 684.0 - 12.0 34.9 232.9 19.8 299.5 983.6 15.0 239.9 44.3 8.2 307.4 - 12.2 6.5 - 18.7	216.2 299.8 299.8 299.8 7.6 823.3 - 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3 49.3 8.4 350.0 - 12.2 7.5
Equity Core debt increase/(reduction) Balance Sheet (ASm) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Total Assets Short term debt Creditors Provisions Other curr liabilities LT debt (incl. leases) Creditors Provisions Other non curr liabilities Total Liabilities Total Liabilities Total Liabilities Total Liabilities Total Liabilities Total Liabilities Total Liabilities Total Liabilities Total Liabilities Total Liabilities Total Liabilities Total Liabilities Total Liabilities	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 123.4 6.3 141.8 509.8 - 122.7 20.2 143.4 47.3 3.4 5.4 - 56.0 199.4 310.3	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 9.00.8 644.2 - 147.9 25.2 8.4 181.5 17.0 15.5 3.8 - 36.2 217.8	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 35.5 770.6 - 175.8 35.5 7.8 219.1 31.5 12.2 1.4 45.1 264.2	3.1 109.5 225.1 225.1 7.6 567.2	157.8 259.4 259.4 7.6 684.0 - 12.0 34.9 232.9 19.8 299.5 983.6 15.0 239.9 44.3 2.307.4 - 12.2 6.5 - 18.7 326.1 657.5	216.2 299.8 299.8 7.6 823.3 - 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3 49.3 8.4 4 350.0 - 12.2 7.5 19.7
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Non Current Assets Total Assets Short term debt Creditors Provisions Other curr liabilities LT debt (incl. leases) Creditors Provisions Other non curr liabilities Non Current Liabilities Non Current Liabilities Total Liabilities Non Current Liabilities	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 12.0 - 123.4 6.3 141.8 509.8 - 122.7 20.2 0.5 143.4 47.3 3.4 5.4 - 56.0 199.4 310.3 140.1 4.6 165.7	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2 - 147.9 25.2 84.1 181.5 17.0 15.5 3.8 - - - 15.5 17.0 15.7 17.0 15.2 17.0 15.2 17.0 15.2 17.0 15.2 17.0 17.0 17.0 17.0 17.0 17.0 17.0 17.0	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 297.2 770.6 - 175.8 35.5 770.6 219.1 31.5 12.2 1.4 - 264.2 506.5 309.6	3.1 109.5 225.1 225.1 7.6 567.2 12.1 34.0 232.9 19.8 665.9 15.0 208.2 40.0 271.2 12.2 5.6 17.8 289.0 576.9 309.6	157.8 259.4 259.4 7.6 684.0 - 12.0 34.9 232.9 19.8 299.5 983.6 15.0 239.9 44.3 83.0 12.2 6.5 - 12.2 6.5 - 18.7 326.1 657.5	13.0 35.8 232.9 13.0 35.8 232.9 13.0 277.3 49.3 8.4 1,124.7 15.0 277.3 49.3 8.4 350.0 - 12.2 7.5 19.7 369.7 755.0 309.6
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Non Current Assets Total Assets Short term debt Creditors Provisions Other curr liabilities Current Liabilities LT debt (incl. leases) Creditors Provisions Other non curr liabilities Non Current Liabilities	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 12.0 - 123.4 6.3 141.8 509.8 - 122.7 20.2 0.5 143.4 47.3 3.4 5.4 - 56.0 199.4 310.3 140.1 4.6 165.7	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2 - 147.9 25.2 8.4 181.5 17.0 15.5 3.8 - - - - - - - - - - - - - - - - - - -	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 297.2 770.6 - 175.8 35.5 7.8 219.1 31.5 12.2 1.4 - -	3.1 109.5 225.1 225.1 7.6 567.2 12.1 34.0 232.9 19.8 298.7 865.9 15.0 208.2 40.0 8.0 271.2 - 12.2 5.6 - 17.8 289.0 576.9 309.6 (14.5)	157.8 259.4 259.4 7.6 684.0 12.0 34.9 232.9 19.8 299.5 983.6 15.0 239.9 44.3 8.2 307.4 - 12.2 6.5 - 18.7 326.1 657.5 309.6 (14.5)	216.2 299.8 299.8 7.6 823.3 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3 49.3 8.4 350.0 - 12.2 7.5 7.5 19.7 369.7 755.0
Equity Core debt increase/(reduction) Balance Sheet (ASm) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Non Current Assets Total Assets Short term debt Creditors Provisions Other curr liabilities Current Liabilities LT debt (incl. leases) Creditors Provisions Other non curr liabilities Non Current Liabilities Total Liabilities Non Current Liabilities	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 123.4 6.3 141.8 509.8 509.8 122.7 20.2 0.5 143.4 47.3 3.4 5.4 - 56.0 199.4 310.3 140.1 4.6	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2 - 147.9 25.2 8.4 181.5 17.0 15.5 3.8 217.8 426.4 246.4 241.177.9	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 297.2 770.6 - 175.8 35.5 7.8 219.1 31.5 12.2 1.4 45.1 264.2 506.5 (14.5) 211.4	3.1 109.5 225.1 225.1 7.6 567.2 12.1 34.0 232.9 19.8 298.7 865.9 15.0 208.2 40.0 271.2 12.2 5.6 17.8 289.0 576.9 309.6 (14.5) 281.8	157.8 259.4 259.4 7.6 684.0 12.0 34.9 232.9 19.8 299.5 983.6 15.0 239.9 44.3 8.2 307.4 - 12.2 6.5 - 309.6 (14.5) 362.4 657.5	216.2 299.8 299.8 7.6 823.3 - 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3 8.4 350.0 - 12.2 7.5 - 19.7 369.7 755.0 309.6 (14.5)
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Non Current Assets Total Assets Short term debt Creditors Provisions Other curr liabilities LT debt (incl. leases) Creditors Provisions Other non curr liabilities Non Current Liabilities Total Liabilities Total Liabilities Non Current Liabilities Non Current Liabilities Total Liabilities Non Current Liabilities Total Liabilities Reserves Retained Earnings Shareholders Equity	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 12.0 - 123.4 6.3 141.8 509.8 - 122.7 20.2 0.5 143.4 47.3 3.4 5.4 - 56.0 199.4 310.3 140.1 4.6 165.7	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2 - 147.9 25.2 8.4 181.5 17.0 15.5 3.8 217.8 426.4 246.4 241.177.9	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 297.2 770.6 - 175.8 35.5 7.8 219.1 31.5 12.2 1.4 45.1 264.2 506.5 (14.5) 211.4	3.1 109.5 225.1 225.1 7.6 567.2 12.1 34.0 232.9 19.8 298.7 865.9 15.0 208.2 40.0 271.2 12.2 5.6 17.8 289.0 576.9 309.6 (14.5) 281.8	157.8 259.4 259.4 7.6 684.0 12.0 34.9 232.9 19.8 299.5 983.6 15.0 239.9 44.3 8.2 307.4 12.2 6.5 18.7 326.1 657.5	216.2 299.8 299.8 7.6 823.3 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3 49.3 8.4 350.0 - 12.2 7.5 7.5 19.7 369.7 755.0
Equity Core debt increase/(reduction) Balance Sheet (A\$m) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Non Current Assets Total Assets Short term debt Creditors Provisions Other curr liabilities LT debt (incl. leases) Creditors Provisions Other non curr liabilities Non Current Liabilities	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 12.0 - 123.4 6.3 141.8 509.8 - 122.7 20.2 0.5 143.4 47.3 3.4 5.4 - 199.4 310.3 140.1 4.6 165.7 310.3 - 310.3	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 9.9 200.8 644.2 - 147.9 25.2 8.4 181.5 17.0 15.5 3.8 - 217.8 426.4 211.77.9 426.4	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 297.2 770.6 - 175.8 35.5 7.8 219.1 31.5 12.2 1.4 45.1 264.2 506.5 211.4 506.5	3.1 109.5 225.1 225.1 225.1 7.6 567.2 12.1 34.0 232.9 19.8 298.7 865.9 15.0 208.2 40.0 8.0 271.2 - 12.2 5.6 - 17.8 289.0 309.6 (14.5) 281.8 576.9	157.8 259.4 259.4 7.6 684.0 	216.2 299.8 299.8 299.8 7.6 823.3 - 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3 8.4 350.0 - 12.2 7.5 - 19.7 369.7 755.0 309.6 (14.5) 459.9 755.0
Equity Core debt increase/(reduction) Balance Sheet (ASm) Cash Receivables Inventories & WIP Other current assets Current Assets Receivables Assoc & investments Fixed Assets (PP&E) Right-of-use Assets Intangibles Other mom-curr assets Non Current Assets Total Assets Short term debt Creditors Provisions Other curr liabilities LT debt (incl. leases) Creditors Provisions Other non curr liabilities Non Current Liabilities Total Liabilities Non Current Liabilities Non Current Liabilities Non Current Liabilities	(0.0) 57.1 154.6 152.3 3.9 368.0 - 12.0 - 123.4 6.3 141.8 509.8 - 122.7 20.2 0.5 143.4 47.3 3.4 5.4 - 56.0 199.4 310.3 140.1 4.6 165.7 310.3	100.7 (51.1) 128.5 156.1 153.7 5.0 443.3 - 13.5 17.2 160.2 147.9 250.8 644.2 - 147.9 25.5 8.4 181.5 17.0 15.5 3.8 217.8 426.4 217.8	27.6 (1.4) 129.9 119.3 216.7 7.6 473.5 - 14.4 33.2 229.8 19.8 35.5 7.8 219.1 31.5 12.2 1.4 45.1 264.2 506.5 309.6 (14.5) 211.4	3.1 109.5 225.1 225.1 7.6 567.2 12.1 34.0 232.9 19.8 298.7 865.9 15.0 208.2 40.0 271.2 - 12.2 5.6 - 17.8 289.0 576.9 309.6 (14.5) 281.8	157.8 259.4 259.4 7.6 684.0 12.0 34.9 232.9 19.8 299.5 983.6 15.0 239.9 44.3 8.2 307.4 - 12.2 6.5 - 309.6 (14.5) 362.4 657.5	216.2 299.8 299.8 7.6 823.3 - 13.0 35.8 232.9 19.8 301.4 1,124.7 15.0 277.3 49.3 8.4 4 350.0 - 12.2 7.5 - 12.2 7.5 369.7 755.0 309.6 (14.5) 45.9 45.9 755.0

Recommendation Diluted issued capital (m) Market cap (\$m) Target Price (A\$ps)						Hol 139. 4,218. \$ 30.50
Jun Year end	2019	2020	2021	2022e	2023e	2024
Valuation Ratios	E4.4	FC 7	CE 0	70.0	02.0	444.0
Underlying EPS (¢ps)	51.4	56.7	65.2	79.9	93.9	111.8
% change	15.1%	10.4%	15.0%	22.6%	17.5%	19.09
PE (on underlying EPS) (x) EV/EBITDA (x)	59.1	53.5	46.6 25.27	38.0 21.28	32.3 18.58	27.2 16.15
EV/EBIT (x)	36.22 42.40	29.75 36.48	30.25	26.32	22.55	19.10
NTA (\$ps)	1.43	1.94	1.99	2.48	3.06	3.76
P/NTA (x)	21.28	15.67	15.25	12.26	9.94	8.08
Book Value (\$ps)	2.37	3.10	3.65	4.15	4.73	5.43
Price/Book (x)	12.82	9.78	8.33	7.31	6.42	5.59
DPS (¢ps)	37.0	41.0	26.5	32.1	37.8	45.2
% pay-out	71.4%	73.0%	40.5%	40.1%	40.3%	40.59
Yield (%)	1.2%	1.4%	0.9%	1.1%	1.2%	1.59
Franking (%)	60%	60%	100%	60%	60%	609
Performance Ratios						
Revenue growth (%)	17.3%	25.3%	24.7%	15.1%	15.4%	15.09
EBITDA growth (%)	13.7%	21.8%	17.7%	18.8%	14.5%	15.19
EBITDA/sales margin (%)	15.0%	14.6%	13.7%	14.2%	14.1%	14.19
EBIT/sales margin (%)	12.8%	11.9%	11.5%	11.5%	11.6%	11.99
Gross cash conversion (%)	51.2%	121.1%	101.6%	62.4%	85.7%	85.49
Free cash-flow yield (%)	0.6%	3.1%	2.8%	1.7%	3.1%	3.69
ROE (%)	22.4%	21.0%	19.2%	20.1%	20.7%	21.59
ROIC (%)	24.5%	24.8%	26.7%	24.8%	26.1%	28.79
Capex/Depn (x)	1.2	1.3	1.2	0.8	1.0	1.1
Net interest cover (x)	32.1	13.8	15.1	124.1	687.8	n/a
Core Net Debt/EBITDA (Pre-AASB16) (n/a	n/a	n/a	n/a	n/a	n/a
Net debt/equity (%)	-3.2%	-24.4%	-18.0%	-15.1%	-20.6%	-25.69
Net debt/net debt + equity (%)	-3.3%	-32.3%	-22.0%	-17.8%	-25.9%	-34.49
Segmental Information						
Global Product segment	612.0	764.4	984.2	1,145.0	1,335.0	1,552.0
Distribution segment	148.0	187.8	203.5	221.8	241.8	261.1
Corp/Elimin/Adj.	-	- 952.2	4 407 7	4 200 0	4 570 7	4 040 4
Total Revenue (A\$m)	760.0	902.2	1,187.7	1,366.8	1,576.7	1,813.1
Global Product segment	94.8	114.6	137.1	166.3	191.9	223.0
Distribution segment	19.2	24.1	26.2	27.7	30.2	32.6
Other/Corp/Elimin/Adj. Total EBITDA (A\$m)	114.0	0.1 138.8	- 163.3	194.0	222.1	- 255.6
Half yearly (A\$m)	1H19	2H19	1H20	2H20	1H21 711.0	2H2
Sales revenue	440.4 70.5	319.6	552.0 95.2	400.2	711.0	476.7
EBITDA Deprec. & amort.	70.5 (8.2)	43.5 (8.5)	85.2 (9.0)	53.6 (10.2)	112.4 (13.4)	50.9 (7.4
EBIT	62.3	35.0	73.0	40.2	94.6	41.8
Interest expense	(1.5)	(1.5)	(4.2)	(4.0)	(4.5)	(4.5
Pre-tax profit	60.8	33.5	68.8	36.2	90.1	37.3
Tax expense	(17.3)	(9.6)	(19.1)	(10.9)	(25.9)	(10.5
tax rate	28%	29%	28%	30%	29%	289
Associates	-	-	-	-	-	-
Minorities	-	-	-	-	-	-
Underlying Net Profit	- 43.5	23.9	49.7	25.3	64.2	26.8
Abs. & extras. Reported Profit	43.5	23.9	49.7	(8.8) 16.5	64.2	26.8

SOURCE: BELL POTTER SECURITIES ESTIMATES

Recommendation structure

Buy: Expect >15% total return on a 12 month view. For stocks regarded as 'Speculative' a return of >30% is expected.

Hold: Expect total return between -5% and 15% on a 12 month view

Sell: Expect <-5% total return on a 12 month view

Speculative Investments are either start-up enterprises with nil or only prospective operations or recently commenced operations with only forecast cash flows, or companies that have commenced operations or have been in operation for some time but have only forecast cash flows and/or a stressed balance sheet.

Such investments may carry an exceptionally high level of capital risk and volatility of returns.

Research Team

Staff Member	Title/Sector	Phone	@bellpotter.com.au
Chris Savage	Head of Research/Industrials	612 8224 2835	csavage
Analysts			
TS Lim	Banks	612 8224 2810	tslim
John Hester	Healthcare	612 8224 2871	jhester
Tanushree Jain	Healthcare	612 8224 2849	tnjain
Elyse Shapiro	Healthcare	613 9235 1877	eshapiro
Steven Anastasiou	Industrials	613 9235 1952	sanastasiou
Sam Brandwood	Industrials	612 8224 2850	sbrandwood
James Filius	Industrials	613 9235 1612	jfilius
Sam Haddad	Industrials	612 8224 2819	shaddad
Alex McLean	Industrials	612 8224 2886	amclean
Hamish Murray	Industrials	613 9235 1813	hmurray
Jonathan Snape	Industrials	613 9235 1601	jsnape
David Coates	Resources	612 8224 2887	dcoates
Stuart Howe	Resources	613 9235 1856	showe
Brad Watson	Resources	618 9326 7672	bwatson
Joseph House	Resources	613 9235 1624	jhouse
Associates			
Olivia Hagglund	Associate Analyst	612 8224 2813	ohagglund
Michael Ardrey	Associate Analyst	613 9256 8782	mardrey

Bell Potter Securities Limited ABN 25 006 390 772 Level 29, 101 Collins Street Melbourne, Victoria, 3000 Telephone +61 3 9256 8700 www.bellpotter.com.au Bell Potter Securities (HK) Limited Room 1701, 17/F Prosperity Tower, 39 Queens Road Central, Hong Kong, 0000 Telephone +852 3750 8400 Bell Potter Securities (US) LLC Floor 39 444 Madison Avenue, New York NY 10022, U.S.A Telephone +1 917 819 1410 Bell Potter Securities (UK) Limited 16 Berkeley Street London, England W1J 8DZ, United Kingdom Telephone +44 7734 2929

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