

# Wheaton Precious Metals

Q222 results preview

## Incorporating Salobo Q222 operating results

Wheaton Precious Metals' (WPM's) Q222 results are scheduled for release after the market close in North America on 11 August. This note reduces our forecasts for Q2–Q422 and FY23–24 in light of details about Salobo's operational performance contained in Vale's Q2 production and sales update, released on 19 July, and of recent changes in precious metals prices. It also analyses WPM's sale of its Keno Hill stream for a consideration of US\$135m (which we calculate will provide the buyer with an internal rate of return of 3.06%).

Year end	Revenue (US\$m)	PBT* (US\$m)	EPS* (c)	DPS (c)	P/E (x)	Yield (%)
12/20	1,096.2	503.2	112	42	29.0	1.3
12/21	1,201.7	592.1	132	57	24.6	1.7
12/22e	1,086.0	526.3	116	60	27.9	1.8
12/23e	1,413.5	687.7	152	63	21.3	1.9

Note: \*PBT and EPS are normalised, excluding amortisation of acquired intangibles and exceptional items.

## Vale Q2 production and sales update

On 19 July, Vale announced that, although mine movement had continued to improve throughout Q2 at Salobo, concentrate production was adversely affected by plant performance owing to delays in ramp-up after planned and unplanned maintenance. Moreover, it stated that it expected further maintenance work to continue into H222. As a consequence, copper production at Vale declined by 12.7% in Q2 relative to Q1 and the company reduced its guidance for group-wide production for the full year by 19.0% (albeit not all attributable to Salobo).

## Valuation: Precious metal prices already discounted

Adopting a CAPM-type method to value WPM and applying a nominal discount rate of 9.0% to cash flows implies a 'terminal' valuation for Wheaton at end-FY26 of US\$58.42 (C\$75.27) per share, assuming zero subsequent long-term growth in real cash flows. Stated alternatively, we calculate that WPM's current share price of C\$41.82 discounts a long-term compound annual average growth rate in nominal cash flows per share of just 2.4% pa, which is lower than the equivalent average rate of US inflation over the past 30 years. Otherwise, after the recent falls in precious metals prices and assuming no material purchases of additional streams in the foreseeable future (which we think unlikely), we forecast a value per share for WPM of US\$35.08, or C\$44.19 or £29.16 in FY22, based on a 30.1x historical multiple of earnings (ie all of the recent precious metal price declines appear to be already discounted in WPM's share price) and US\$59.75, or C\$76.98 or £49.67 in FY26. In the meantime, WPM's shares are trading on near-term financial ratios that are cheaper than those of its peers on 69% of common valuation measures, regardless of whether Edison or consensus forecasts are used. If WPM's shares were instead to trade at the average level of its peers, then we calculate that its FY22 share price should be US\$41.02, or C\$52.86 or £34.10 (based on Edison forecasts). Alternatively, if precious metals return to favour, then we believe that a near-term US\$58.65 (C\$75.56 or £48.75) per share valuation is possible.

### Metals and mining

27 July 2022

Price **C\$41.82**

Market cap **C\$18,873m**

C\$1.2884/US\$, US\$1.2029/£

Net cash (US\$m) at end-March excluding US\$2.7m in lease liabilities 376.2

Shares in issue 451.3m

Free float 100.0%

Code WPM

Primary exchange TSX

Secondary exchanges LSE, NYSE

### Share price performance



% 1m 3m 12m

Abs (15.1) (28.1) (24.4)

Rel (local) (14.47) (21.6) (19.6)

52-week high/low C\$64.70 C\$40.84

### Business description

Wheaton Precious Metals (WPM) is the world's pre-eminent ostensibly precious metals streaming company, with over 30 high-quality precious metals streams and early deposit agreements over mines in Mexico, Canada, Brazil, Chile, the US, Argentina, Peru, Sweden, Greece, Portugal and Colombia.

### Next events

Q222 results 11 August 2022

Q322 results 3 November 2022

Q422 results March 2023

Q123 results May 2023

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**Wheaton Precious Metals is a research client of Edison Investment Research Limited**

## FY22 guidance and forecasts

Ahead of Wheaton's Q222 results, which are scheduled for release on 11 August, we have revised our short-term financial forecasts to reflect the following developments:

- On 19 July, Vale announced that, although mine movement had continued to improve throughout Q2 at Salobo, concentrate production was adversely affected by plant performance owing to delays in ramp-up after planned and unplanned maintenance. Moreover, it stated that it expected further maintenance work to continue into H222. As a consequence, copper production at Vale declined by 12.7% in Q2 relative to Q1 and Vale reduced its guidance for group-wide production for the full year by 19.0% (albeit not all attributable to Salobo). Gold sales at Vale similarly reduced by 15.5% in Q222 relative to Q122, albeit again not all attributable to Salobo. As a result, rather than assuming a recovery in output and sales at Salobo in Q2 relative to Q1, we are now assuming that production attributable to Wheaton will have fallen by 12.8%, from 44.9koz Au to 39.2koz Au, and that sales will have fallen 14.5% to 36.4koz. Moreover, while we are continuing to assume that production will recover to 53.8koz, we assume that this will now only be achieved in Q4 (cf Q3 previously).
- A summary of the changes in our metals prices assumed for both Q222 and the remainder of the year is as follows:

**Exhibit 1: Edison FY22 metals price forecasts**

Metal (units)	Q222 price forecast			Remainder of FY22 price forecast		
	Previous forecast	Current forecast	Change (%)	Previous forecast	Current forecast	Change (%)
Gold (US\$/oz)	1,875	1,873	-0.1	1,835	1,717	-6.4
Silver (US\$/oz)	22.67	22.63	-0.2	21.30	18.64	-12.5
Palladium (US\$/oz)	2,090	2,091	0.0	1,887	2,014	+6.7
Cobalt (US\$/lb)	35.03	34.92	-0.3	32.65	22.68	-30.5
<b>Simple average</b>			<b>-0.2</b>			<b>-10.7</b>

Source: Edison Investment Research

In addition, we have reduced our medium-term nominal gold prices for FY23 and FY24 by 7.6% and 3.9%, to US\$1,749/oz and US\$1,818/oz, respectively.

In the light of these changes, Edison has updated its quarterly estimates for WPM for Q2–Q422 as follows:

**Exhibit 2: WPM FY22 forecast, by quarter\***

US\$000s (unless otherwise stated)	Q122	Q222e (prior)	Q222e	Q322e (prior)	Q322e	Q422e (prior)	Q422e	FY22e (current)	FY22e (prior)
Silver production (koz)	6,206	5,901	5,901	5,781	5,531	5,781	5,531	23,168	23,668
Gold production (oz)	79,087	93,386	78,728	86,641	79,312	90,264	90,264	327,391	349,377
Palladium production (koz)	4,488	4,750	4,750	4,750	4,750	4,750	4,750	18,738	18,738
Cobalt production (klb)	234	347	347	347	347	347	347	1,274	1,274
Silver sales (koz)	5,553	5,901	5,223	5,781	4,867	5,781	5,391	21,033	23,015
Gold sales (oz)	77,901	93,354	73,030	86,609	73,572	90,232	90,232	314,735	348,095
Palladium sales (oz)	4,075	4,731	3,860	4,731	3,860	4,731	4,731	16,527	18,268
Cobalt sales (klb)	511	347	297	347	297	347	347	1,452	1,551
Avg realised Ag price (US\$/oz)	24.19	22.67	22.63	21.30	18.73	21.30	18.64	21.12	22.35
Avg realised Au price (US\$/oz)	1,870	1,875	1,873	1,835	1,722	1,835	1,717	1,792	1,853
Avg realised Pd price (US\$/oz)	2,339	2,090	2,091	1,887	2,000	1,887	2,014	2,109	2,041
Avg realised Co price (US\$/lb)	34.61	35.03	34.92	32.65	23.58	32.65	22.68	29.58	33.84
Avg Ag cash cost (US\$/oz)	5.10	5.16	5.17	5.09	4.94	5.10	4.97	5.04	5.11
Avg Au cash cost (US\$/oz)	477	448	454	450	450	448	446	456	455
Avg Pd cash cost (US\$/oz)	394	376	376	340	360	340	363	373	361
Avg Co cash cost (US\$/lb)	5.76	6.31	6.29	5.88	4.24	5.88	4.08	5.16	5.93
Sales	307,244	330,781	273,426	302,293	232,562	308,941	272,800	1,086,032	1,249,259
<b>Cost of sales</b>									
Cost of sales, excluding depletion	69,994	76,272	63,473	72,004	59,776	73,531	70,123	263,365	291,801
Depletion	57,402	64,880	54,092	61,532	52,414	65,488	63,641	227,549	249,303
Total cost of sales	127,396	141,152	117,565	133,536	112,190	139,020	133,764	490,914	541,103
Earnings from operations	179,848	189,629	155,861	168,757	120,372	169,921	139,037	595,118	708,156
<b>Expenses and other income</b>									
– General and administrative**	20,118	12,325	11,335	16,965	15,319	16,965	16,965	63,738	66,374
– Foreign exchange (gain)/loss								0	0
– Net interest paid/(received)	1,422	1,220	1,220	1,216	1,220	1,200	1,210	5,072	5,058
– Other (income)/expense	229							229	229
Total expenses and other income	21,769	13,545	12,555	18,182	16,539	18,165	18,176	69,039	71,661
Earnings before income taxes	158,079	176,084	143,306	150,576	103,833	151,756	120,861	526,079	636,495
Income tax expense/(recovery)	72	250	250	250	250	250	250	822	822
Marginal tax rate (%)	0.0	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.1
Net earnings	158,007	175,834	143,056	150,326	103,583	151,506	120,611	525,257	635,673
Average no. shares in issue (000s)	450,915	451,500	451,500	451,500	451,500	451,500	451,500	451,354	451,354
Basic EPS (US\$)	0.350	0.389	0.317	0.333	0.229	0.336	0.267	1.16	1.41
Diluted EPS (US\$)	0.350	0.379	0.308	0.324	0.223	0.326	0.260	1.13	1.37
DPS (US\$)	0.15	0.15	0.15	0.16	0.15	0.15	0.15	0.60	0.61

Source: Edison Investment Research. Note: \*Excluding impairments, impairment reversals and exceptional items. \*\*Forecasts now include stock-based compensation costs. Totals may not add up owing to rounding.

Our basic EPS forecast of US\$1.16/share for FY22 compares with a consensus forecast of US\$1.37/share (source: Refinitiv, 26 July 2022), although we suspect that the consensus figure does not yet fully reflect the recent declines in precious metals prices (or, alternatively, that it assumes a swift rebound to the status quo ante). In this context, it is worth noting that Edison's gold and silver price forecasts for the remainder of the year are now US\$1,717/oz and US\$18.64/oz, respectively, which are those prevailing at the time of writing (cf US\$1,835/oz and US\$21.30/oz previously).

**Exhibit 3: WPM Edison cf consensus EPS forecasts (US\$/share), Q222–FY24e**

	Q122	Q222e	Q322e	Q422e	Sum Q1–Q422e	FY22e	FY23e	FY24e
Edison forecasts	0.350	0.317	0.229	0.267	1.163	1.164	1.52	1.54
Mean consensus	0.35	0.33	0.34	0.35	1.37	1.37	1.41	1.41
High consensus	0.35	0.38	0.39	0.43	1.55	1.53	1.74	2.02
Low consensus	0.35	0.29	0.27	0.28	1.19	1.20	1.15	1.08

Source: Refinitiv, Edison Investment Research. Note: As at 26 July 2022.

## Keno Hill stream sale

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On 5 July, Wheaton announced that it had entered into a definitive agreement with Hecla Mining to terminate its silver stream over Alexco Resource's Keno Hill Silver District for US\$135m in Hecla shares, upon the occasion of the takeover of Alexco by Hecla (subject to shareholder, regulatory and other approvals, but otherwise 'friendly' in nature). As a consequence, subsequent to the closing of the transaction, Wheaton will own c 5.6% of Hecla's outstanding share capital, albeit the exact number will only be calculated immediately before the closing date.

While in effect selling a silver stream runs contrary to Wheaton's normal business plan of acquiring precious metals streams, it demonstrates WPM's ability to remain flexible in matters of value and to strategically identify opportunities both inside and outside its portfolio that create value for its shareholders.

Wheaton originally paid an upfront consideration of US\$50m on its purchase of the Keno Hill stream in October 2008. Although the terms of the agreement were subsequently amended and the value of the stream was also subsequently impaired, in 2015 Wheaton estimated a fair value less a cost to sell (FVLCS) of the stream of US\$33.4m. In its FY21 annual report, it estimated a total carrying value for its Canadian silver interests (of which the Keno Hill stream may be considered a subset) of US\$28.1m. Both these estimates suggest that, upon closing (presumably in Q3), Wheaton will recognise a profit in excess of US\$100m on the sale of its stream. For now, we are declining to include this in our forecasts in Exhibit 2 and Exhibit 9 on account of its 'exceptional' nature.

Analysed with respect to future cash flows, Edison estimates that Wheaton has sold for a consideration of US\$135m a stream that had an NPV<sub>10</sub> of US\$109.7m (at output rates that Alexco was not yet achieving). Stated alternatively, we calculate that Hecla's internal rate of return on its purchase will be 3.06% (absent any practical mining considerations from the purchase of the stream), which is very similar to the 2.809% yield to maturity currently available from the US 10-year Treasury bond in US dollar terms (source: Bloomberg, 26 July 2022).

In this case, the sale also positions Wheaton to continue to have one of the strongest balance sheets in the industry (see the 'Financials' section, below). Note that, for the purposes of our forecasts, we have removed any production contribution from Keno Hill to Wheaton from 1 July 2022.

## Valuation

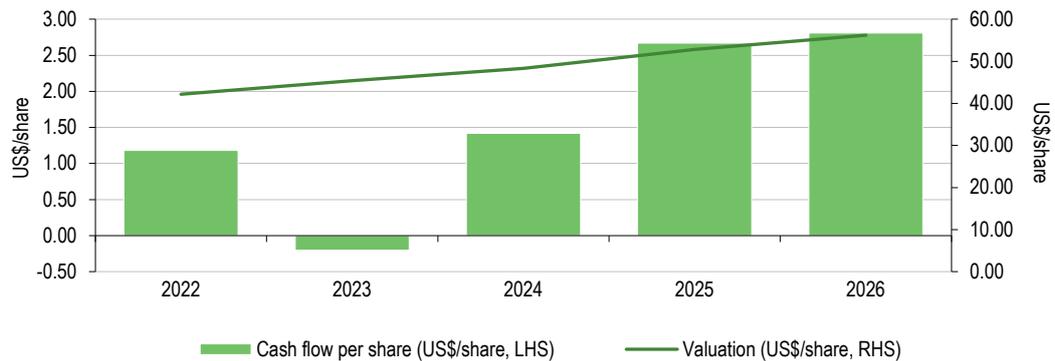
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### Absolute

WPM is a multi-asset company that has shown a willingness and desire to buy streams in the past to maintain production and maximise shareholder returns. As a result, rather than our customary method of discounting maximum potential dividends over the life of operations back to FY22, in the case of WPM (as with other major gold producers, such as Newmont and Endeavour), we discount forecast cash flows back over five years from the start of FY22 and then apply an ex-growth terminal multiple to forecast cash flows in that year (ie FY26) based on an appropriate discount rate.

In this case, our estimate of WPM's 'terminal' pre-financing cash flow in FY26 has reduced slightly from US\$2.90/share to US\$2.81/share (not least as a result of the exclusion of Keno Hill production and sales), as shown below:

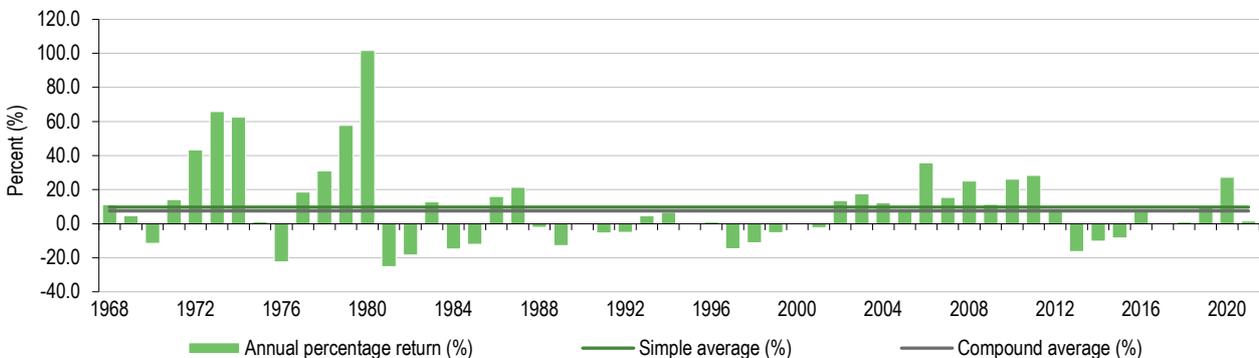
**Exhibit 4: WPM cash flow per share and related valuation (US\$/share), FY22–26**



Source: Edison Investment Research. Note: Valuation assumes ex-growth cash flow per share growth rate of 4.0% pa post-FY26 in nominal terms, which equals the average US rate of CPI inflation since 1972 (ie 0% per annum growth in real terms).

Assuming 4% growth in nominal cash flows beyond FY26 (ie 0% growth in real cash flows) and applying a discount rate of 9.0% (being the expected long-term required nominal equity return), our terminal valuation of the company at end-FY26 is US\$58.42/share (cf US\$59.98/share previously), or C\$75.27/share, which, when discounted back to FY22 in combination with intervening cash flows, results in a valuation at the start of FY22 of US\$42.15/share, or C\$54.30/share. However, this valuation is inherently conservative in that it is based on the assumption of zero growth in (real) cash flows beyond FY26. This is inconsistent with the gold price, which has risen at a compound average annual growth rate of 7.6% per annum since 1968 and at a simple average annual growth rate of 9.7% per annum:

**Exhibit 5: Gold price annual performance, 1968–2021**



Source: Edison Investment Research (underlying data: US Bureau of Labor Statistics, Bloomberg, kitco.com, South African Chamber of Mines)

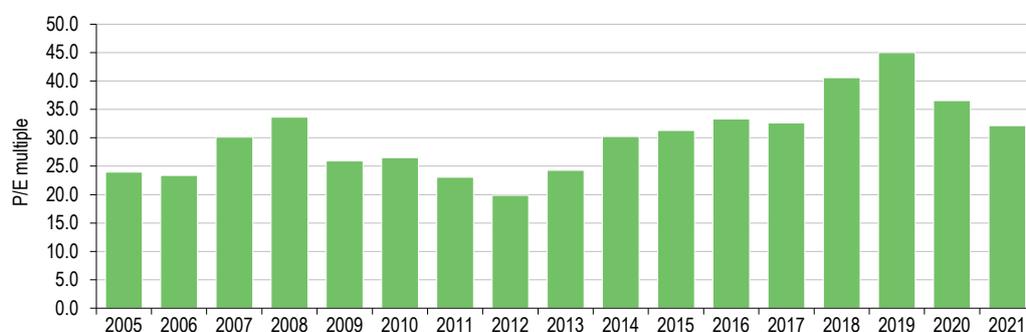
It is also inconsistent with WPM's longer-term historical performance, wherein operational cash flows have increased at a compound average annual growth rate of 23.2% pa for the 16 years between FY05 and FY21, while its operational cash flows per share have increased at compound average annual growth rate of 15.8% pa.

Stated alternatively, we can say that WPM's current share price of C\$41.82 discounts a long-term compound annual average growth rate in cash flows per share of 2.4%, which is no more than the compound average annual increase in US consumer prices from 1991 to the end of 2021.

## Historical

Excluding FY04 (part-year), WPM's shares have historically traded on an average P/E multiple of 30.1x current year basic underlying EPS, excluding impairments (cf 27.9x Edison or 23.7x Refinitiv consensus FY22e – see Exhibit 7).

**Exhibit 6: WPM's historical current year P/E multiples, 2005–21**



Source: Edison Investment Research

Applying this 30.1x multiple to our EPS forecast of US\$1.98 in FY26 (cf US\$2.06 previously) implies a potential value per share for WPM in that year of US\$59.75 or C\$76.98. However, the graph above suggests that the investing environment post-2017 has been able to support an enhanced WPM multiple relative to earlier years. We would ascribe this observation to macro-economic uncertainty and loose monetary policy combining to create a supportive environment for precious metals prices. As such, we believe that a multiple of 38.6x (the average of FY18–21) may still be supported in the event of a return to favour of precious metals and precious metals stocks. In this case, applying a 38.6x earnings multiple to our updated EPS forecast of US\$1.52 in FY23 (cf US\$1.72 previously) implies a potential value per share for WPM in that year of US\$58.65 or C\$75.56. Even at such share price levels however, a multiple of 38.6x would still put WPM's shares on little more than a comparable multiple relative to that of Franco-Nevada (see Exhibit 7, below).

## Relative

From a relative perspective, it is notable that WPM is cheaper than its peers on 69% (25 out of 36) of the valuation measures observed in Exhibit 7 regardless of whether Edison or consensus forecasts are used:

**Exhibit 7: WPM comparative valuation versus a sample of operating and royalty/streaming companies**

	P/E (x)			Yield (%)			P/CF (x)		
	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3	Year 1	Year 2	Year 3
<b>Royalty companies</b>									
Franco-Nevada	32.7	33.4	32.9	1.0	1.1	1.1	23.6	23.0	23.4
Royal Gold	27.3	23.3	24.4	1.4	1.4	1.5	15.2	13.4	14.0
Sandstorm Gold	32.6	32.9	34.7	0.0	0.0	0.0	11.4	11.6	11.1
Osisko	31.4	23.0	20.2	1.7	1.7	1.7	14.4	11.7	11.1
<b>Average</b>	<b>31.0</b>	<b>28.1</b>	<b>28.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.1</b>	<b>16.1</b>	<b>14.9</b>	<b>14.9</b>
<b>WPM (Edison forecasts)</b>	<b>27.9</b>	<b>21.3</b>	<b>21.1</b>	<b>1.8</b>	<b>1.9</b>	<b>2.1</b>	<b>18.8</b>	<b>14.5</b>	<b>14.1</b>
<b>WPM (consensus)</b>	<b>23.7</b>	<b>23.1</b>	<b>23.1</b>	<b>1.8</b>	<b>2.1</b>	<b>2.5</b>	<b>16.5</b>	<b>15.5</b>	<b>15.0</b>
<b>Implied WPM share price (US\$)*</b>	<b>36.09</b>	<b>42.81</b>	<b>43.08</b>	<b>59.09</b>	<b>60.93</b>	<b>65.08</b>	<b>27.89</b>	<b>33.36</b>	<b>34.35</b>

Source: Refinitiv, Edison Investment Research. Note: Peers priced on 26 July 2022. \*Derived using Edison forecasts and average consensus multiples.

In this context, it is worth noting that Edison forecasts imply that WPM's EPS, DPS and cash flow will increase in FY23 and FY24 (relative to FY22), not least under the influence of the company's increasing production profile. By contrast, consensus forecasts appear to indicate that the market expects WPM's EPS and cash flow to be broadly unchanged in FY23 and FY24 relative to FY22,

implying that it is either not expecting any production/sales increase, or that the degree of any production/sales increase will be offset by an approximately equal and opposite move in precious metals prices.

## Financials: US\$373.5m (US\$0.83/share) in net cash

At 31 March, WPM had US\$376.2m in cash on its balance sheet and no debt outstanding under its US\$2bn revolving credit facility. As such (including a modest US\$2.7m in leases), it had US\$373.5m (US\$0.83/share) in net cash overall after generating US\$210.5m in operating cash flow during the quarter and consuming US\$66.1m in investing activities.

**Exhibit 8: WPM cash, net cash and operating cash flow, by quarter, Q420–Q122**

(US\$m)	Q420	Q121	Q221	Q321	Q421	Q122
Cash/(debt)	192.7	191.2	235.4	372.5	226.0	376.2
Net cash/(debt)	6.0	187.7	232.1	369.4	223.2	373.5
Operating cash flow	208.0	232.2	216.3	201.3	195.3	210.5

Source: Wheaton Precious Metals

In FY22 we estimate that WPM will generate US\$780.0m from operating activities (cf US\$913.7m previously), before consuming US\$382.9m in investing activities (excluding any effect from its sale of the Keno Hill stream) in the form of instalments relating to the acquisitions of the Santo Domingo, Blackwater, Goose, Curipamba and Marathon streams and paying out a forecast dividend of US\$270.8m to leave it with net cash of US\$484.5m as at end-FY22.

In FY23, we now forecast that it will generate US\$1,008.6m from operating activities (cf US\$1,102.5m previously), before consuming US\$1,099.4m in investing activities, including significant instalments relating to Salobo III, Rosemont, Kutcho and, potentially, Fenix. On this basis, we estimate that WPM will end FY23 with net cash of US\$108.3m on its balance sheet, before resuming its upward trend once again.

**Exhibit 9: Financial summary**

US\$'000s	2016	2017	2018	2019	2020	2021	2022e	2023e	2024e
Year end 31 December	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
<b>PROFIT &amp; LOSS</b>									
Revenue	891,557	843,215	794,012	861,332	1,096,224	1,201,665	1,086,032	1,413,494	1,450,382
Cost of Sales	(254,434)	(243,801)	(245,794)	(258,559)	(266,763)	(287,947)	(263,365)	(346,726)	(343,766)
Gross Profit	637,123	599,414	548,218	602,773	829,461	913,718	822,667	1,066,768	1,106,616
EBITDA	602,684	564,741	496,568	548,266	763,763	852,733	758,929	1,003,030	1,042,878
Operating Profit (before amort. and except.)	293,982	302,361	244,281	291,440	519,874	597,940	531,380	686,819	694,639
Exceptionals	(71,000)	(228,680)	245,715	(156,608)	4,469	162,806	540	0	0
Other	(4,982)	8,129	(5,826)	217	387	190	(229)	0	0
Operating Profit	218,000	81,810	484,170	135,049	524,730	760,936	531,691	686,819	694,639
Net Interest	(24,193)	(24,993)	(41,187)	(48,730)	(16,715)	(5,817)	(5,072)	872	195
Profit Before Tax (norm)	269,789	277,368	203,094	242,710	503,159	592,123	526,308	687,691	694,834
Profit Before Tax (FRS 3)	193,807	56,817	442,983	86,319	508,015	755,119	526,619	687,691	694,834
Tax	1,330	886	(15,868)	(181)	(211)	(234)	(822)	(1,000)	(1,000)
Profit After Tax (norm)	266,137	286,383	181,400	242,746	503,335	592,079	525,257	686,691	693,834
Profit After Tax (FRS 3)	195,137	57,703	427,115	86,138	507,804	754,885	525,797	686,691	693,834
Average Number of Shares Outstanding (m)	430.5	442.0	443.4	446.0	448.7	450.1	451.4	451.5	451.5
EPS - normalised (c)	62	63	48	54	112	132	116	152	154
EPS - normalised and fully diluted (c)	62	63	48	54	112	131	113	148	150
EPS - (IFRS) (c)	45	13	96	19	113	168	116	152	154
Dividend per share (c)	21	33	36	36	42	57	60	63	69
Gross Margin (%)	71.5	71.1	69.0	70.0	75.7	76.0	75.7	75.5	76.3
EBITDA Margin (%)	67.6	67.0	62.5	63.7	69.7	71.0	69.9	71.0	71.9
Operating Margin (before GW and except.) (%)	33.0	35.9	30.8	33.8	47.4	49.8	48.9	48.6	47.9
<b>BALANCE SHEET</b>									
Fixed Assets	6,025,227	5,579,898	6,390,342	6,123,255	5,755,441	6,046,427	6,066,732	6,849,886	6,903,205
Intangible Assets	5,948,443	5,454,106	6,196,187	5,768,883	5,521,632	5,940,538	5,960,843	6,743,997	6,797,316
Tangible Assets	12,163	30,060	29,402	44,615	33,931	44,412	44,412	44,412	44,412
Investments	64,621	95,732	164,753	309,757	199,878	61,477	61,477	61,477	61,477
Current Assets	128,092	103,415	79,704	154,752	201,831	249,724	495,904	122,236	452,482
Stocks	1,481	1,700	1,541	43,628	3,265	12,102	2,555	3,326	3,413
Debtors	2,316	3,194	2,396	7,138	5,883	11,577	5,951	7,745	7,947
Cash	124,295	98,521	75,767	103,986	192,683	226,045	487,398	111,165	441,122
Current Liabilities	(19,057)	(12,143)	(28,841)	(64,700)	(31,169)	(29,691)	(41,732)	(49,954)	(49,662)
Creditors	(19,057)	(12,143)	(28,841)	(63,976)	(30,396)	(28,878)	(40,919)	(49,141)	(48,849)
Short term borrowings	0	0	0	(724)	(773)	(813)	(813)	(813)	(813)
Long Term Liabilities	(1,194,274)	(771,506)	(1,269,289)	(887,387)	(211,532)	(16,343)	(16,343)	(16,343)	(16,343)
Long term borrowings	(1,193,000)	(770,000)	(1,264,000)	(878,028)	(197,864)	(2,060)	(2,060)	(2,060)	(2,060)
Other long term liabilities	(1,274)	(1,506)	(5,289)	(9,359)	(13,668)	(14,283)	(14,283)	(14,283)	(14,283)
Net Assets	4,939,988	4,899,664	5,171,916	5,325,920	5,714,571	6,250,117	6,504,562	6,905,825	7,289,682
<b>CASH FLOW</b>									
Operating Cash Flow	608,503	564,187	518,680	548,301	784,843	851,686	785,913	1,008,687	1,042,297
Net Interest	(24,193)	(24,993)	(41,187)	(41,242)	(16,715)	(5,817)	(5,072)	872	195
Tax	28	(326)	0	(5,380)	(2,686)	(503)	(822)	(1,000)	(1,000)
Capex	(805,472)	(19,633)	(861,406)	10,571	149,648	(404,437)	(247,854)	(1,099,366)	(401,558)
Financing	595,140	1,236	1,279	37,198	22,396	7,992	0	0	0
Dividends	(78,708)	(121,934)	(132,915)	(129,986)	(167,212)	(218,052)	(270,812)	(285,427)	(309,978)
Net Cash Flow	295,298	398,537	(515,549)	419,462	770,274	230,869	261,353	(376,233)	329,957
Opening net debt/(cash)	1,362,703	1,068,705	671,479	1,188,233	774,766	5,954	(223,172)	(484,525)	(108,292)
Other	(1,300)	(1,311)	(1,205)	(5,995)	(1,462)	(1,743)	0	0	0
Closing net debt/(cash)	1,068,705	671,479	1,188,233	774,766	5,954	(223,172)	(484,525)	(108,292)	(438,249)

Source: company sources, Edison Investment Research

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