13 March 2013

Update | Sector: Technology

Infosys

BSE SENSEX	S&P CNX
19,363	5,851

CMP: INR2,862 | **TP: INR3,260** | **Buy**

Bloomberg	INFO IN
Equity Shares (m)	571.4
M.Cap.(INR b)/(USD b)	1,635/30.1
52-Week Range (INR)	3,010/2,102
1,6,12 Rel. Perf. (%)	3/5/-9

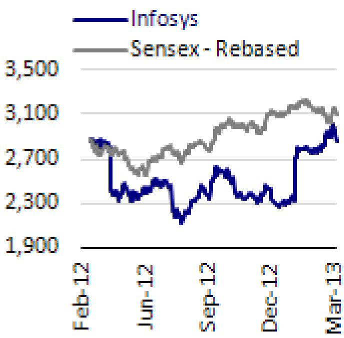
Valuation summary (INR b)

Y/E March	2013E	2014E	2015E
Sales	406.3	446.8	502.4
EBITDA	118.2	129.2	145.1
PAT	92.9	99.8	116.4
EPS (INR)	162.6	174.7	203.8
EPS Gr. (%)	11.7	7.4	16.7
BV/Sh. (INR)	647.9	752.3	881.1
RoE (%)	26.4	24.9	26.8
RoCE (%)	30.3	29.1	28.3
Payout (%)	33.8	34.3	31.4
Valuations			
P/E (x)	17.6	16.4	14.0
P/BV (x)	4.4	3.8	3.2
EV/EBITDA (x)	11.9	10.4	8.8
Div Yield (%)	1.9	2.1	2.2

Shareholding pattern (%)

As on	Dec-12	Sep-12	Dec-11
Promoter	16.0	16.0	16.0
Dom. Inst	18.7	18.3	17.5
Foreign	51.6	51.9	52.4
Others	13.7	13.7	14.1

Stock performance (1 year)



Investors are advised to refer through disclosures made at the end of the Research Report.

Making a case for growth convergence

Deals won, visible fruition of changed strategy increase growth confidence

Infosys' stock saw a spike in response to its 3QFY13 results and has moved in a range ever since. We believe that 3QFY13 may only have been the first quarter of a visible momentum in the company's growth, and that there is further upside in the stock from current levels. We present a series discussing Infosys' potential to build upon its impressive 3Q performance, in the first of which, we make a case for revenue growth convergence.

TCV of deals in outsourcing and PPS imply acceleration in FY14

Exit rate of USD1,925m (INFY's 4QFY13 guidance) implies 4.8% organic revenue growth in FY14. Factoring 3Q outsourcing deals TCV of USD731m (assumed to accrue over five years and factoring revenues from TCV in PPS work out to organic growth rate of 7.5% in FY14. Including full year revenues at Lodestone implies growth of 9.2%.

Obvious upside to base assumptions makes a case for convergence

We see an obvious upside to the above growth number because it assumes:

- TCV of outsourcing deals only in 3QFY13, while INFY bagged 4 large outsourcing deals in 1Q and 6 deals in 2Q
- No growth at Lodestone in FY14
- Revenue recognition from PPS over five years v/s guidance of 3-5 years

Improvement in pipeline a function of internal changes

Infosys' pipeline in 2HCY12 improved over 1HCY12. This was largely an outcome of measures taken by the company to ensure growth revival, than any macro improvement. This is reflected in two metrics in particular:

1. Growth outperformance at Business IT Services (BITS) segment v/s other segments in five out of the last seven quarters.
2. Decline in constant currency realization in three out of the last four quarters.

Nasscom guidance suggests higher growth for Infosys

Nasscom's guidance of 12-14% growth in exports in FY14 is unlikely without growth acceleration at Infosys and Wipro. Cognizant guided for a deceleration in CY13 growth and even 17% growth at TCS explains only negligible acceleration at Nasscom. 23%+ of the rest of the exports comes from Infosys and Wipro. A large part of the remainder comes from MNC ITs, which may not grow as fast (considering Accenture's guided deceleration), implying onus of growth acceleration on the only remaining heavyweights, without which, meeting Nasscom's forecast becomes mathematically difficult

Multiple factors back potential growth recovery amid cautious guidance

While the management continues to guide cautiously, following factors bolster our confidence on sanguine growth, going forward: [1] recovery in under-spent discretionary budgets, [2] uncertainty and not ability driving cautious stance (healthy cash reserves with clients), and [3] better pipeline YoY.

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Deals, PPS TCV and Lodestone make case for convergence

9.2% growth implied assuming no growth at Lodestone and only 3Q deals

- **Considering outsourcing deals in 3Q, TCV in PPS and 4Q exit rate imply 7.5% organic growth in FY14.**
- **Including full year revenues from Lodestone (assuming no growth), implied growth at Infosys is 9.2%.**
- **We see an obvious upside to our above analysis given INFY bagged 4 large outsourcing deals in 1Q and 6 deals in 2Q, Lodestone should grow and there will be more deals won ahead**

Segregating elements of incremental revenues implies double-digit revenue growth at the very least in FY14

- Infosys' 4QFY13 organic revenue guidance is USD1,925m, the exit rate implies 4.8pp organic revenue growth in FY14.
- Assuming 5-year average tenure of outsourcing deals with TCV of USD731m announced in 3QFY13 implies incremental revenue of ~USD145m in FY14, organic growth of 2pp.
- As per our analysis, the Products, Platforms and Solutions (PPS) segment should contribute incremental revenue of USD50m+ on the basis of ramp-up in cumulative order book to USD603m (v/s USD380m in 1QFY13), assuming revenue materialization over 5 years. This is organic growth of 0.7pp.

Thus, only considering outsourcing deals in 3Q imply 7.5% organic growth in FY14. Including full year revenues from Lodestone (assuming no growth), implied growth at Infosys is 9.2%.

Incremental revenue in FY14 (USD m)

	USD m	Growth %
From outsourcing TCV in 3QFY13	145	2.0
TCV in PPS	50	0.7
Lodestone	136	1.9
Exit rate of 4QFY13	354	4.8
Total	**685**	**9.2**

Source: Company, MOSL

There is upside to our above analysis because it assumes:

- TCV of outsourcing deals only in 3QFY13, while 2Q too was a decent quarter on that front, with large deals like Harley Davidson
- No growth at Lodestone in FY14
- Revenue recognition from PPS over five years v/s the company's guidance of 3-5 years

Given clear visibility of near-double digit growth, an improved pipeline at the start of the calendar year v/s CY11 and a more flexible stance in quest for growth, we believe that FY14 should see Infosys converge its growth rates with peers.

Improvement in pipeline a function of internal changes

Increased flexibility reflected in lower pricing and higher growth in BITS

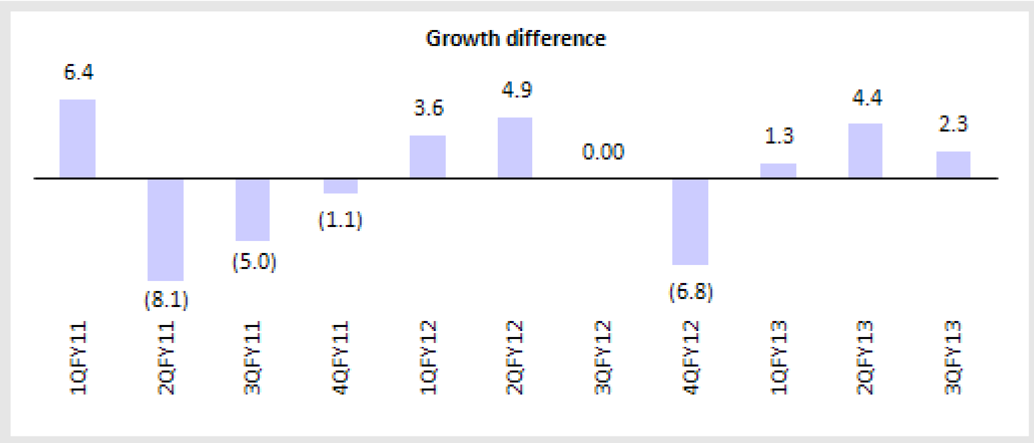
- **Infosys' pipeline in 2HCY12 improved over 1HCY12, an outcome of measures taken by the company to ensure growth revival, than any macro improvement.**
- **This is reflected in two metrics in particular: [1] Growth outperformance at Business IT Services (BITS) segment v/s others and [2] Decline in realization in three out of the last four quarters.**

Infosys' pipeline in 2HCY12 improved over 1HCY12. This was not a function of a better macro, but largely an outcome of measures taken by the company to ensure growth revival. This is reflected in two metrics in particular:

1. Growth outperformance at Business IT Services (BITS) segment v/s other segments in five out of the last seven quarters, starting 1QFY12.

Change in growth performance of Business IT Services segment, follows increased flexibility towards newer deal structures

BITS outgrew other segments in five out of the last seven quarters (%)

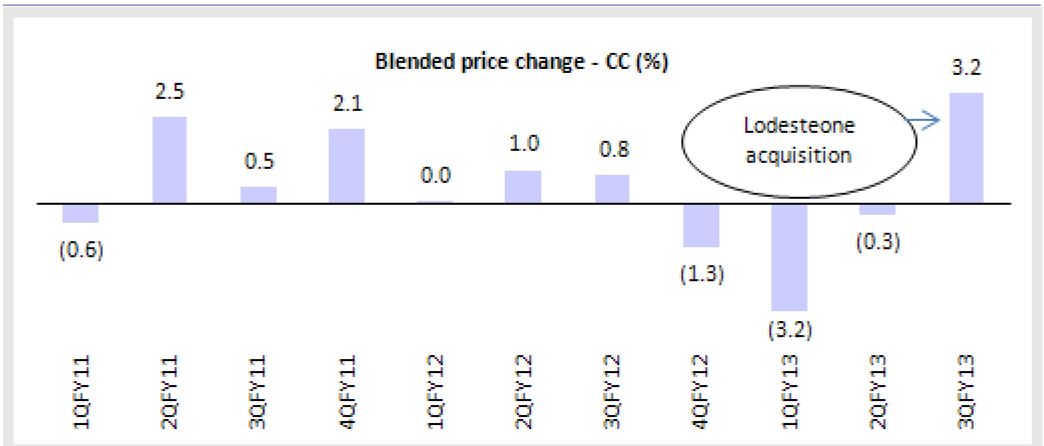


Source: Company, MOSL

2. Decline in constant currency realization in three out of the last four quarters. While a large part of this is explained by change in business mix in favor of BITS, the corresponding margin impact of the decline in pricing would suggest significant impact from like-to-like pricing decline, as well.

4Q pricing uptick was partly due to the Lodestone acquisition and partly from change in business mix

Realization declined in three out of the last four quarters



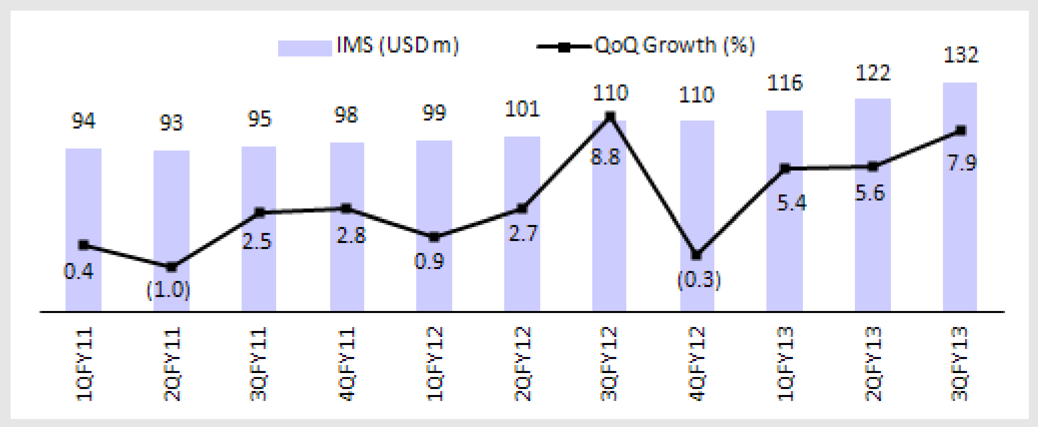
Source: Company, MOSL

Infosys announced 8 large outsourcing deals in 3QFY13, with a total TCV of USD731m. Given the company's increased flexibility towards approaching deals in the BITS segment and visible realization changes, we believe that deal signings in 3Q in outsourcing are not merely a one-quarter phenomenon. We cite the following statements by the management in the latest quarter to substantiate our view:

- Win rates in the large deal win segment accelerated in 3Q.
- Seeing traction in managed services. The Continental Europe region presents a strong pipeline of large deals as it moves towards the managed services model.

Healthy growth in IMS has come much later for INFY, as compared to peers

Growth in IMS has shown an accelerating trend, cited as a key opportunity



Source: Company, MOSL

Multiple factors support potential recovery in growth...

...despite a cautious guidance

- **While we await a formal guidance on FY14 revenue growth, we cite the following factors that bolster our confidence that growth should remain sanguine, going forward:**
  [1] under-spent discretionary budgets,
  [2] uncertainty and not ability driving cautious stance (healthy cash reserves with clients),
  [3] better pipeline YoY, and
  [4] possible discretionary kicker

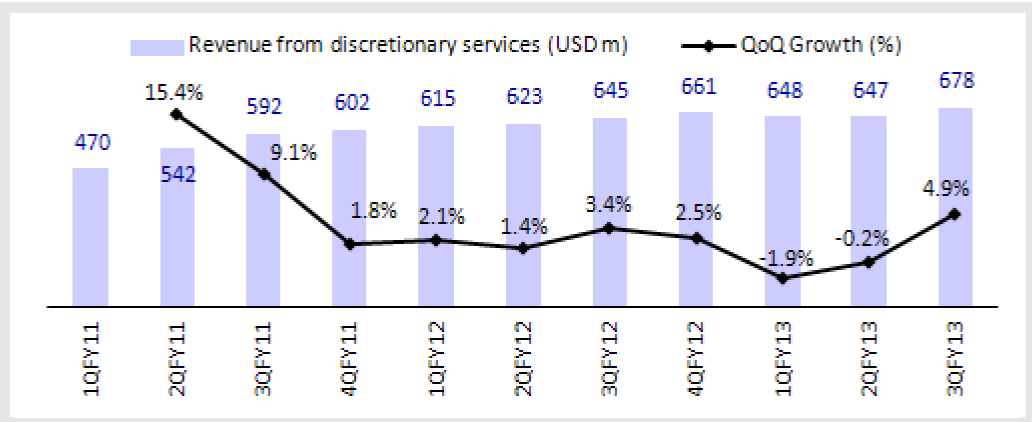
There are multiple factors supplementing belief of improvement in demand in addition to internal changes at Infosys:

Under-spent discretionary budgets

Spending on this front remains tight, given continued uncertainty, despite unanimous agreement that the worse may be behind. Infosys cited sporadic instances of spends, which had been held back for long, coming through. However, it refrained from calling this a secular trend.

"Most enterprises have already significantly cut discretionary IT spending. Outlook points to more substantial growth in 2013.. and in subsequent years" - Kenneth Brant, research director at Gartner

3QFY13 saw a pick in revenues from discretionary spends, even after excluding acquisition



Source: Company, MOSL

Uncertainty and not ability driving cautious stance

While the uncertainty might prolong spending decisions, we note that clients have substantial cash reserves and will not need to hold back once they see improvement in the business environment. Cognizant and TCS stated that CY13 would be a better year for discretionary spending than CY12. Infosys would be a definite beneficiary of this trend.

Better pipeline YoY

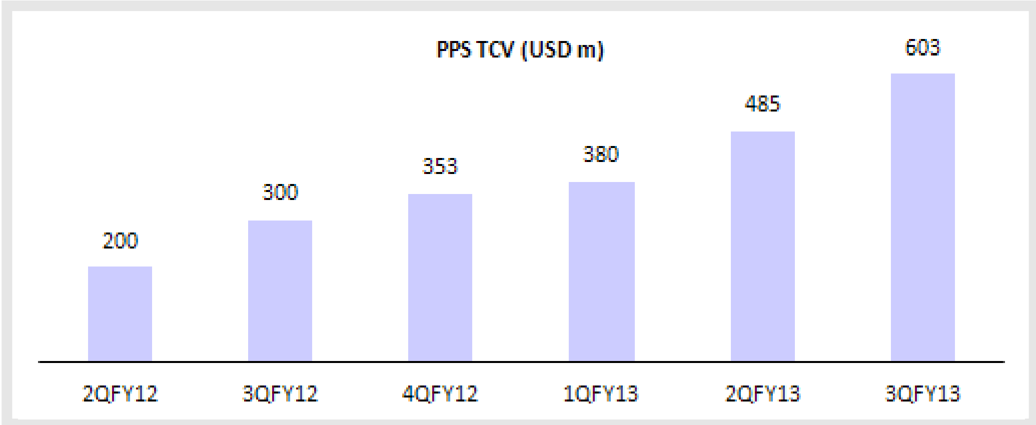
Infosys' efforts have ensured improved pipeline at the beginning of CY13 as compared with CY12. It has witnessed better win rates in large deals. Continued conversion of pipeline and ramp-up in deals won in 2HCY12 suggest a sanguine year for revenue growth.

Possible discretionary kicker and superior growth from emerging technologies

Infosys won 8 large outsourcing deals in 3QFY13 after 8 transformational wins in 2Q - a reasonable indication that it is not faltering on its focus on any segment in its quest to drive growth. To that extent, PPS order backlog too has been growing impressively, quarter after quarter. While scale remains low, early indicators are encouraging.

Healthy increase in TCV of PPS deals is part fruition of Infosys 3.0, acquisitions imperative for scale

Cumulative TCV in PPS continues to expand at a healthy rate



Source: Company, MOSL

Nasscom guidance suggests higher growth for Infosys

Analyzing growth separately suggests meeting guidance difficult without acceleration at INFY, Wipro

- **We believe that Nasscom's guidance of 12-14% growth in exports in FY14(acceleration from 10.2% in FY13E) is unlikely to be achieved without growth acceleration at Infosys, and even Wipro.**
- **Cognizant has guided for a deceleration in growth and even 17% growth at TCS explains only negligible acceleration at Nasscom. Size of the export market in FY13 for rest of the pack is ~USD58b, 23%+ of which comes from Infosys and Wipro.**
- **A large part of the remainder comes from MNC IT, which may not grow as fast (considering Accenture's implied deceleration), implying onus of growth acceleration on the only remaining heavyweights, without acceleration in which, meeting Nasscom's forecast becomes mathematically difficult.**

We believe that Nasscom's export growth guidance for FY14 is unlikely to be achieved without growth acceleration at Infosys, and even Wipro. Consider the following:

Nasscom guides 12-14% export growth for FY14

Nasscom has guided 12-14% growth in exports from India's IT outsourcing sector during FY14, on the back of an expected 10.2% growth in FY13 to USD75.8b. The industry has added ~180k people, taking total employee strength to ~3m. The industry body cited that increase in global technology spending and opportunities created through adoption of disruptive technologies would propel growth in FY14.

Growth guidance positive, when looked at excluding Cognizant and TCS

We note that the guidance of accelerated growth is significant, considering that Cognizant, which contributes ~9.7% to the export figure, has guided deceleration in growth from 20% in CY12 to 17% in CY13. Taking Cognizant out of the equation, export growth for Indian IT in FY13 would be 9.2%. Growth is likely to improve to 11.5-13.7% in FY14, ex-Cognizant, implying growth acceleration of 230-450bp.

TCS expects better growth in FY14 than in FY13. It is likely to post ~13.7% growth in FY13 and we currently model 14.5% growth in FY14. If we assume 15% growth at TCS (excluding India revenues) in FY14, the rest of the pack is expected to accelerate growth rates from 8.4% in FY13 to 10.8-13.4%, implying acceleration of 240-500bp.

Guidance implies 260-520bp acceleration in growth across the industry, excluding Cognizant and TCS

Assuming 15% growth at TCS in FY14 and CTSH guidance of 17%	Revenue - USD b Industry	Revenue - USD b excl CTSH	Revenue - USD b Industry excl. CTSH+TCS	Growth (%) Industry	Growth (%) excl CTSH	Growth (%) Industry excl. CTSH+TCS
FY12	68.8	62.7	53.4			
FY13	75.8	68.5	57.8	10.2	9.2	8.2
FY14L*	84.9	76.3	64.0	12.0	11.5	10.8
FY14H#	86.4	77.8	65.5	14.0	13.7	13.4

*L: Lower end of Nasscom guidance; #H: Higher end of Nasscom guidance

We assess the acceleration in growth rates for the remaining players, assuming three scenarios for TCS growth - 15%, 16% and 17%. Even if we assume growth rate of 17% in FY14, this still implies acceleration of 210-480bp for the remainder of the industry.

Even if we assume 17% growth at TCS, it still implies 210-480bp acceleration in rest of the pack

Year	TCS Growth (%)	Industry excluding CTSH + TCS (%)	
		L*	H#
FY13	13.7	8.20	8.20
FY14E	15.0	10.8	13.4
	16.0	10.5	13.2
	17.0	10.3	13.0

Source: Company, MOSL

Growth for Indian players may still be better, considering the MNC perspective

We analyze implications of the growth guidance further (ex TCS and Cognizant), with a thought on growth in captives and large MNC IT offshore service providers like IBM and Accenture. Captives contribute ~30% to overall IT Services exports. Even if we assume that captives grow as well as the Indian players, the growth number may yet be significant, given that IT MNC offshorers may not grow at the same rate. Accenture guided full-year revenue growth of 5-8%, with Consulting expected to grow at low single digits. This implies high single-digit to low double-digit growth in outsourcing. This is lower than 16% growth in outsourcing at Accenture in the previous year.

Excluding TCS, CTSH, guidance at Nasscom looks unattainable without acceleration INFY, Wipro

INFY and Wipro contribute significantly to export revenues excluding TCS and CTSH

Analysis - Excluding TCS and Cognizant	
Size in FY13	USD56.9b
Assumed numbers from captives	USD22.7b
Non-captives	USD34.2b
Assuming growth in captives unchanged	
Size in FY14 (guidance midpoint)	USD63.7b
Revenues from captives	USD25.0b
Revenue from Indian players	USD38.7b
Implied growth at non-captives	13%

Source: Company, MOSL

Acceleration mathematically challenging without healthy growth at Infosys, and even Wipro

Size of the export market in FY13 for the rest of the pack is ~USD58b. Excluding sales in India, Infosys contributes ~13% to this number (FY13). Wipro contributes an additional 10-11%. A large part of the remainder comes from MNC IT and captives. Given that MNC IT may not grow as fast (considering Accenture's implied deceleration), the onus of growth acceleration falls on heavyweights, without which, meeting Nasscom's forecast becomes mathematically difficult. Also, the December 2012 deal TCV at HCL indicates at best stable growth for the company in FY14. We believe that the Nasscom guidance bodes positively for Infosys, and will reinstate confidence in growth revival at the company. Given the operational levers at Infosys' disposal, growth will potentially drive margin expansion as well.

Growth will cushion margins

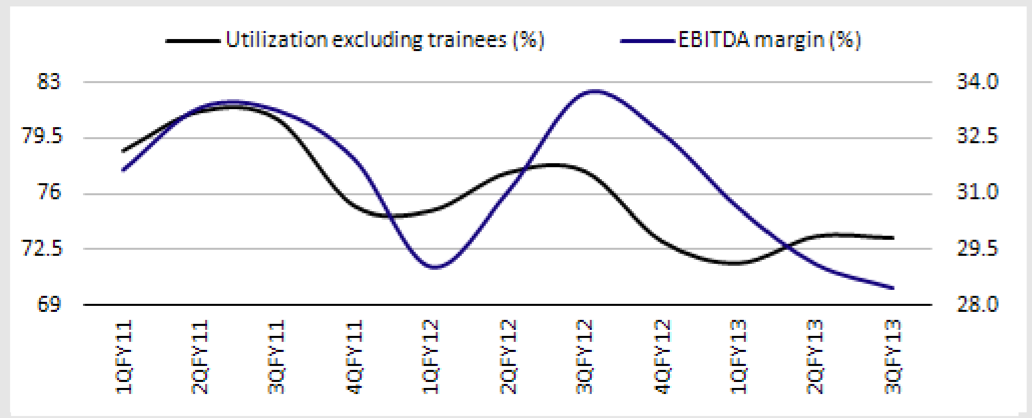
.. irrespective of the segment driving revenues

- **Utilization remains a clear lever for margins (400bp potential), and will be driven higher as growth returns**
- **Growth in BITS will benefit margins through utilization, in consulting and package implementation through business mix and in PPS through non-linearity,**
- **Continued investment mode in new technologies would mean that gains in margins from growth could get reinvested into the business**

Infosys's EBITDA margin for 9MFY13 was 29.1%, down 270bp v/s FY12. Utilization excluding trainees declined to 73.2% in 3QFY13 from a high of 81.2% in 2QFY11 and remains a margin lever. The management targets utilization of 78-80%, which could benefit margins by up to 400bp.

Taking utilization to the desired levels of 78-80% is a 4pp lever for margins

Utilization remains a margin lever



Source: Company, MOSL

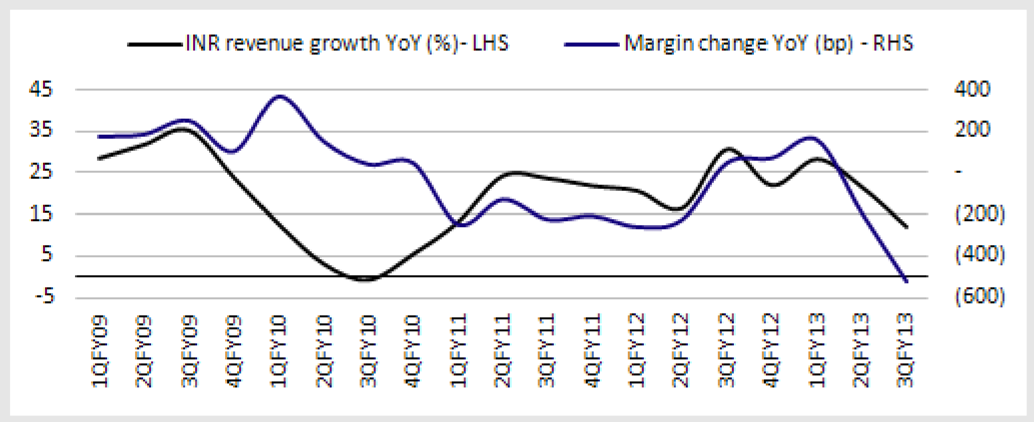
Currency has been a major tailwind to margins. The INR has depreciated by 19.5% against the USD since 1QFY11 and should have had a positive impact of ~780bp on EBITDA margin. However, Infosys has reinvested the benefits into the business. Segments like PPS, where investments have been ahead of revenue growth, and the nature of revenues is non-linear, continue to be a drag.

We see growth as a clear margin driver for Infosys, irrespective of the segment driving growth:

- If growth comes from bread-and-butter BITS, it should drive higher utilization of resources, thereby facilitating higher margins.
- Growth in Consulting-led services should drive mix-based margin improvement, as margins in these services could be up to 500bp higher than in BITS.
- Growth in PPS revenue would drive non-linearity, and consequently, margins.

Trends in growth have mapped margins in the past too, as reflected in the correlation between YoY growth in INR revenue and corresponding change in margins.

Margins move in tandem with revenue growth



Source: Company, MOSL

Growth and levers to protect margin downside, but investments to limit upside too

Investments in the PPS segment are likely to remain ahead of revenues for at least another 18-24 months. We expect Infosys to invest much of the margin upside resulting from revenue growth back into the business to drive Infosys 3.0.

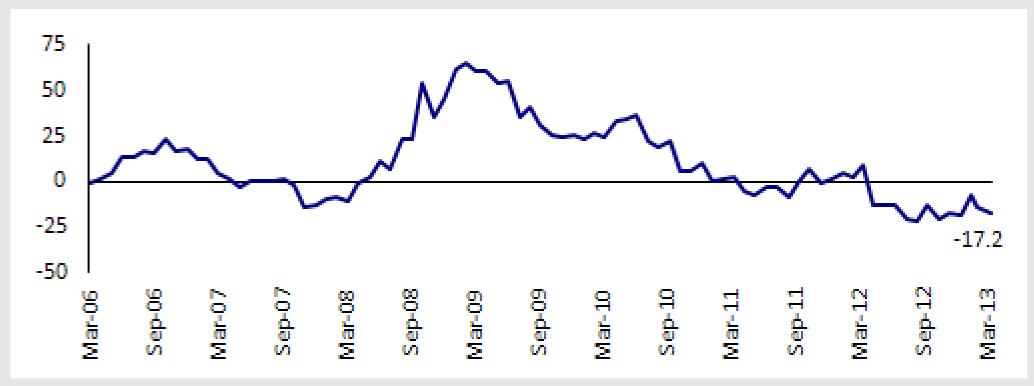
Given the levers to growth as well as margins, we believe Infosys has enough in its kitty to go ahead with its investments in emerging technologies while sustaining margins at current levels. We expect EBIT margin at ~26%, despite our assumption of a stronger INR going forward. Also, on an organic basis, we expect Infosys to hold on to its growth in FY14 and FY15, as well.

Change in Estimates

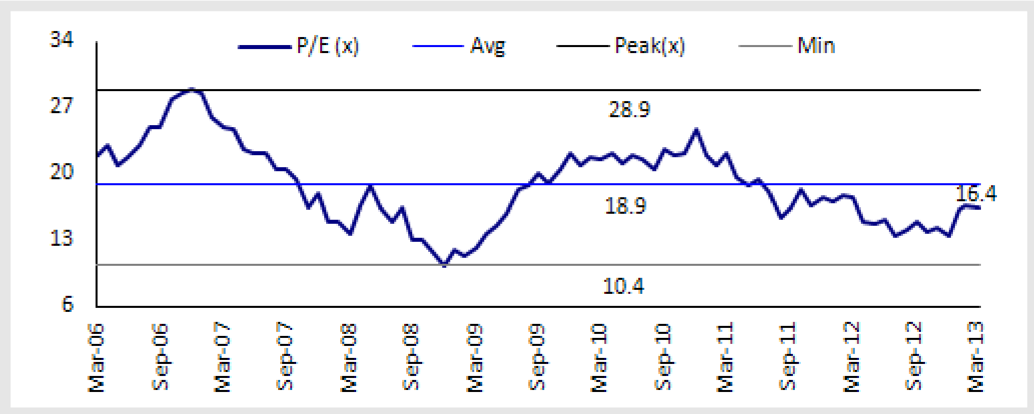
	Revised		Earlier		Change (%)	
	FY14E	FY15E	FY14E	FY15E	FY14E	FY15E
INR/USD	53.0	53.0	53.0	53.0	0.0	0.0
USD Revenue (m)	8,431	9,480	8,409	9,178	0.3	3.3
EBIT Margin (%)	26.1	26.3	25.8	25.5	26bp	83bp
EPS (INR)	174.7	203.8	177.9	203.9	-1.8	-0.1

Source: MOSL

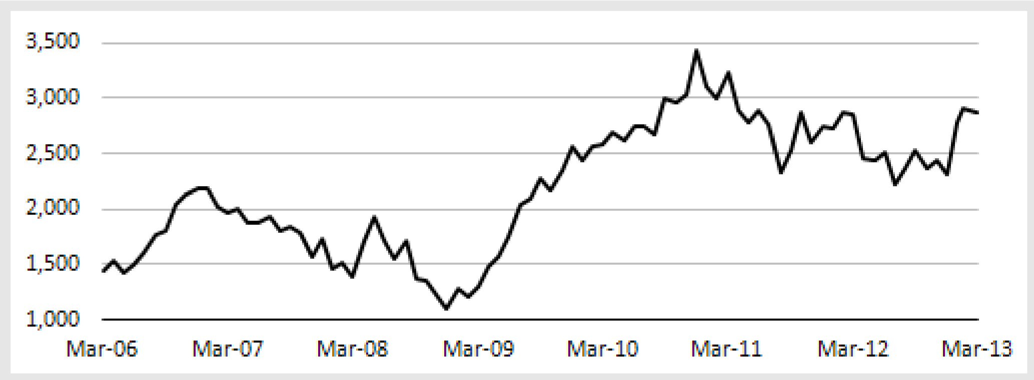
Infosys-P/E Prem/Disc to TCS (%)



PER band 1-year going forward



INFY Price chart



Source: Bloomberg, MOSL

Comparative valuations

Company	EPS (INR)			P/E (x)			RoE (%)			FY13-15 CAGR (%)	
	FY13E	FY14E	FY15E	FY13E	FY14E	FY15E	FY13E	FY14E	FY15E	USD Rev	EPS
TCS	71.1	77.1	87.0	21.8	20.1	17.8	38.9	35.0	32.3	14.3	10.6
Infosys	**162.6**	**174.7**	**203.8**	**17.6**	**16.4**	**14.0**	**26.4**	**24.9**	**26.8**	**12.8**	**11.9**
Wipro	27.0	27.4	31.4	16.3	16.0	14.0	21.9	19.6	19.6	9.7	7.8
HCL Tech	53.5	55.9	61.0	14.6	13.9	12.8	31.1	29.0	26.0	11.9	6.8
Cognizant	3.4	4.0	4.5	23.0	19.9	17.5	23.9	22.1	20.3	16.7	14.6
Tech Mahindra	95.5	103.3	119.9	11.4	10.6	9.1	26.0	23.4	22.4	11.7	12.0
Hexaware	10.8	10.0	12.0	8.2	8.9	7.5	29.9	24.7	27.0	10.2	5.1
Mindtree	84.8	88.1	94.7	10.1	9.7	9.1	26.8	24.8	21.4	12.4	5.7
NIIT Technologies	33.2	36.0	38.6	8.5	7.9	7.4	21.6	19.5	20.6	15.0	7.8
KPIT Cummins	10.5	11.8	14.1	10.0	8.9	7.5	22.6	20.3	22.6	13.2	15.5
Persistent	46.6	52.5	58.1	12.1	10.8	9.7	20.1	19.1	18.1	14.5	11.6
Mphasis	37.5	35.7	40.6	10.5	11.0	9.7	23.1	19.1	16.8	(2.2)	4.0

Source: MOSL

Financials and Valuation

Income Statement **(INR Million)**

Y/E March	2011	2012	2013E	2014E	2015E
Sales	**275,010**	**337,340**	**406,314**	**446,829**	**502,449**
Change (%)	20.9	22.7	20.4	10.0	12.4
Software Develop. Exp.	150,620	188,710	241,135	267,360	303,918
Selling and Mktg. Exp.	15,320	17,570	20,787	22,779	24,118
Administration Exp.	19,510	23,900	26,190	27,539	29,278
EBITDA	**89,560**	**107,160**	**118,202**	**129,151**	**145,136**
% of Net Sales	32.6	31.8	29.1	28.9	28.9
Depreciation	8,540	9,370	11,378	12,634	12,865
Interest	0	0	0	0	0
Other Income	12,110	19,040	21,383	23,671	27,232
PBT	**93,130**	**116,830**	**128,206**	**140,188**	**159,503**
Tax	24,900	33,670	35,281	40,387	43,066
Rate (%)	26.7	28.8	27.5	28.8	27.0
Adjusted PAT	**68,230**	**83,160**	**92,926**	**99,800**	**116,437**
Reported PAT	**68,230**	**83,160**	**92,926**	**99,800**	**116,437**
Change (%)	8.9	21.9	11.7	7.4	16.7

Balance Sheet **(INR Million)**

Y/E March	2011	2012	2013E	2014E	2015E
Share Capital	2,860	2,860	2,860	2,860	2,860
Reserves	256,900	331,750	367,752	427,452	501,115
Net Worth	**259,760**	**334,610**	**370,612**	**430,312**	**503,975**
Loans	0	0	0	0	0
Capital Employed	**259,760**	**334,610**	**370,612**	**430,312**	**503,975**
Gross Block	85,010	91,740	119,540	133,540	147,540
Less : Depreciation	32,660	36,210	47,628	60,262	73,127
Net Block	**52,350**	**55,530**	**71,912**	**73,278**	**74,413**
CWIP	5,250	10,340	12,050	12,050	12,050
Investments	1,440	3,770	74,300	74,300	74,300
Curr. Assets	**253,890**	**313,840**	**291,956**	**356,246**	**437,943**
Debtors	46,530	77,550	96,330	97,935	110,126
Cash & Bank Balance	150,950	205,910	160,970	218,753	282,210
Loans & Advances	53,200	27,220	30,435	35,338	41,387
Other Current Assets	3,210	3,160	4,220	4,220	4,220
Current Liab. & Prov	**53,170**	**48,870**	**79,605**	**85,562**	**94,730**
Current Liabilities	26,770	30,810	42,921	47,326	53,230
Provisions	26,400	18,060	36,684	38,236	41,500
Net Current Assets	**200,720**	**264,970**	**212,350**	**270,684**	**343,212**
Application of Funds	**259,760**	**334,610**	**370,612**	**430,312**	**503,975**

E: MOSL Estimates

Financials and Valuation

Ratios

Y/E March	2011	2012	2013E	2014E	2015E
Basic (INR)					
EPS	**119.4**	**145.5**	**162.6**	**174.7**	**203.8**
Cash EPS	134.2	161.8	182.3	196.6	226.1
Book Value	454.1	585.0	647.9	752.3	881.1
DPS	60.3	47.0	55.0	60.0	64.0
Payout % (excl.div.tax)	50.5	32.3	33.8	34.3	31.4
Valuation (x)					
P/E		19.7	17.6	16.4	14.0
Cash P/E		17.7	15.7	14.6	12.7
EV/EBITDA		13.3	11.9	10.4	8.8
EV/Sales		4.2	3.5	3.0	2.5
Price/Book Value		4.9	4.4	3.8	3.2
Dividend Yield (%)		1.6	1.9	2.1	2.2
Profitability Ratios (%)					
RoE	27.8	28.0	26.4	24.9	26.8
RoCE	33.1	32.9	30.3	29.1	28.3
Turnover Ratios					
Debtors (Days)	62	84	87	80	80
Fixed Asset Turnover (x)	5.6	6.6	6.7	6.5	7.2

Cash Flow Statement (INR Million)

Y/E March	2011	2012	2013E	2014E	2015E
CF from Operations	75,560	90,230	103,244	112,434	129,302
Cash for Working Capital	-14,300	-9,340	8,740	-551	-9,072
Net Operating CF	**61,260**	**80,890**	**111,984**	**111,884**	**120,230**
Net Purchase of FA	-12,590	-17,640	-29,470	-14,000	-14,000
Net Purchase of Invest.	35,680	-2,330	-70,530	0	0
Net Cash from Invest.	**23,090**	**-19,970**	**-100,000**	**-14,000**	**-14,000**
Proceeds from Equity	1,170	23,109	-20,162	0	0
Dividend Payments	-40,130	-29,069	-36,761	-40,100	-42,774
Cash Flow from Fin.	**-38,960**	**-5,960**	**-56,924**	**-40,100**	**-42,774**
Net Cash Flow	**45,390**	**54,960**	**-44,940**	**57,783**	**63,457**
Opening Cash Bal.	**105,560**	**150,950**	**205,910**	**160,970**	**218,753**
Add: Net Cash	45,390	54,960	-44,940	57,783	63,457
Closing Cash Bal.	**150,950**	**205,910**	**160,970**	**218,753**	**282,209**

E: MOSL Estimates

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