EDISON

Ocean Wilsons Holdings

2022 interims

Hit by markets, valuation eye-catching

Investment companies

Ocean Wilsons (OCN) reported a H122 loss of $34.7m (H121 profit of $39.5m), chiefly due to weak financial markets which led OCN's international investment portfolio (OWIL) to report a $48.9m loss. Despite headwinds in the container terminal business, some good operating trends allowed Wilson Sons (PORT3) to boost OCN's H122 revenue by 12% y-o-y and EBITDA by 2%. We are cutting our forecasts for FY22e (to a $14.8m net loss) and FY23e (22% EPS reduction). OCN is trading at 50% of the look-through value of its 56.5% PORT3 stake and OWIL portfolio. This discount seems excessive, especially as PORT3's market valuation is undemanding. To further highlight this valuation gap, we have introduced a valuation range for PORT3; at the mid-point of the range OCN's discount increases to 59%. OCN has a 6.8% dividend yield.

Year end	Revenue (US$m)	PBT* (US$m)	EPS* (c)	DPS (c)	P/E (x)	Yield (%)
12/20	352.8	74.6	109.5	70.0	9.5	6.8
12/21	396.4	110.4	180.1	70.0	5.7	6.8
12/22e	432.4	33.6	(41.8)	70.0	N/A	6.8
12/23e	478.3	111.5	148.0	70.0	7.0	6.8

Note: *PBT and EPS are normalised, excluding amortisation of acquired intangibles, exceptional items and share-based payments.

PORT3 operating trends

Container terminal handling fell by 15% y-o-y, affected by a shortage of empty containers, global logistics bottlenecks and lockdowns in China. On the plus side, the towage business was resilient and the offshore support vessels business outperformed. Looking ahead, we expect the container business to gradually start to normalise and the pickup in the other businesses to gather pace. We are forecasting 11% and 14% growth in revenue and EBITDA for PORT3 in FY23e. PORT3 remains a well-diversified Brazilian maritime services company that is highly competitive in all its key segments.

Financial markets uncertainty

The outlook for financial markets remains challenging despite some recovery in Q322. The uncertainty regarding inflation, interest rates and economic growth remains elevated. We note that OWIL's manager (Hansa Capital Partners) has decreased its long-only equity positions in the portfolio. We are now assuming a 4% return on the portfolio in H222 (taking FY22 to negative 9.3%) and a 7% return in FY23. However, we expect there could be great variance to these assumptions.

Valuation: PORT3 fair value boosts OCN discount

We are introducing a valuation range for PORT3 based on a FY22 EV/EBITDA ratio of 7–8x (it is trading on 6.0x on our numbers), which we think is reasonable given where its peers are trading. The mid-point of this range is 37% above the PORT3 trading price (BRL9.10 per share) and increases the look-through discount to 59%. The value of the OCN stake in PORT3 by itself is currently 20% more than OCN's market cap. At the mid-point of the PORT3 range this would rise to 65%.

6 September 2022

Price	**870p**
Market cap	**£308m**
	US$1.19/£, BRL5.12/US$
Net debt ($m) at H122	467.5
Shares in issue	35.4m
Free float	36%
Code	OCN
Primary exchange	LSE
Secondary exchange	Bermuda

Share price performance

%	1m	3m	12m
Abs	(1.4)	(11.1)	(16.5)
Rel (local)	1.5	(7.3)	(13.9)
52-week high/low		1050p	835p

Business description

Ocean Wilsons Holdings is an investment company based in Bermuda. It has a controlling shareholding in Wilson Sons, a quoted maritime services company in Brazil, and holds a portfolio of international investments.

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Q322 trading update	November 2022

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H122: Financial markets hurt results

OCN reported a loss of $34.7m, mostly driven by weak and volatile financial markets during the first half of 2022. Despite OWIL containing market-neutral funds and private assets, the impact of these markets was hard to avoid. These losses were largely paper losses, and we note that markets have recovered some of the negative territory so far in the second half of 2022.

OWIL still outperformed equity indices

The OWIL portfolio declined by 14.1% (14.5% net of fees) during H122. Despite this drop, OWIL outperformed relevant equity indices such as the MSCI All Country World and Frontier Markets Index and MSCI Emerging Markets Index, which fell by 20.2% and 17.6% respectively. OWIL bases its internal absolute benchmark on the US Consumer Price Index for All Urban Consumers (not seasonally adjusted) plus 3% pa. In H122 the index rose by 7.7%. OWIL performance was helped by the private equity exposure and defensive assets

PORT3 hit by container terminal headwinds

PORT3's contribution to OCN's income was affected by container terminals facing continued headwinds including shortages of empty containers and global logistics bottlenecks. This has led to cancelled shipping lines especially affecting the Rio Grande terminal in Brazil. Another challenge has been rising costs, especially fuel prices, although PORT3's good competitive position allowed it to mitigate this damage.

Offshore support vessels doing better than expected

The offshore support vessels joint venture (WSUT) business (the third-biggest pro-forma EBITDA contributor to PORT3 and OCN after container terminals and towage) is doing better than expected (even after adjusting for the stronger US dollar) with a very positive trend of new vessel contracts and higher prices. These new contracts started to kick-in in H122 and will further boost results in the second half of 2022. The towage business has remained resilient with good margins, which is another positive. We note that the US dollar's appreciation against the Brazilian real (which began in Q222 following the start of the war in Ukraine) did lead to adjustment on the real-denominated monetary assets and deferred tax assets, which affected the equity participation in the joint venture and Q2 net profit for the company.

All of this is reflected in Exhibit 1, which shows the progression in the recent semester with the caveat that the second half of a year is usually stronger for PORT3 while OWIL numbers are by nature more influenced by financial market conditions.

The PORT3 business is the main revenue and costs generator above the EBITDA line, while OWIL's revenue and management costs are below this line. OCN's revenue grew 12% y-o-y in H122, while EBITDA and operating profit grew 2% and 3%, respectively. This was helped by the stronger US dollar.

The OWIL portfolio losses of $48.9m led to OCN reporting a $9.7m loss after taxes. The taxes and minority interests are from PORT3; OWIL is fully owned by OCN.

Exhibit 1: OCN semester progression

$m	H120	H220	H121	H221	H122	y-o-y %
Revenue	174.2	178.6	188.9	207.5	211.0	11.7
Cash costs	(104.0)	(113.1)	(109.3)	(128.0)	(126.7)	19.1
EBITDA	**70.2**	**65.5**	**79.6**	**79.5**	**84.2**	**2.1**
Depreciation and amortisation	(26)	(25)	(25)	(21)	(25)	(1.5)
Amortisation of right to use	(5.3)	(5.4)	(6.0)	(6.1)	(6.8)	13.8
Impairment charge (goodwill & intangibles)	0.0	0.4	0.0	(2.7)	0.0	n.m.
Profit/loss on fixed assets	0.3	(0.6)	0.0	(0.5)	0.1	n.m.
Operating profit	**39.3**	**35.1**	**48.4**	**48.9**	**52.6**	**2.7**
Share of results of JVs	(5.2)	1.1	(0.7)	(4.3)	0.5	n.m.
Investment portfolio returns	**(12.4)**	**45.7**	**29.5**	**19.9**	**(48.9)**	**n.m.**
Other investment income	(1.4)	(1.7)	(2.9)	(2.1)	(1.6)	(43.4)
Portfolio performance and mgmt fees	0.9	0.7	1.3	2.8	3.7	182.6
Finance costs	(11.4)	(11.8)	(14.6)	(15.6)	(18.1)	23.9
Exchange gains/losses on monetary items	(11.7)	4.1	2.3	(5.4)	2.0	(12.8)
Profit before tax	**(1.8)**	**76.4**	**66.2**	**44.2**	**(9.7)**	**n.m.**
Income tax	(16.6)	(10.0)	(14.4)	(13.5)	(10.7)	(25.7)
Profit before minorities	**(18.4)**	**66.4**	**51.8**	**30.7**	**(20.4)**	**n.m.**
Non-controlling interests	0.6	(9.9)	(12.3)	(6.5)	(14.2)	16.1
Net attributable profit	**(17.8)**	**56.5**	**39.5**	**24.2**	**(34.7)**	**n.m.**

Source: Ocean Wilsons Holdings

PORT3's container terminals (34% of EBITDA in H122) saw container volumes fall by 15% y-o-y in the first six months of 2022. Rio Grande was most affected by shipping line cancellations and full container volumes fell by 22% in that period, compared with only 7% in Salvador, Brazil. Revenue grew 6%, while the EBITDA margin remained relatively resilient at 53% (56% in FY21), given the cost pressures.

Towage (43% of EBITDA) revenue grew 10% y-o-y in H122 and EBITDA rose by 1%, while harbour manoeuvres fell only 1%. Towage results were affected not only by higher fuel and staff costs, but also by the weaker US dollar since towage revenue is mostly dollar based. Despite the dollar strength in Q222, the dollar still ended H122 down compared to the end of FY21. The reported EBITDA margin was 48%.

WSUT's (16% of EBITDA) revenue rose by 39% y-o-y and was one of the highlights of H122, with EBITDA increasing by 62% y-o-y. Although oil and gas explorations remain at relatively low levels of activity, business is picking up and the improved operating days of offshore vessels and operation of pipe-laying support vessels boosted the results, especially in Q222.

Exhibit 2: PORT3 revenue analysis (H122)

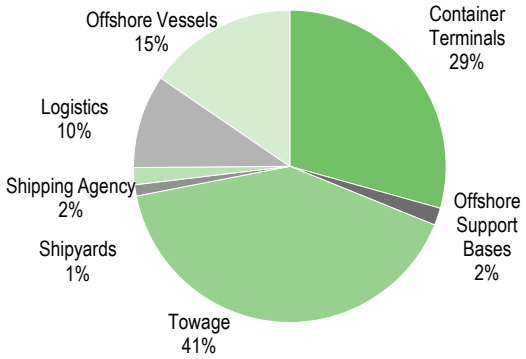
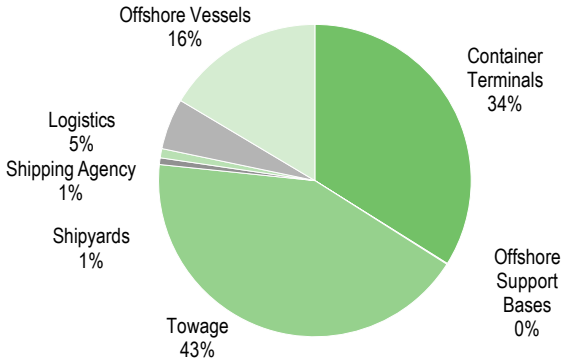
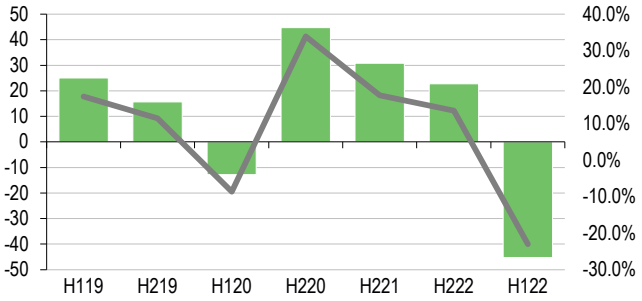


Exhibit 3: PORT3 EBITDA analysis (H122)



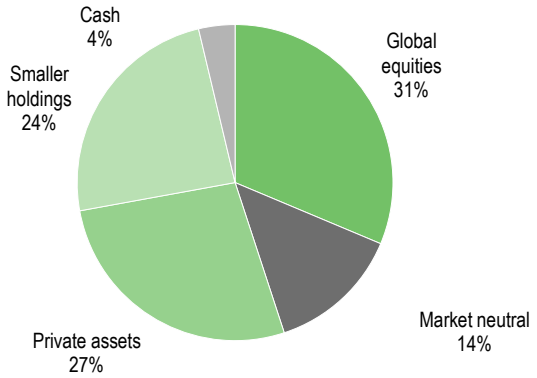
Source: Wilson Sons. Note: Offshore vessels is the pro forma share of the joint venture, EBITDA adjusts for corporate centre.

Exhibit 4: OWIL portfolio % returns and result ($m)



Source: Ocean Wilsons Holdings

Exhibit 5: OWIL analysis of portfolio (H122)



Source: Ocean Wilsons Holdings

Valuation

OCN's discount to its look-through valuation is a hefty 50%. The look-through value consists of its 56.5% stake in listed PORT3 and the OWIL global investment portfolio. The discount has widened from 39% a year ago and the usual range of mid-30s to low-40s.

Exhibit 6: OCN's share price discount to look-through valuation

	p	£m	Value contribution
Last OWIL value per Ocean Wilsons share (30 June 2022)	695.8	246.1	40%
Wilson Sons market value per Ocean Wilsons 56.5% share	1,046.0	369.9	60%
Ocean Wilsons look-through value	**1,741.8**	**615.9**	**100%**
Ocean Wilsons share price and market cap	870.0	307.7	
Discount (%)	(50%)	(50%)	

Source: Refinitiv, Ocean Wilsons, Edison Investment Research. Note: $1.19/£.

We do accept investor concerns that OCN's relatively small market capitalisation and the fact that three shareholders, Hansa Investment Company, Victualia and Chris Townsend, in total own 50.21% of the company, reduce liquidity. Positively, this ownership position enables both OWIL and PORT3 to maintain their long-term approaches to investment and operating the businesses. We feel, however, that the discount seems quite wide. The value of OCN's stake in PORT3 by itself is now 17% greater than OCN's market cap, which is not only unusual, but seems unwarranted to us. We also note the 6% dividend yield.

PORT3 valuation range

Most of OWIL's investments are in liquid instruments that are marked to market. However, we have introduced a valuation range for PORT3. This is driven by our opinion that PORT3's market valuation is unreasonably lower than its peers and that the shares seem to offer decent upside potential.

Exhibit 7 compares PORT3 with a selection of Brazilian and international port and shipping companies. PORT3 is trading on an historic FY21 EV/EBITDA discount of 27% and a 26% FY22e discount versus its peers, despite the sample including some China companies with share prices that have been hit particularly hard due to the China lockdowns.

Although PORT3 shares have significantly outperformed the peer group average (see Exhibit 8) over the year to date, PORT3's market multiples are still noticeably lower. The ratings are lower than Santos Brasil, its closest peer, whose key asset is the container terminal in the Santos port in the Brazilian state of São Paulo and whose shares have performed relatively well this year. Both companies have relevant free floats, and both are trading in the Novo Mercado segment (which

requires companies to adopt additional corporate governance standards) of the Brazilian stock exchange. PORT3 is the better diversified of these two companies and, in our opinion, it deserves to trade on ratios closer to those of Santos Brasil ((EV/EBITDA FY22 of 8.3x). PORT3 is trading on a P/E premium to its peers. Its profit was exceptionally affected by exchange variations of balance sheet items, but we note that its EPS growth is quicker and the premium narrows significantly.

Exhibit 7: PORT3 selected comparators

Company	Market cap ($m)	P/E FY21 (x)	P/E FY22e (x)	P/E FY23e (x)	EV/EBITDA FY21 (x)	EV/EBITDA FY22e (x)	Price book FY22e (x)	ROE (%) FY22e(x)
Wilson Sons	**793**	**19.5**	**14.4**	**11.4**	**7.0**	**6.0**	**1.6**	**11.8**
Santos Brasil (BRA)	1,395	35.0	18.0	14.6	12.2	8.3	2.9	17.4
China Merchants Ports (HKG)	5,921	5.7	5.4	5.3	11.1	11.6	0.4	7.9
Cosco (CHN)	2,194	5.9	5.7	5.1	11.1	10.2	0.4	6.6
Shanghai Int'l Port (CHN)	18,230	8.5	7.2	7.4	8.4	5.7	1.1	15.0
Hamburger Hafen (GER)	884	10.4	10.1	11.7	4.4	4.3	1.4	13.5
Intl Container Term Svcs (PHI)	6,562	18.3	14.3	13.1	10.0	8.4	7.4	55.9
Average		**14.0**	**10.1**	**9.6**	**9.5**	**8.1**	**2.3**	**19.4**
Wilson Sons vs average (%)		**39.5**	**42.5**	**19.3**	**(26.6)**	**(25.7)**	**(29.3)**	**(39.1)**
Wilson Sons vs Santos Brasil (%)		(44.4)	(19.9)	(22.1)	(42.4)	(27.4)	(44.8)	(32.4)

Source: Refinitiv, Edison Investment Research. Note: Prices at 30 August 2022.

Exhibit 8: PORT3 and comparators' absolute share price performance (%)

Company	One month	Three months	One year	Ytd	From 12-month high
Wilson Sons	10	6	(13)	(2)	(22)
Santos Brasil (BRA)	25	12	8	26	(4)
China Merchants Ports (HKG)	(7)	(21)	(10)	(17)	(27)
Cosco (CHN)	(13)	(14)	(21)	(23)	(29)
Shanghai Int'l Port (CHN)	(1)	(13)	(3)	(17)	(17)
Hamburger Hafen (GER)	(10)	(25)	(35)	(34)	(44)
Intl Container Term Svcs (PHI)	(7)	(16)	(2)	(11)	(23)
Average	(2)	(13)	(11)	(13)	(24)

Source: Refinitiv, Edison Investment Research. Note: Prices at 30 August 2022.

Given the current market conditions and its valuation versus its peers, we think that a FY22 EV/EBITDA multiple range of at least 7–8x is appropriate for PORT3 and, with potential for increases in share liquidity, could continue to improve. This would result in a valuation range for PORT3 equity of $964m to $1.2bn. This is equivalent to a PORT3 share price of BRL11.2 to BRL13.8, 23% to 51% above the current share price. The mid-point would be BRL12.5 per share.

Exhibit 9 also shows the impact on the OCN discount to its look-through value. The discount would increase from 50% to 59% (the mid-point of the range). The value of OCN's stake in PORT3 by itself would increase from 20% above OCN's current market value to a 65% premium.

Furthermore, although financial markets are hard to predict, we note that they recovered significantly during Q322, which is positive news for the OWIL portfolio.

Exhibit 9: PORT3 valuation range and impact on OCN look-through value

PORT3 fair value	Lower	Mid-point	Upper
Adjusted EV/EBITDA (FY22e)	7.0	7.5	8.0
Implied EV ($m)	1,530.3	1,639.6	1,748.9
Net debt, adjusted (FY22e, $m)	566.1	566.1	566.1
Equity fair value ($m)	964.2	1,073.5	1,182.8
Equity fair value (BRLm)	**4,937**	**5,496**	**6,056**
PORT3 share price fair value (BRL)	11.2	12.5	13.8
Potential upside to PORT3 share price (%)	23	37	51
Impact on OCN look-through value			
OCN 57% stake in PORT3 FV (£m)	455.3	506.9	558.6
Ocean Wilsons look-through value with PORT3 at fair value (£m)	701.4	753.0	804.6
Ocean Wilsons look-through value with PORT3 at fair value per share (p)	1,983.4	2,129.3	2,275.3
OCN discount with PORT3 at fair value (%)	**56**	**59**	**62**

Source: Refinitiv, Edison Investment Research

Financials

OCN forecast changes

We have increased our revenue forecasts by 1% and 4% for FY22e and FY23e while cutting our earnings forecasts. The earnings cuts in FY22e are mostly driven by financial markets assumptions and the margin pressure at PORT3 due to costs and the lower volumes in the container businesses. We expect PORT3's operating environment (bottlenecks, China lockdowns and costs) to improve and we assume that financial markets will be better in FY23e, although we still see some pressure and risks in both.

We estimate OCN's pro forma net debt to EBITDA ratio to be 2.7x in FY22e (2.9x in FY21) and this seems a reasonable level of debt in our opinion.

Exhibit 10: OCN's FY21 and FY22 forecast changes

	Revenue ($m)			Normalised PBT ($m)			Normalised EPS (c)		
	Old	New	% chg.	Old	New	% chg.	Old	New	% chg.
2022e	426.4	432.4	1.4	99.7	33.6	(66.3)	146.2	(41.8)	N/A
2023e	458.2	478.3	4.4	123.3	111.5	(9.5)	190.3	148.0	(22.2)

Source: Ocean Wilsons Holdings, Edison Investment Research

PORT3 forecast

Exhibit 11 details our forecasts and assumptions for PORT3, which drive the revenue and operating costs for OCN. We have increased our pro forma (including the offshore vessels joint ventures) FY22 and FY23 revenue from $485m and $519m to $517m and $577m respectively. The revenue uplift is mostly due to offshore vessels (eg from $61m to $99m in FY23e) and logistics ($36m to $54m). FY22 and FY23 EBITDA was increased from $163m and $184m to $219m and $252m respectively. Offshore vessels again drive most of the upgrade from $21m and $23m to $45m and $54m respectively, reflecting the new contracts and better trading conditions.

Total revenue and EBITDA percentage growth is estimated in the teens for FY22e and FY23 with total pro forma EBITDA margins remaining good at PORT3 – at 42% and 44% for FY22 and FY23e, within the usual 40–44% range.

Exhibit 11: PORT3's segmental revenue analysis and estimates

$m	2019	2020	2021	2022e	2023e
Divisional net revenues					
Container Terminals	167.8	132.2	141.8	152.4	172.6
O&G Offshore Base Support	19.4	8.0	7.3	9.3	10.7
Towage	159.5	173.6	199.1	206.6	223.5
Shipyards	4.5	2.2	4.4	5.9	7.0
Shipping Agency	9.2	8.1	8.9	9.3	10.5
Logistics	45.7	28.7	35.2	49.2	54.0
Corporate	0.0	0.0	0.0	(0.5)	0.0
Total revenue (IFRS)	**406.1**	**352.8**	**396.7**	**432.2**	**478.3**
Offshore vessels*	61.2	60.9	57.8	84.8	98.5
Total revenue (pro-forma)	**467.3**	**413.7**	**454.5**	**517.0**	**576.8**
y-o-y (%)	(9.7)	(11.7)	9.9	13.7	11.6
Divisional EBITDA					
Container Terminals	85.2	68.7	79.8	80.3	95.0
O&G Offshore Base Support	2.2*	(0.5)	(0.4)	0.4	1.1
Towage	75.8	85.8	99.0	99.5	109.5
Shipyards	(0.1)	(2.7)	0.6	1.6	1.8
Shipping Agency	1.5	2.3	2.4	2.2	2.5
Logistics	10.2	4.5	7.2	11.1	10.8
Corporate	(20.6)	(15.7)	(23.6)	(21.8)	(23.0)
Total EBITDA (IFRS)	**154.2**	**142.4**	**165.0**	**173.3**	**197.6**
Offshore vessels*	30.0	31.2	22.6	45.8	54.1
Total EBITDA (pro-forma)	**184.3**	**173.6**	**187.6**	**218.6**	**251.7**
y-o-y (%)	(1.8)	(5.8)	8.0	16.5	15.2
Divisional EBITDA margins (%)					
Container Terminals	50.8	52.0	56.3	52.7	55.0
O&G Offshore Base Support	11.3	(6.3)	(5.5)	4.2	10.0
Towage	47.5	49.4	49.7	48.2	49.0
Shipyards	(1.7)	(122.7)	13.6	26.3	25.0
Shipping Agency	16.4	28.4	27.0	23.9	24.0
Logistics	22.4	15.7	20.5	22.6	20.0
Offshore vessels*	47.9	51.2	39.1	53.5	55.0
Total EBITDA margin (pro-forma)	**39.3**	**42.0**	**41.3**	**42.3**	**43.6**

Source: Edison Investment Research, PORT3 data. Note: Offshore vessels is PORT3's pro forma 50% share of the joint venture. *We add back the $13m one-off asset write-down in Offshore Base Support in 2019 for better comparison purposes.

OWIL assumptions

Although the financial markets have been recovering in Q322, they remain volatile, and the macroeconomic uncertainty remains elevated. Any assumption of returns in the OWIL portfolio is subject to a good degree of deviation.

We have assumed a 4% positive portfolio return for the second half of the year. We calculate this will take the FY22 performance to a 9.3% negative return for the full 12 months. We are then assuming a 7% return for FY23e. This means a $36.6m portfolio loss for FY22e and a $21.7m positive return for FY23e, excluding fees and investment income.

OCN's reported earnings are quite sensitive to OWIL's performance. If we were to flex our 7% base assumption by 5% (ie 12% and 2% portfolio returns), the impact on profit before tax would be about 13% in either direction for our FY23e forecasts, for example.

The investment management noted in its report that while 'some comfort' could be taken from the fact that shares had already fallen so much by the end of June, there is the risk of central banks engaging 'in more aggressive policy measures in their battle against inflation'. It sees the outcome for the rest of the year as 'very dependent on the path of inflation and interest rates, although continued volatility in markets seems likely, whatever happens'. The report also reminds readers that the OWIL portfolio is a mix of risk-on and risk-off assets as well as a blend of growth and value sectors.

Exhibit 12: Financial summary

Year-end December	US$m	2020	2021	2022e	2023e
PROFIT & LOSS					
Revenue		352.8	396.4	432.4	478.3
Cash costs		(213.9)	(234.4)	(264.2)	(285.7)
EBITDA		138.8	162.0	168.2	192.6
Depreciation and amortisation		(50.6)	(49.3)	(49.6)	(49.4)
Amortisation of right to use (IFRS 16)		(10.7)	(12.1)	(14.0)	(13.2)
Profit/loss on PPE & intangibles		0.1	(0.5)	0.1	0.0
Share of results of JVs		(4.1)	(5.0)	3.5	5.0
Investment portfolio returns		33.4	49.5	(36.6)	21.7
Other investment income		1.6	4.1	3.7	5.0
Portfolio performance and mgmt fees		(3.1)	(5.0)	(3.7)	(4.5)
Finance costs		(23.2)	(30.2)	(40.1)	(45.7)
Exchange gains/losses on monetary items		(7.6)	(3.1)	2.0	2.0
Extraordinary goodwill impairment charge		0.0	0.0	0.0	0.0
Profit Before Tax		74.6	110.4	33.6	111.5
Profit Before Tax (norm)		74.6	110.4	33.6	111.5
Income tax		(26.6)	(27.9)	(22.4)	(30.1)
Non-controlling interests		(9.3)	(18.8)	(25.9)	(29.1)
Profit After Tax (norm)		38.7	63.7	(14.8)	52.3
Average Number of Shares Outstanding (m)		35.4	35.4	35.4	35.4
EPS - normalised (c)		109.5	180.1	(41.8)	148.0
Dividend per share (c)		70.0	70.0	70.0	70.0
EBITDA Margin (%)		39.4	40.9	38.9	40.3
ROE (%)		6.9%	11.1%	(2.6%)	9.1%
BALANCE SHEET					
Current Assets		492.8	518.5	439.3	464.0
Cash		63.3	28.6	13.0	15.0
Trading investments		347.5	392.9	310.5	326.0
Debtors		70.3	84.7	99.2	105.0
Stocks		11.8	12.3	16.6	18.0
Fixed Assets		861.1	861.8	914.8	924.2
Investments & other fixed assets		102.3	112.6	117.7	126.6
Tangible assets		579.1	563.1	582.9	583.5
Right to use assets		149.3	157.9	186.1	187.0
Intangible assets		30.4	28.3	28.1	27.1
Total Assets		1,353.9	1,380.3	1,354.1	1,388.2
Current Liabilities		124.3	131.3	133.6	140.0
Payables and other liabilities		47.4	66.6	58.6	65.0
Short term borrowings		58.7	45.3	55.0	55.0
Financial leases		18.2	19.4	20.0	20.0
Long Term Liabilities		485.9	465.4	468.8	455.7
Longer term borrowings		284.0	256.3	232.2	218.1
Financial leases		139.7	148.4	175.0	175.0
Other long-term liabilities		62.2	60.7	61.6	62.5
Net Assets		743.7	783.7	751.7	792.6
CASH FLOW					
Operating Cash Flow		153.2	159.2	163.3	192.9
Net Interest		(22.7)	(25.2)	(21.7)	(24.2)
Tax		(29.1)	(27.9)	(9.1)	(29.7)
Capex		(62.0)	(47.4)	(77.5)	(78.0)
Acquisitions/disposals		0.0	0.0	0.0	0.0
Net acq/disposals of financial assets		(18.6)	0.3	29.0	0.0
Equity financing		0.0	0.0	0.0	0.0
Dividends		(39.7)	(43.2)	(43.2)	(43.2)
Other (including divs from JV, fx effects)		41.7	(19.4)	(86.7)	(31.5)
Net Cash Flow		22.8	(3.6)	(48.3)	(13.7)
Net debt/(cash) including leases		437.3	440.9	489.2	502.9

Source: Ocean Wilsons, Edison Investment Research

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