

30 December 2009

GRUPO CONCESIONARIO DEL OESTE S.A. OEST.BA/MERVAL

Initiating Coverage: Better scenario ahead.

Investment Rating: Market Outperform

Price: AR\$ 0.98 Merval: 2320 Merval25: 2318 Burcap: 8036

- In 2009 the argentinean government authorized delayed tariffs readjustments in order to compensate for cost inflation.
- If our assumption is correct and that from now on tariff readjustments for inflation will continue, profitability will be more stable and will grow gradually with the increase of traffic volume.
- Small capex requirements in the future and the current low leverage forecast a strong financial position.
- Our 12-month Target Price is AR\$ 1.67.

Valuation

	2008 A	2009 E	2010 E	2011 E	2012 E
EPS (AR\$)	\$ -0.13	\$ -0.05	\$ 0.06	\$ 0.21	\$ 0.41
P/EBITDA	2.7	1.9	1.4	1.1	0.8
FCFPS	0.15	0.31	0.36	0.48	0.62
P/FCFPS	6.47	3.13	2.69	2.04	1.59

Market Capitalization

Equity Market Cap (AR\$ MM)	\$ 156.80
Enterprise Value (AR\$ MM)	\$ 275.82
Shares Outstanding (MM)	160.00
Free Float (MM)	48.00
3-Mo. Avg. Daily Volume	29,814

Stock Data

52-Week Range (AR\$)	\$ 0,50 - \$ 1,00
12-Month Stock Performance	92%
Dividen Yield	0%
Book Value Per Share (AR\$)	\$ 1.90
Beta/Merval	0.42

Company Quick View:

Location: Buenos Aires, Argentina.

Industry: Toll road concessions.

Description: Grupo Concesionario del Oeste S.A. is a joint venture which has the concession of the west access to the city of Buenos Aires.

Key Products & Services: The Company operates 52 kilometers of highways.

Website: www.auoeste.com.ar

Analysts

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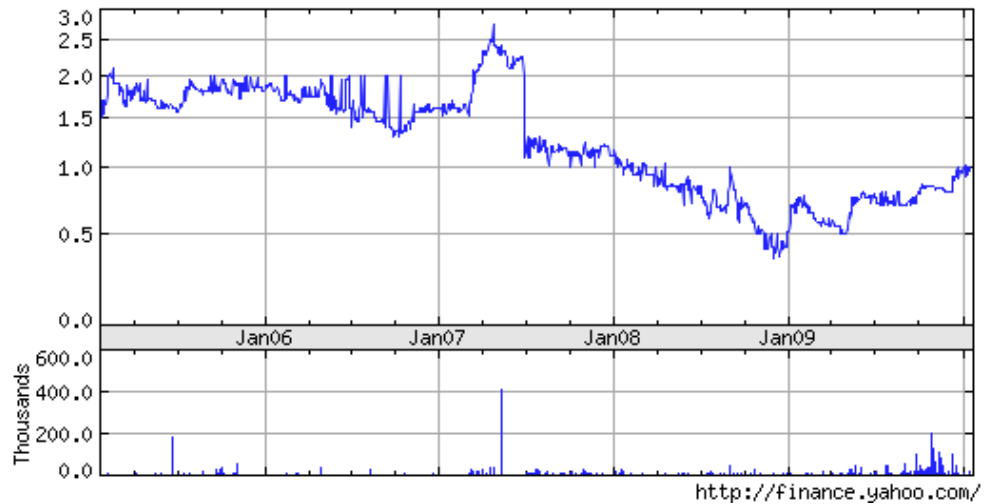
Merlo Mariano



STOCK PRICE PERFORMANCE

*Figure 1: 5-year
stock price
performance*

GRUPO CONC OESTE-B



INVESTMENT SUMMARY

We give GCO (Grupo Concesionario del Oeste) a market outperform rating in expectation of the stock's increase to our 12-month target price of AR\$ 1.67. Last tariff readjustments authorized by the government forecast a stronger cash flow and lower earnings volatility. Besides GCO presents today low leverage and has small capex requirements in the future.

GCO is one of the biggest highway concessions in Argentina. The solid balance sheet position and the traffic growth of the last few years allowed GCO to overcome years with inflation pressures and delays in tariffs readjustments. Today GCO, with an economic recovery forecasted for the next few years and tariff adjusted for inflation, has a better scenario ahead.

INVESTMENT THESIS

Our target price of AR\$ 1.67 and market outperform rating are based, mostly, on the following factors:

Economic Recovery

We believe that after the 2009 economic crisis, the local economy will recover and show positive figures. In this scenario GCO's traffic volume will grow.



Toll Tariff We believe that future tariff readjustments authorized by the government will be in line with the inflation rate.

*Contract
Renegotiation*

The renegotiation of the concession contract with the government will not change GCO's current return but it will improve the delay of tariff readjustments that exist today.

VALUATION

We arrived at our 12-month target price of AR\$ 1.67 by using a finite life DCF model because all the assets will be returned to the government at the end of the concession and we do not consider any kind of renewal.

We added to our discount rate a country risk premium because Argentina is a developing country and a regulatory risk premium in order to consider the particular risks that this industry presents today like the possible delays in tariffs readjustments.

Table 1: Valuation Inputs

Risk Free Rate	3.80%
Market Risk Premium	5.61%
Country Risk	7.00%
Regulatory Risk Premium	3.00%
Unlevered Industry Beta	0.80

Besides, our target price includes a 20% discount of the value in order to consider the high illiquidity that the stock presents today.

Table 2: Valuation Results (thousands of AR\$)

Present Value Future Cash Flows	358,949
Net Debt	25,336
Total Equity Value	333,614
# shares	160,000
Value per share	2.09
Low liquidity discount	20%
12 M Target Price	1.67



Peer Analysis

We compared GCO with toll road companies that are listed in others developing countries. We prefer to use EV/EBITDA ratio due to the nature of the business, nevertheless we believe that this ratio presents lots of disparities and we use this analysis only to confirm the investment rating obtained by our DCF model.

Table 3: Peer Analysis

Company	Ticker	Country	Price US\$	EV/EBITDA 2009e	EV/EBITDA 2010e
CCR*	CCRO3.SA	Brazil	20,80	9,7x	7,8x
OHL Brasil*	OHLB3.SA	Brazil	18,49	6,9x	6,1x
Zhejiang Expway*	0576.HK	China	0,93	8,2x	6,7x
Average				8,3x	6,9x
GCO	OEST.BA	Argentina	0,26	1,5x	0,9x

GCO is trading with an important discount against their peers. Our conclusions were the followings:

1. Argentina country risk is higher than the one from the others developing countries analyzed so the market discounts GCO with a higher rate.
2. In Argentina, the industry is heavy regulated so maybe the market is discounting GCO with an additional rate.
3. Because GCO is trading with an important discount against their peers, the stock could be undervalued by the market.

Sensibility Analysis

Our DCF model shows that the tariff level is the variable which weights more in the results.

Nevertheless, we do not believe that a negative scenario where tariffs are not readjusted for inflation is very likely and we do not believe that the company's return will be as in the past either.



Table 4: Price Objective sensibility to tariff adjustments (AR\$)

Tariff adjustments / Inflation	Value per share	Low liquidity discount	12 M Price Objective	Downside/ Upside to PO
-15%	1.18	20%	0.95	-43%
-10%	1.49	20%	1.19	-29%
-5%	1.79	20%	1.43	-14%
0%	2.09	20%	1.67	0%
5%	2.39	20%	1.91	14%
10%	2.69	20%	2.15	29%
15%	2.99	20%	2.39	43%

INDUSTRY ANALYSIS

In Argentina toll road concessions are business where the concessionaires operate, maintain and carry out an investment on the roads. The income derives from the collection of tolls and the concessionaire does not have to do any kind of payments to the government. Once the concession is over all the assets are returned to the government again.

The concession runs over a financial equation that depends on traffic volume, the time of the concession, the amount of investment, operational costs, toll tariffs and the return rate. Also, it is divided in two stages. On the first one a strong investment is needed to be done by the concessionaire. After that, on the second stage of the concession, the collection of the income generated by tolls begins and the concessionaire continues doing works of conservation, maintenance and extension of the roads.

If we talk about the demand, historical data shows that there is a strong correlation between traffic volume and GDP growth because variables like the argentinean vehicle park, the decision to use a pay toll highway in order to save time and the use of private and commercial vehicles are linked to the cycles of the economy.

Another point to emphasize is the low elasticity between traffic volume and toll tariffs. Nevertheless, in the last few years the industry has been suffering an important fall in profitability due to the inflationary impact and the delay in tariff readjustments.

Finally it is important to say that this industry is heavy regulated because today the government is the only one who can authorize new tariff readjustments.



*Key Success
Factors*

There are three important factors to consider in this kind of business:

- The EBITDA margin to see how is the relationship between toll tariffs and operational costs.
- The amount of investment compromised in the concession contract.
- The company's leverage to see how the strong investment done in the first stage of the concession was financed.

SWOT Analysis

Strengths

- On going income.

Weaknesses

- The industry is heavy regulated by the government.
- Last negotiations with the union exerted a strong pressure in the company's margins.

Opportunities

- The population growth in Buenos Aires suburbs could have a positive impact in GCO's traffic volume.

Threats

- The end of the concession before the contract expiration.
- Uncertainty with the renegotiation of the concession contract after the devaluation of 2002 which modified the initial contract conditions.
- There is a transport alternative free of payment.



**COMPANY
DESCRIPTION**

In 1993 GCO (Grupo Concesionario del Oeste) won the concession contract of the west access to the city of Buenos Aires until 31 December 2018. Today the west access includes approximately 52 kilometers of freeways that cross heavy populated areas.

In the year 2002, among the economic crisis and subsequent devaluation, the congress dictated a law that modified the original contract conditions. Toll tariffs originally denominated in American dollars were changed to local currency and any kind of readjustment was not authorized. From this point a negotiation process began to determinate a new financial equation according to the current economic situation. Today the negotiations are advanced but not over and the new contract conditions have not been established yet.

Income

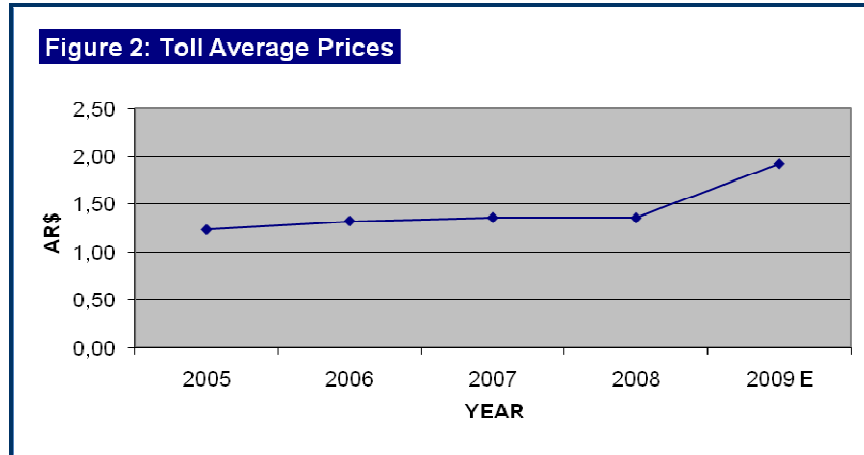
The 98% of the income is due to the collection of tolls and the 2% remaining correspond to other commercial incomes.

According to historical data, the tendency shows an important annual growth that is strongly correlated with Argentina's GDP growth.

Table 5: Historic Traffic

	2005	2006	2007	2008
Number of Vehicles	85,286,241	94,115,607	102,324,268	112,797,072
Annual Growth	12%	10%	9%	10%

Nevertheless, toll tariffs were not adjusted with the local inflation making a fall in EBITDA margins. This situation changed in 2009 when the government authorized two tariff readjustments and began to recognize the inflation impact on the company's operational costs.



Cost Structure

GCO’s cost structure is very simple because it is made up mainly of fixed costs that have little relationship with the traffic volume of the highway.

Table 6: 2008 Cost Structure

Pays, wages and fees	50%
Maintenance expenditures	27%
Taxes	8%
Others	15%

The most important cost is “pays, wages and professional fees”. Over recent years, the inflationary impact particularly in these expenses due to the hard negotiations with the union and the delays in tariff readjustments were the main cause that made the company’s margins go down.

Table 7: Margins

	2005	2006	2007	2008
EBITDA margin	56%	57%	50%	36%
Operating Costs / Sales	28%	27%	34%	46%

Capital Expenditures

Today in the second stage of the concession, there are two kinds of capex: maintenance capex and other infrastructure works to extend the highway that are compromised in the concession contract. The first one are approximately AR\$ 10 MM per year and the second one are about AR\$ 85 MM in remaining infrastructure works to be executed.



Debt

The company presents low leverage ratios and almost the entire debt is denominated in local currency with a floating interest rate (BADLAR rate +3,5%).

Table 8: Debt Ratios

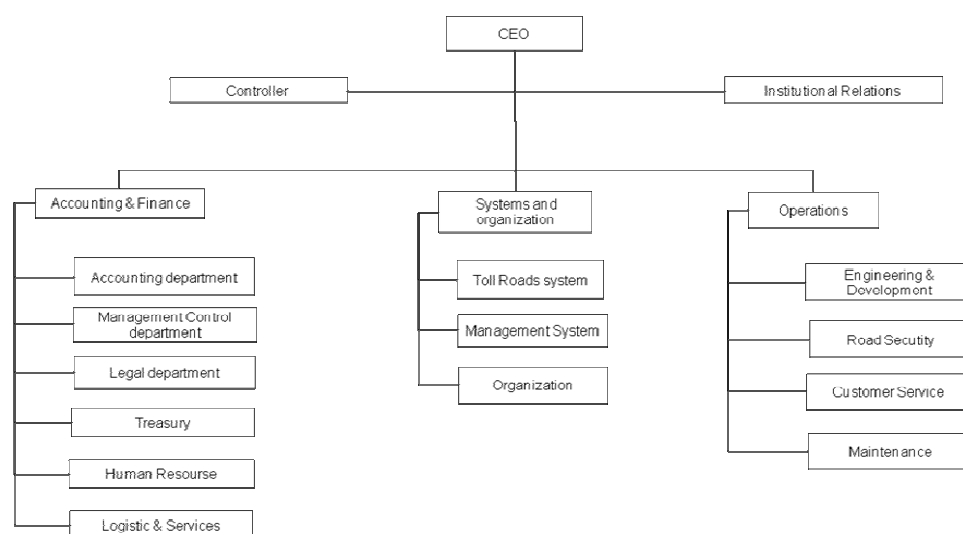
	2005	2006	2007	2008
DEBT / EQUITY	0.56	0.67	0.72	0.69
NET DEBT / EBITDA	1.63	1.13	1.49	1.83
EBITDA / INTEREST	3.14	3.60	2.97	2.37

MANAGEMENT BACKGROUND

The members of the board are important executives that belong to the stockholders companies and they have a lot of experience in the toll road industry in Europe and Latin America.

- President: **Gonzalo Ferre Moltó**
- Vice-president: **Jorge Graells Ferrández**
- Directors: **Krishnan Tan Boon Seng**
Alfredo Mac Laughlin
Julio Pedro Naveyra

Company's organization chart:





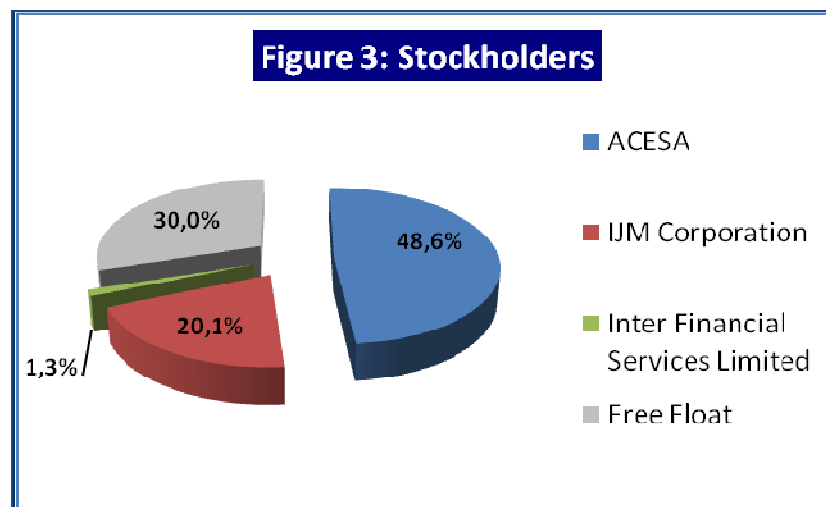
SHAREHOLDERS ANALYSIS

ACESA: is one of the most important enterprises that belong to the Spanish group Abertis which is an European leader in infrastructure. Today the company has 48.6% of the stocks and it is the one who manages GCO activities.

IJM Corporation Berhad: is one of the most important economic groups of Malaysia and has a lot of experience in road and bridge constructions. IJM has 20.1% of the stocks.

Inter Financial Services Limited: is a company which offers different kinds of business consulting services and has 1.3% of the stocks.

Free Float: The 30% of the stocks are public in Buenos Aires Stock Exchange, but because the 88% of the free float are in control of institutional funds only a small part is available to minority holders. As a consequence the stock liquidity is behind the market average.



RISK ANALYSIS

Regulatory Risk

GCO presents high regulatory risk for two reasons: toll tariffs are indeed determined by the state and there is a risk of ending the concession by a political decision of the government before the contract expiration. This situation could affect the capacity to maintain a stable and predictable financial performance.



Operational Risk

The main risk that has been happening in the last few years is that inflation in operational costs could not be compensated with tariff readjustments causing a fall in EBITDA margins.

Financial Risk

In this subject GCO has some risk in the cost of his debt because it is a floating rate denominated debt. Nevertheless this risk is limited by the low leverage that the company presents.

FINANCIAL PERFORMANCE AND PROYECTIONS

Macroeconomic Assumptions

After the economic crisis experimented in 2009, we believe that argentine economy will recover in the next few years. From 2010 up to the end of the concession, we estimate a 1.1x correlation between traffic volume and GDP growth for our forecast.

Table 9: GDP and traffic Forecast

	2009 E	2010 E	2011 E	2012 E	2013 E	2014 E	2015 E
GDP growth*	-2.4%	3.1%	2.9%	3.9%	3.5%	3.5%	3.0%
Traffic annual growth	-6.0%	3.4%	3.1%	4.3%	3.8%	3.9%	3.3%

*Source: Santander Bank Latin Focus

Operating Assumptions

After the important tariff readjustment given by the government in 2009, we believe that future tariff readjustments will be in line with inflation levels.

Table 10: Inflation and Toll Tariff Adjustment

	2009 E	2010 E	2011 E	2012 E	2013 E	2014 E	2015 E
Inflation (average)*	14.4%	23.0%	23.0%	18.0%	15.0%	15.0%	15.0%
Toll tariff ajustment (average)	41.3%	23.0%	23.0%	18.0%	15.0%	15.0%	15.0%

*Source: Macrosintesis



*Financing
Assumptions*

We believe that the company would not have any problems to pay their financial obligations and the D/E structure forecasted in our DCF model follow the company's debt and amortization schedule.

*Investing
Assumptions*

We believe that the company will do all the construction work stipulated in the concession contract and every year will spend a similar amount of money in maintenance capex.

**SOURCES OF
INFORMATION**

Organo de Control de Concesiones Viales www.occovi.gov.ar
Asociación Argentina de Carreteras www.aacarreteras.org.ar
Autopistas del oeste www.auoeste.com.ar
Comisión Nacional de Valores www.cnv.gov.ar
Orlando Ferreres Economic Analysis www.ojf.com
Damodaran online www.stern.nyu.edu/~adamodar/

GCO Balance Sheet (thousands of AR\$)

	2006	2007	2008	2009 E	2010 E	2011 E	2012 E	2013 E	2014 E	2015 E	2016 E	2017 E	2018 E
Total Assets	602,297	562,586	519,504	470,141	455,966	421,462	402,879	419,167	449,109	482,945	530,395	582,669	555,881
Current Assets	90,753	56,482	49,147	35,558	55,644	53,753	64,617	110,798	172,191	240,948	330,558	440,835	516,327
Cash and equivalents ST	2,715	4,417	4,351	4,648	5,910	7,493	9,217	10,998	13,125	15,584	18,309	21,510	25,272
ST investments	78,322	42,075	33,850	16,811	31,807	23,531	27,443	66,442	119,254	178,098	256,717	354,081	414,401
Commercial receivable	8,485	8,336	8,778	11,997	15,254	19,341	23,790	28,386	33,878	40,222	47,256	55,520	65,229
Other Current Assets	1,231	1,654	2,168	2,101	2,672	3,388	4,167	4,972	5,934	7,045	8,277	9,724	11,425
Assets LT	511,544	506,104	470,357	434,584	400,323	367,709	338,262	308,370	276,918	241,996	199,836	141,834	39,554
Permanent Assets	505,715	498,979	462,454	434,584	400,323	367,709	338,262	308,370	276,918	241,996	199,836	141,834	39,554
Other LT assets	5,829	7,125	7,903	0	0	0	0	0	0	0	0	0	0
Liabilites + Equity	602,297	562,586	519,504	470,141	455,966	421,462	402,879	419,167	449,109	482,945	530,395	582,669	555,881
Current Liabilities	43,884	46,156	48,940	36,191	44,869	55,600	66,297	76,972	89,397	103,704	119,970	138,799	160,600
Accounts Payable	17,199	16,478	11,182	20,954	25,773	31,701	37,407	43,018	49,470	56,891	65,425	75,238	86,524
Debt ST	16,007	13,900	25,252	0	0	0	0	0	0	0	0	0	0
Social and Fiscal liabilities	7,930	12,529	8,245	10,302	12,821	15,943	19,104	22,278	25,990	30,268	35,106	40,723	47,244
Other liabilities	2,748	3,249	4,261	4,935	6,275	7,956	9,786	11,677	13,936	16,546	19,439	22,838	26,832
Liabilites LT	197,352	188,677	163,978	134,636	102,586	70,536	38,486	35,008	31,529	28,051	24,572	21,094	17,615
Debt LT	145,445	133,761	111,578	85,714	57,143	28,571	0	0	0	0	0	0	0
Other LT liabilities	51,907	54,916	52,400	48,922	45,443	41,965	38,486	35,008	31,529	28,051	24,572	21,094	17,615
Stockholders' Equity	361,061	327,753	306,586	299,314	308,512	295,327	298,097	307,187	328,184	351,190	385,853	422,776	377,666

GCO Balance Sheet (thousands of US\$)

	2006	2007	2008	2009 E	2010 E	2011 E	2012 E	2013 E	2014 E	2015 E	2016 E	2017 E	2018 E
Total Assets	194,289	178,599	160,837	129,160	104,388	80,564	66,570	61,431	58,379	55,681	54,239	52,849	44,719
Current Assets	29,275	17,931	15,216	9,769	12,739	10,275	10,677	16,238	22,383	27,780	33,803	39,984	41,537
Cash and equivalents ST	876	1,402	1,347	1,277	1,353	1,432	1,523	1,612	1,706	1,797	1,872	1,951	2,033
ST investments	25,265	13,357	10,480	4,618	7,282	4,498	4,534	9,737	15,502	20,534	26,252	32,116	33,338
Commercial receivable	2,737	2,646	2,718	3,296	3,492	3,697	3,931	4,160	4,404	4,637	4,832	5,036	5,248
Other Current Assets	397	525	671	577	612	648	689	729	771	812	846	882	919
Assets LT	165,014	160,668	145,621	119,391	91,649	70,289	55,893	45,193	35,996	27,901	20,435	12,864	3,182
Permanent Assets	163,134	158,406	143,175	119,391	91,649	70,289	55,893	45,193	35,996	27,901	20,435	12,864	3,182
Other LT assets	1,880	2,262	2,447	0	0	0	0	0	0	0	0	0	0
Liabilites + Equity	194,289	178,599	160,837	129,160	104,388	80,564	66,570	61,431	58,379	55,681	54,239	52,849	44,719
Current Liabilities	14,156	14,653	15,152	9,943	10,272	10,628	10,955	11,281	11,621	11,957	12,268	12,589	12,920
Accounts Payable	5,548	5,231	3,462	5,756	5,900	6,060	6,181	6,304	6,431	6,559	6,690	6,824	6,961
Debt ST	5,164	4,413	7,818	0	0	0	0	0	0	0	0	0	0
Social and Fiscal liabilities	2,558	3,977	2,553	2,830	2,935	3,048	3,157	3,265	3,378	3,490	3,590	3,694	3,801
Other liabilities	886	1,031	1,319	1,356	1,437	1,521	1,617	1,711	1,811	1,908	1,988	2,071	2,159
Liabilites LT	63,662	59,897	50,767	36,988	23,486	13,483	6,359	5,131	4,098	3,234	2,513	1,913	1,417
Debt LT	46,918	42,464	34,544	23,548	13,082	5,462	0	0	0	0	0	0	0
Other LT liabilities	16,744	17,434	16,223	13,440	10,404	8,022	6,359	5,131	4,098	3,234	2,513	1,913	1,417
Stockholders' Equity	116,471	104,049	94,918	82,229	70,630	56,453	49,256	45,020	42,660	40,490	39,458	38,346	30,382

GGO Income Statement (thousands of AR\$)

	2006	2007	2008	2009 E	2010 E	2011 E	2012 E	2013 E	2014 E	2015 E	2016 E	2017 E	2018 E
Revenue	128,678	143,520	157,794	208,530	265,150	336,185	413,521	493,405	588,860	699,140	821,395	965,036	1,133,805
EBITDA	75,249	73,080	58,847	82,815	110,520	145,990	189,091	235,310	292,050	357,809	428,865	513,626	502,493
Depreciation & Amortization	(39,611)	(48,996)	(57,347)	(60,032)	(64,233)	(69,646)	(73,340)	(80,595)	(90,018)	(102,571)	(120,299)	(148,255)	(206,523)
EBIT	35,638	24,084	1,500	22,783	46,287	76,344	115,751	154,715	202,033	255,238	308,566	365,371	295,971
Net interest	(22,693)	(20,287)	(25,854)	(24,547)	(22,714)	(15,143)	(6,143)	0	0	0	0	0	0
Others	3,367	2,946	1,889	0	0	0	0	0	0	0	0	0	0
EBT	16,312	6,743	(22,465)	(1,764)	23,573	61,201	109,608	154,715	202,033	255,238	308,566	365,371	295,971
Taxes	(11,791)	(8,050)	1,300	(5,508)	(14,375)	(27,545)	(44,488)	(60,275)	(76,836)	(95,458)	(114,123)	(134,005)	(109,715)
Net Income	4,521	(1,307)	(21,165)	(7,272)	9,197	33,656	65,120	94,440	125,196	159,780	194,443	231,366	186,256

GGO Income Statement (thousands of US\$)

	2006	2007	2008	2009 E	2010 E	2011 E	2012 E	2013 E	2014 E	2015 E	2016 E	2017 E	2018 E
Revenue	41,509	45,562	48,853	57,289	60,703	64,263	68,328	72,311	76,545	80,607	83,997	87,530	91,212
EBITDA	24,274	23,200	18,219	22,751	25,302	27,906	31,244	34,486	37,963	41,253	43,856	46,586	40,425
Depreciation & Amortization	(12,778)	(15,554)	(17,754)	(16,492)	(14,705)	(13,313)	(12,118)	(11,812)	(11,701)	(11,826)	(12,302)	(13,447)	(16,614)
EBIT	11,496	7,646	464	6,259	10,597	14,593	19,126	22,674	26,262	29,427	31,554	33,140	23,810
Net interest	(7,320)	(6,440)	(8,004)	(6,744)	(5,200)	(2,895)	(1,015)	0	0	0	0	0	0
Others	1,086	935	585	0	0	0	0	0	0	0	0	0	0
EBT	5,262	2,141	(6,955)	(485)	5,397	11,699	18,111	22,674	26,262	29,427	31,554	33,140	23,810
Taxes	(3,804)	(2,556)	402	(1,513)	(3,291)	(5,265)	(7,351)	(8,834)	(9,988)	(11,006)	(11,670)	(12,154)	(8,826)
Net Income	1,459	(415)	(6,553)	(1,998)	2,106	6,433	10,760	13,841	16,274	18,422	19,884	20,985	14,984

GCO Cash flow Statement (thousands of AR\$)

	2006	2007	2008	2009 E	2010 E	2011 E	2012 E	2013 E	2014 E	2015 E	2016 E	2017 E	2018 E
EBITDA	75.249	73.080	58.847	82.815	110.520	145.990	189.091	235.310	292.050	357.809	428.865	513.626	502.493
Change Working Capital	2.632	2.403	(9.458)	9.054	3.588	4.345	3.745	3.494	3.843	4.394	5.275	5.917	6.629
Taxes	(11.791)	(8.050)	1.300	(14.099)	(22.325)	(32.845)	(46.638)	(60.275)	(76.836)	(95.458)	(114.123)	(134.005)	(109.715)
Others	(1.347)	8.534	(5.036)	(3.479)	(3.479)	(3.479)	(3.479)	(3.479)	(3.479)	(3.479)	(3.479)	(3.479)	(3.479)
Operative Cash flow	64.743	75.967	45.654	74.291	88.304	114.011	142.719	175.051	215.578	263.266	316.538	382.060	395.929
Capex	(28.249)	(75.314)	(31.670)	(24.258)	(29.972)	(37.032)	(43.893)	(50.702)	(58.566)	(67.649)	(78.139)	(90.253)	(104.243)
Free Cash Flow	36.494	652	13.984	50.033	58.332	76.979	98.826	124.348	157.012	195.617	238.399	291.807	291.686
Change in Debt	24.504	(35.529)	(32.513)	(67.071)	(43.336)	(38.414)	(32.564)	0	0	0	0	0	0
Equity Cash Flow	60.997	(34.876)	(18.529)	(17.039)	14.996	38.564	66.262	124.348	157.012	195.617	238.399	291.807	291.686
Dividend	0	(32.000)	0	0	0	(46.841)	(62.350)	(85.349)	(104.199)	(136.774)	(159.780)	(194.443)	(231.366)
Net Cash Flow	60.997	(66.876)	(18.529)	(17.039)	14.996	(8.276)	3.912	38.999	52.813	58.843	78.620	97.364	60.319

GCO Cash flow Statement (thousands of US\$)

	2006	2007	2008	2009 E	2010 E	2011 E	2012 E	2013 E	2014 E	2015 E	2016 E	2017 E	2018 E
EBITDA	24.274	23.200	18.219	22.751	25.302	27.906	31.244	34.486	37.963	41.253	43.856	46.586	40.425
Change Working Capital	849	763	(2.928)	2.487	821	831	619	512	500	507	539	537	533
Taxes	(3.804)	(2.556)	402	(3.873)	(5.111)	(6.279)	(7.706)	(8.834)	(9.988)	(11.006)	(11.670)	(12.154)	(8.826)
Others	(435)	2.709	(1.559)	(956)	(796)	(665)	(575)	(510)	(452)	(401)	(356)	(316)	(280)
Operative Cash flow	20.885	24.116	14.134	20.410	20.216	21.794	23.582	25.655	28.023	30.353	32.370	34.653	31.852
Capex	(9.113)	(23.909)	(9.805)	(6.664)	(6.862)	(7.079)	(7.253)	(7.431)	(7.613)	(7.800)	(7.991)	(8.186)	(8.386)
Free Cash Flow	11.772	207	4.329	13.745	13.354	14.715	16.329	18.224	20.410	22.554	24.379	26.467	23.465
Change in Debt	7.904	(11.279)	(10.066)	(18.426)	(9.921)	(7.343)	(5.381)	0	0	0	0	0	0
Equity Cash Flow	19.677	(11.072)	(5.737)	(4.681)	3.433	7.372	10.949	18.224	20.410	22.554	24.379	26.467	23.465
Dividend	0	(10.159)	0	0	0	(8.954)	(10.302)	(12.508)	(13.545)	(15.769)	(16.339)	(17.636)	(18.613)
Net Cash Flow	19.677	(21.231)	(5.737)	(4.681)	3.433	(1.582)	646	5.716	6.865	6.784	8.040	8.831	4.853

Ratios	2005	2006	2007	2008	2009 E	2010 E	2011 E	2012 E	2013 E	2014 E	2015 E	2016 E	2017 E	2018 E
Profitability														
Gross profit margin	72%	73%	66%	54%	55%	57%	58%	60%	61%	63%	64%	65%	65%	56%
EBITDA margin	58%	58%	51%	37%	40%	42%	43%	46%	48%	50%	51%	52%	53%	44%
Operating profit margin	22%	28%	17%	1%	11%	17%	23%	28%	31%	34%	37%	38%	38%	26%
Net profit margin	4%	4%	-1%	-13%	-3%	3%	10%	16%	19%	21%	23%	24%	24%	16%
ROA	0.8%	0.8%	-0.2%	-4.1%	-1.5%	2.0%	8.0%	16.2%	22.5%	27.9%	33.1%	36.7%	39.7%	33.5%
ROE	1.2%	1.3%	-0.4%	-6.9%	-2.4%	3.0%	11.4%	21.8%	30.7%	38.1%	45.5%	50.4%	54.7%	49.3%
ROIC	4.8%	4.6%	3.4%	0.6%	4.5%	8.7%	15.1%	23.9%	30.7%	38.1%	45.5%	50.4%	54.7%	49.3%
Productivity														
Total Asset turnover	0.20x	0.21x	0.26x	0.30x	0.44x	0.58x	0.80x	1.03x	1.18x	1.31x	1.45x	1.55x	1.66x	2.04x
days of sales	10	10	12	11	10	10	10	10	10	10	10	10	10	10
# of days cash-based expenses in payable	217	107	74	64	130	130	130	130	130	130	130	130	130	130
Liquidity														
Current ratio	0.68x	2.07x	1.22x	1.00x	0.98x	1.24x	0.97x	0.97x	1.44x	1.93x	2.32x	2.76x	3.18x	3.21x
Quick ratio	0.68x	2.07x	1.22x	1.00x	0.98x	1.24x	0.97x	0.97x	1.44x	1.93x	2.32x	2.76x	3.18x	3.21x
Cash ratio	0.43x	1.85x	1.01x	0.78x	0.59x	0.84x	0.56x	0.55x	1.01x	1.48x	1.87x	2.29x	2.71x	2.74x
Working Capital / Sales	-12%	-12%	-12%	-7%	-11%	-14%	-12%	-11%	-10%	-9%	-8%	-8%	-7%	-7%
Leverage														
Debt / Equity	0.56	0.67	0.72	0.69	0.57	0.48	0.43	0.35	0.36	0.37	0.38	0.37	0.38	0.47
Liabilities / Assets	36%	40%	42%	41%	36%	32%	30%	26%	27%	27%	27%	27%	27%	32%
EBITDA / INTEREST	3.2x	3.7x	3.1x	2.5x	3.4x	4.9x	9.6x	30.8x	0.0x	0.0x	0.0x	0.0x	0.0x	0.0x
Net Debt / EBITDA	1.59	1.10	1.44	2.24	1.75	1.36	0.83	0.23	0.03	0.00	0.00	0.00	0.00	0.00