Games Workshop Group

FY21 results

Indomitable

Consumer goods

Games Workshop's (GAW) FY21 results were at record levels from the perspective of revenue, profitability, cash flow generation and cash returns to shareholders, driven by the launch of the ninth edition of 40K as well as products from prior year releases. The phasing and scale of future new product releases in FY22 and FY23 may produce lower rates of growth than FY21. Management's focus on product innovation, customer engagement and geographic expansion has tended to provide positive surprises. Our DCF-based valuation increases by c 8% to £129 per share.

Year end	Revenue (£m)	PBT* (£m)	EPS* (p)	DPS (p)	P/E (x)	Yield (%)
05/20	269.7	89.4	217.8	145	54.2	1.2
05/21	353.2	150.9	370.5	235	31.9	2.0
05/22e	376.9	158.1	387.1	250	30.5	2.1
05/23e	395.3	163.4	398.8	275	29.6	2.3

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

FY21: An exceptional year

The extent of GAW's FY21 success is highlighted by the fact that its FY21 operating profit pre-royalty income of £135.4m was greater than those of FY18 (£64.7m) and FY19 (£69.8m) combined, prior to the disruption caused by COVID-19 in FY20. Constant currency revenue growth of c 34% and limited underlying cost inflation produced significant operational gearing, operating profit pre-royalty income increased by 85% and the margin increased by over 11pp to 38.3%. The higher absolute profits and stable free cash generation, relative to revenue, enabled a strong improvement in cash returns to shareholders, up 62% y-o-y to 235p per share, and an improvement in the year-end net cash position to £85.2m (FY20 £52.9m).

Forecasts: Lower growth due to phasing of releases

Following the publication of FY21 results our forecasts for FY22 are broadly unchanged and we introduce estimates for FY23. In FY22, we forecast y-o-y revenue growth of c 7%, operating profit before royalties of c 5%, and a modest increase in royalty income to £17m from £16.3m. In FY23, we assume c 5% revenue growth to £395.3m and c 4% growth in operating profit before royalty income. With stable royalty income, this translates to growth in PBT of c 3% to £164.1m. Our DPS forecasts of 250p in FY22 and 275p in FY23 represent cash costs of £82.1m and £90.6m, versus our estimates of free cash flow post interest of £121.6m in FY22 and £127.9m in FY23.

Valuation: DCF-based valuation increased to £129

To reflect the rolling forward of results and our revised estimates, we have increased our DCF-based valuation by c 8% to c £129 per share (from £120 per share). The prospective P/E multiples for FY22 and FY23 of 30.5x and 29.6x respectively compare with the recent peak of 32.2x in FY21.

10 August 2021

Price	**11,810p**
Market cap	**£3,871m**

Net cash (£m) at 31 May 2021 (excluding lease liabilities)	85.2
Shares in issue	32.8m
Free float	97%
Code	GAW
Primary exchange	LSE
Secondary exchange	N/A

Share price performance

%	1m	3m	12m
Abs	3.1	8.7	24.7
Rel (local)	2.6	7.9	2.6
52-week high/low		12,100p	8,505p

Business description

Games Workshop is a leading international specialist designer, manufacturer and multi-channel retailer of miniatures, scenery, artwork and fiction for tabletop miniature games set in its fantasy Warhammer worlds.

Next events

AGM	September 2021
H122 results	January 2022

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FY21 results: Exceptional growth and operational gearing

Games Workshop's FY21 results demonstrated exceptional growth despite the disruption to offline channels due to the COVID-19 pandemic and operational challenges around Brexit. The July 2020 launch of the ninth edition of Warhammer 40K, Indomitus, was an important driver to revenue growth, as was ongoing demand for existing products of prior years' editions. Limited underlying operating cost inflation led to significant operational gearing.

Revenue grew by 31% to £353.2m, c 34% on a constant currency basis, operating profit pre-royalties increased by 85% to £135.4m, and PBT by c 69% to £150.9m. These compare with the pre-close trading update in May 2021 for revenue of 'not less than £350m' and PBT of 'not less than £150m'.

Exhibit 1: Financial results

£m	H120	H220	FY20	H121	H221	FY21
Total revenue	**148.4**	**121.4**	**269.7**	**186.8**	**166.4**	**353.2**
- Trade	78.1	61.9	140.0	104.0	90.8	194.8
- Retail	45.8	32.2	78.0	36.9	33.8	70.7
- Online	24.5	27.3	51.7	45.9	41.8	87.7
Growth y-o-y:						
Total revenue	18.5%	(7.6%)	5.1%	25.9%	37.1%	31.0%
- Trade	27.1%	3.2%	15.3%	33.2%	46.7%	39.1%
- Retail	7.7%	(28.9%)	(11.2%)	(19.4%)	5.0%	(9.4%)
- Online	15.2%	4.4%	9.2%	87.7%	53.4%	69.6%
Constant currency growth y-o-y:						
Total revenue	16.3%	N/D	4.6%	26.8%	N/D	33.9%
- Trade	23.9%	N/D	14.4%	34.3%	N/D	43.3%
- Retail	6.3%	N/D	(11.6%)	(18.6%)	N/D	(7.7%)
- Online	14.2%	N/D	9.3%	87.8%	N/D	71.0%
Gross profit	**103.0**	**77.6**	**180.6**	**141.1**	**115.8**	**256.9**
Gross margin	69.5%	63.9%	67.0%	75.5%	69.6%	72.7%
Gross margin gearing	83%	119%	56%	99%	85%	91%
Operating costs	(54.5)	(52.9)	(107.4)	(57.8)	(63.7)	(121.5)
Operating profit (pre-royalties)	**48.5**	**24.7**	**73.2**	**83.3**	**52.1**	**135.4**
Margin	32.7%	20.4%	27.1%	44.6%	31.3%	38.3%
Growth y-o-y	37.4%	(28.5%)	4.8%	71.8%	110.8%	85.0%
Operational gearing	57%	98%	26%	91%	61%	74%
Other operating income (royalties)	10.7	6.1	16.8	8.7	7.6	16.3
PBT	**58.6**	**30.8**	**89.4**	**91.6**	**59.3**	**150.9**
Growth y-o-y	43.6%	(23.9%)	10.0%	56.4%	92.4%	68.8%
EPS, diluted (p)	**144.6**	**73.2**	**217.8**	**224.0**	**146.5**	**370.5**
Growth y-o-y	44.4%	(27.3%)	8.5%	54.9%	100.2%	70.1%
DPS (p)	**100.0**	**45.0**	**145.0**	**80.0**	**155.0**	**235.0**
Growth y-o-y	53.8%	(50.0%)	(6.5%)	(20.0%)	244.4%	62.1%
Net cash excluding leases	**33.0**	**52.9**	**52.9**	**96.5**	**85.2**	**85.2**
Net cash including leases	**4.5**	**20.8**	**20.8**	**51.2**	**38.2**	**38.2**

Source: Games Workshop accounts, Edison Investment Research

Revenue: Driven by Online and Trade

As Retail continued to be affected by COVID-19 related store closures and social distancing restrictions through the year, with a constant currency revenue decline of c 9% y-o-y, customer demand was more than adequately sated by the Online and Trade channels, with y-o-y growth respective rates of 71% and 43% at constant currency.

The comparison of y-o-y six-monthly growth rates for the three channels in FY21 versus FY20 is complicated by the outbreak of COVID-19 (end of H220); however, the initial boost to total revenue in H121 from the Indomitus launch versus H221 is evident, reflecting the typical H1:H2 revenue split in the year of a major relaunch. In Exhibit 2 we highlight the impact of new and existing products on GAW's revenue growth. Since FY18, the percentage of revenue from 'new' and 'existing' products has been consistent at 38% and 62% respectively, implying their respective annual growth rates have been comparable, and are testimony to the multi-year revenues earned following the launch of a new edition of the major games, 40K and Age of Sigmar. The impact on annual revenue of the phased new product launches that follow each new edition are difficult to track as new product revenue in any year is a combination of those from any new edition launched in that year and from prior years' editions. Exhibit 2 provides some insight to the relative scale of 40K and Age of Sigmar in the launch year of a new edition. In FY21, when the ninth edition of 40K was released, revenue from new products was c £134m versus c £98m in FY19 when the second edition of Age of Sigmar was released.

Exhibit 2: Phasing of launches and revenue

£m	FY16	FY17	FY18	FY19	FY20	FY21
Revenue	118.1	158.1	221.3	256.6	269.7	353.2
Revenue from 'new' products	35.4	53.8	84.1	97.5	102.5	134.2
Revenue from 'old' products	82.6	104.4	137.2	159.1	167.2	219.0
Revenue from 'new' products (%)	30%	34%	38%	38%	38%	38%
Revenue from 'old' products (%)	70%	66%	62%	62%	62%	62%
Edition launch in FY	Age of Sigmar (1st)		40K (8th)	Age of Sigmar (2nd)		40K (9th)

Source: Games Workshop accounts, Edison Investment Research

There has been renewed momentum in the number of net new accounts in GAW's Trade channel, 500 net new accounts in FY21 took the total to c 5,400. Prior to FY19, GAW was adding up to 200 net new accounts per annum, which accelerated to 600 in FY19 before a lower net 200 additions in FY20, likely influenced by COVID-19 disruption.

FY21's Retail revenue of £70.7m compares with the peak of £87.8m in FY19. By the end of FY21 the net number of locations was modestly lower at 523 from 531 in the prior year, with one more location in North America (to 161), and fewer locations in the UK (by two to 138), continental Europe (by four to 153), and Asia (by three to 22). FY21 represented the first year that the net number of stores declined y-o-y since FY13 and reflects the typical churn of store locations but without the ability to open new stores due to COVID-19 disruption. In FY21, 90 stores did not break even. Management is committed to new store openings and the size and shape of the portfolio remains a focus. As the stores re-open the performance of each will be kept under review and will be closed if they do not meet management's financial criteria.

In recent years currency translation has been relatively benign for GAW's financials, but the 9% appreciation in the average exchange rate y-o-y of sterling versus the US dollar ($/£1.38 in H221 from $/£1.27 in H220) presented a modest currency headwind for reported numbers. Currency translation negatively affected FY21 revenue by c £8m and profit by £4m. 77% of Games Workshop's revenue was generated overseas during FY21.

Profitability: High operational gearing

Management attributes the increase in gross margin to volume leverage, sales and channel mix (including price which is typically raised by a few percentage points on new releases), as well as the disruption to production in the prior year which required a higher inventory provision. The gross margin improved to 72.7% from 67.0% in FY20, equating to gross margin gearing (the proportion of incremental revenue that dropped through to gross profit) of 91%. We have deconstructed the constituent parts of costs of goods sold (COGS) using the company's disclosure of costs (inventory, depreciation and amortisation), and our estimates for other costs to determine the sources of the changes in gross margin. We include long-term numbers to show how product cost ratios are influenced by new edition and product releases.

Exhibit 3: Constituents of cost of goods sold (relative to revenue)

	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Cost of inventory	15.4%	15.2%	15.8%	13.0%	15.4%	14.5%	15.8%
Net inventory provision	1.0%	1.5%	0.9%	1.8%	2.2%	2.4%	0.3%
Staff costs	3.2%	3.5%	3.5%	5.8%	6.3%	6.2%	6.7%
Depreciation	2.5%	2.7%	2.4%	1.8%	2.1%	2.3%	1.8%
Amortisation	4.2%	3.3%	1.9%	2.0%	2.2%	1.9%	1.4%
Other	4.7%	5.4%	3.1%	4.7%	4.2%	5.8%	1.3%
Total COGS	31.0%	31.7%	27.6%	29.0%	32.5%	33.0%	24.5%
Edition launch in FY	40K (7th)	Age of Sigmar (1st)		40K (8th)	Age of Sigmar (2nd)		40K (9th)

Source: Games Workshop accounts, Edison Investment Research

The y-o-y decrease in inventory costs and provision relative to revenue (16.1% in FY21 versus 16.9% in FY20) was further boosted by the leveraging of all other costs. Relative to FY18, when the prior edition of 40K was released, we can see higher inventory costs and provision in FY21 than the 14.8% in FY18, offset by lower other costs relative to revenue.

As can be seen in Exhibit 1, total operating costs increased to £121.5m from £107.4m, a y-o-y increase of c 13%. Excluding the staff bonus (cost of £10.6m in FY21 versus zero in FY20) there was limited total underlying cost inflation (c 3%) to support the higher sales growth. The bonus of £10.6m is significantly higher than in prior years, c £3m pa in FY17–19.

The higher gross margin and lower operating cost growth translated through to a significant increase in the operating margin pre-royalties, to 38.3% from 27.1% in FY20. The reported operating profit of £135.4m, was equivalent to more than the combined profits of FY18 and FY19 of £134.5m.

Royalty income from licensing declined modestly to £16.3m from £16.8m in FY20, representing the first annual y-o-y decline since FY13. The decline is attributed to the high level of guarantee income on multi-year contracts that was recognised on inception in the prior year.

With a persistent net cash position, the net financial expense of £0.8m is mainly the interest liability on its operating leases.

At 19.2% the effective tax rate for FY21 was modestly below FY20's 20.2%.

Through FY21, shareholders have been handsomely rewarded with five dividends declared through the year, totalling 235p per share versus 145p in FY20. The dividend compares with the company's free cash flow (FCF) per share post interest of 313p in FY21. A higher proportion of free cash flow was paid out as dividends in FY21 (cover 1.3x) than in FY20 (cover 1.7x), which reflects some likely caution one year ago due to the uncertainties presented by COVID-19 and management's desire to build its operating cash buffer (see below). GAW's dividend policy is to return 'truly surplus cash' to shareholders, rather than with reference to an earnings or cash payout ratio.

Exhibit 4: Dividend progression

	FY15	FY16	FY17	FY18	FY19	FY20	FY21	CAGR
EPS (p)	38	42	94	182	201	218	371	46%
DPS (p)	52	40	74	126	155	145	235	29%
Earnings cover (x)	0.7	1.0	1.3	1.4	1.3	1.5	1.6	
FCF per share (p)	34	36	96	148	153	244	313	44%
Dividend cash cover (x)	0.7	0.9	1.3	1.2	1.0	1.7	1.3	

Source: Company accounts. Edison Investment Research

Cash flow and balance sheet: Net cash position increased

GAW's free cash flow generation pre-interest and relative to revenue in FY21 was broadly consistent with FY20, as marginally lower operating cash generation was offset by lower investment in fixed and intangible assets. The change in operating cash generation reflects the higher operating margin (discussed above) offset by a reversion to a more normal working capital outflow versus the inflow in FY20. Working capital investment was lower in FY20 due to the factory being closed at the period end due to COVID-19, and the receipt of financial support from the government through the pandemic that was subsequently repaid, amongst other items. On an absolute basis FY21's FCF pre-interest of £102.7m compares with FY20's £79.9m.

Exhibit 5: Summary cash flow (relative to revenue)

	FY15	FY16	FY17	FY18	FY19	FY20	FY21
Operating cash flow	**19.5%**	**20.5%**	**27.8%**	**31.7%**	**28.2%**	**38.7%**	**37.6%**
- Operating profit	13.8%	14.3%	24.2%	33.6%	31.6%	33.4%	43.0%
- Depreciation, amortisation and impairments	9.3%	8.8%	7.0%	5.5%	6.2%	9.5%	7.5%
- Working capital	(1.9%)	(0.6%)	(0.2%)	(2.0%)	(3.5%)	4.0%	(4.2%)
- Tax paid	(1.9%)	(2.2%)	(3.5%)	(5.5%)	(6.4%)	(8.4%)	(9.1%)
Investing cash flow	**(10.3%)**	**(10.7%)**	**(8.1%)**	**(9.7%)**	**(8.7%)**	**(9.1%)**	**(8.4%)**
- Capex	(5.7%)	(4.5%)	(3.4%)	(6.6%)	(5.3%)	(6.0%)	(4.9%)
- Intangibles	(0.8%)	(2.4%)	(1.1%)	(0.7%)	(0.7%)	(0.9%)	(0.8%)
- Capitalised development	(3.8%)	(3.9%)	(3.6%)	(2.4%)	(2.7%)	(2.2%)	(2.7%)
FCF pre-interest	**9.3%**	**9.9%**	**19.7%**	**21.9%**	**19.5%**	**29.7%**	**29.1%**

Source: Company accounts

At the end of FY21, the net cash position improved significantly to £85.2m from £52.9m. The FCF pre-interest of £102.7m funded dividend payments of £60.5m (FY20 £47.3m) and the repayment of lease liabilities of £10.9m. A 'working cash buffer' of three months' worth of working capital requirement alongside six months' worth of tax payments and capital expenditure has been set aside before deciding how much cash is truly surplus for the purpose of declaring dividends. Including lease liabilities of £47m, the net cash position at the end of FY21 was £38.2m.

Of note is the significant increase in GAW's return on capital employed in FY21 to 184% from 94% in FY20 due to the higher profitability and its lower capital base.

Outlook: Long-term focus

Management has not provided financial guidance for FY22 but will update on progress through the year. There is consistent messaging of focusing on the long term, and what is in its control. The uncertainty caused by COVID-19 and Brexit are highlighted; the latter disrupted sales in H221, but management believes it now has reliable cross-border service up and running.

Management list six priorities for FY22: investment in new product quality; ensuring new factories and warehouses deliver the appropriate cash back, staff training and development; growth in every country in the world, by channel and of licensing income; engagement with customers; and social responsibility has been added as a key focus.

Following the release of 40k, Indomitus in FY21, FY22 will benefit from the recent (June 2021) release of the third edition of Age of Sigmar, Dominion. Historically, Age of Sigmar's revenue is not as significant as that of 40K, as identified earlier, therefore when coupled with the tough comparative of FY21, it is unlikely that Games Workshop will be able to replicate FY21's growth rates.

With respect to licensing, several large franchises for video games will launch in the next 12 months and there are currently 15 video games in development.

Forecasts: More muted growth likely in FY22 and FY23

Following the publication of FY21 results, our forecasts for FY22 are broadly unchanged and we introduce estimates for FY23.

As highlighted, the launch of the third edition of Age of Sigmar, Dominion in FY22 should contribute lower incremental revenue than the launch of the ninth edition of 40K, Indomitus in FY21. In addition, in FY19 when the second edition of Age of Sigmar was launched, GAW's gross margin was 67.5% versus FY18's 71%, when the eighth edition of 40K was released. As Retail re-opens post COVID-19, its lower gross margin versus Trade and Online may dampen gross margin on a like-for-like basis.

In FY22, we forecast revenue growth of c 7% to £376.9m, a reduction in gross margin to 70% from 72.7% in FY21 to reflect lower expected margins from mix of products and channels. With limited growth in operating costs, we forecast an increase in operating profit before royalties of c 5% to £141.8m, a margin of 37.6%. We assume a modest increase in royalty income to £17m from £16.3m, and re-iterate the difficulty in forecasting this income, which represents pure incremental profit.

FY23 will continue to benefit from second-year sales of Dominion and other products, therefore we assume c 5% revenue growth to £395.3m. We assume a further reduction in gross margin to 69% in FY23 (from 70% in FY22) to reflect mix of products and channels. We assume 3% operating cost inflation, leading to c 4% growth in operating profit before royalty income. With stable y-o-y royalty income of £17m, this translates to PBT growth of c 3% to £164.1m.

Our DPS forecasts of 250p in FY22 and 275p in FY23 represent cash costs of £82.1m and £90.6m, versus our estimates of free cash flow post interest of £121.6m in FY22 and £127.9m in FY23.

Valuation: DCF-based valuation increased by c 8%

The roll forward of results and changes to our estimates leads to an increase in our DCF-based valuation of 8% to c £129 per share (from £120 per share). Our DCF assumes a WACC of 6.5% and terminal growth rate of 2% after 2031. The sensitivity of the DCF to changes in assumptions for WACC and terminal growth are highlighted below.

Exhibit 6: DCF sensitivity (p per share)

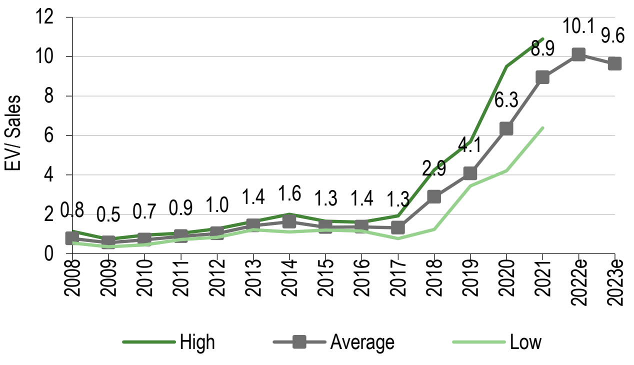
		Cost of capital				
		5.5%	**6.0%**	**6.5%**	**7.0%**	**7.5%**
Terminal growth	**1.0%**	13,929	12,443	11,229	10,221	9,370
	1.5%	15,212	13,427	12,002	10,839	9,872
	2.0%	16,861	14,658	12,947	11,580	10,465
	2.5%	19,061	16,240	14,127	12,487	11,177
	3.0%	22,139	18,349	15,645	13,620	12,047

Source: Edison Investment Research

In Exhibits 7 and 8 we show GAW's prospective EV/ sales (current EV) and P/E for FY22 and FY23 versus historic high, average and low multiples (historic EV) in those years. We exclude IFRS 16 debt so that the EV is comparable across time.

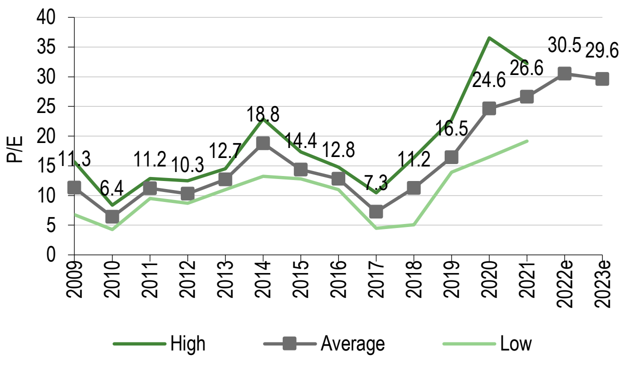
The EV/sales multiples for FY22 and FY23 of 10.1x and 9.6x compare with the long-term average since FY08 of 2.4x, which reflects the significantly higher growth prospects and profitability versus historically given management's focus on developing and growing the company's key properties. The prospective multiples compare with a recent high EV/sales multiple of 10.9x in FY21. Similarly, the prospective P/E multiples for FY22 and FY23 of 30.5x and 29.6x compare with a recent peak of 32.2x in FY21, and the FY20 peak multiple of 36.5x reflects the negative effects of COVID-19 on GAW's profitability.

Exhibit 7: GAW's EV/sales multiple (x)



Source: Games Workshop, Refinitiv, Edison Investment Research

Exhibit 8: GAW's P/E multiple (x)



Source: Games Workshop, Refinitiv, Edison Investment Research

Exhibit 9: Financial summary

Year-end May	£m	2015	2016	2017	2018	2019	2020	2021	2022e	2023e
		IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS	IFRS
INCOME STATEMENT										
Total revenues		119.1	118.1	158.1	221.3	256.6	269.7	353.2	376.9	395.3
Cost of sales		(37.0)	(37.4)	(43.7)	(64.2)	(83.3)	(89.1)	(96.3)	(113.1)	(122.5)
Gross profit		82.1	80.6	114.4	157.1	173.3	180.6	256.9	263.8	272.8
SG&A (expenses)		(67.2)	(69.7)	(83.6)	(92.4)	(103.4)	(107.4)	(121.5)	(122.0)	(125.7)
Other operating income/(expense)		1.5	5.9	7.5	9.6	11.4	16.8	16.3	17.0	17.0
Exceptionals and adjustments		0	0	0	0	0	0	0	0	0
EBITDA (excl royalties)		26.0	21.3	41.8	76.8	85.7	98.8	162.0	168.9	175.5
EBITDA		27.5	27.3	49.3	86.5	97.1	115.6	178.3	185.9	192.5
Depreciation and amortisation		(11.1)	(10.4)	(11.0)	(12.1)	(15.9)	(25.6)	(26.6)	(27.1)	(28.4)
Operating profit (before royalties and exceptionals)		14.9	10.9	30.8	64.7	69.8	73.2	135.4	141.8	147.1
Reported operating profit		16.5	16.9	38.3	74.3	81.2	90.0	151.7	158.8	164.1
Finance income/(expense)		0.1	0.1	0.1	(0.0)	0.1	(0.6)	(0.8)	(0.7)	(0.7)
Reported PBT		16.6	16.9	38.4	74.3	81.3	89.4	150.9	158.1	163.4
Income tax expense (includes exceptionals)		(4.3)	(3.5)	(7.9)	(14.8)	(15.5)	(18.1)	(28.9)	(30.3)	(31.3)
Adjusted net income		12.2	13.5	30.5	59.5	65.8	71.3	122.0	127.8	132.1
Reported net income		12.3	13.5	30.5	59.5	65.8	71.3	122.0	127.8	132.1
WASC (m)		31.975	32.093	32.126	32.258	32.438	32.602	32.733	32.827	32.928
Diluted average number of shares (m)		32.025	32.150	32.325	32.732	32.785	32.736	32.927	33.021	33.122
Reported EPS (p)		38.3	42.1	95.1	184.3	202.9	218.7	372.7	389.4	401.2
Reported diluted EPS (p)		38.3	42.0	94.5	181.6	200.8	217.8	370.5	387.1	398.8
Adjusted diluted EPS (p)		38.1	42.0	94.5	181.6	200.8	217.8	370.5	387.1	398.8
DPS (p)		52.0	40.0	74.0	126.0	155.0	145.0	235.0	250.0	275.0
Gross margin		69.0%	68.3%	72.4%	71.0%	67.5%	67.0%	72.7%	70.0%	69.0%
EBITDA margin (excl royalties)		21.8%	18.1%	26.5%	34.7%	33.4%	36.6%	45.9%	44.8%	44.4%
EBITDA margin (incl royalties)		23.1%	23.1%	31.2%	39.1%	37.8%	42.9%	50.5%	49.3%	48.7%
		12.5%	9.2%	19.5%	29.2%	27.2%	27.1%	38.3%	37.6%	37.2%
BALANCE SHEET										
Property, plant and equipment		22.7	22.6	22.1	30.1	35.3	42.0	49.8	58.7	67.6
Right-of-use assets							31.9	46.0	45.0	44.0
Goodwill		1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4	1.4
Intangible assets		8.3	10.5	12.9	14.2	16.0	17.6	23.7	29.7	35.2
Other non-current assets		4.8	4.1	6.5	7.8	11.7	16.4	16.4	16.4	16.4
Total non-current assets		37.2	38.7	43.0	53.5	64.4	109.3	137.3	151.2	164.6
Cash and equivalents		12.6	11.8	17.9	28.5	29.4	52.9	85.2	113.8	140.2
Inventories		7.6	8.5	12.4	20.2	24.2	20.7	27.5	32.3	35.0
Trade and other receivables		9.4	10.1	13.0	15.5	18.8	19.6	30.6	32.7	34.2
Other current assets		0.6	0.7	0.6	0.5	0.8	0.2	1.1	1.1	1.1
Total current assets		30.2	31.2	43.9	64.7	73.2	93.4	144.4	179.8	210.6
Trade and other payables		(13.1)	(12.8)	(16.5)	(20.3)	(19.2)	(30.3)	(35.4)	(38.7)	(40.9)
Borrowings		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Leases		0.0	0.0	0.0	0.0	0.0	(8.3)	(8.6)	(8.6)	(8.6)
Other current liabilities		(2.0)	(2.7)	(6.5)	(7.3)	(10.1)	(4.5)	(0.7)	(0.7)	(0.7)
Total current liabilities		(15.1)	(15.6)	(23.0)	(27.6)	(29.3)	(43.1)	(44.7)	(48.0)	(50.2)
Borrowings		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Leases		0.0	0.0	0.0	0.0	0.0	(23.8)	(38.4)	(37.5)	(36.6)
Other non-current liabilities		(0.8)	(1.1)	(1.0)	(1.2)	(1.9)	(2.1)	(2.3)	(2.3)	(2.3)
Total non-current liabilities		(0.8)	(1.1)	(1.0)	(1.2)	(1.9)	(25.9)	(40.7)	(39.8)	(38.9)
Net assets		51.5	53.2	62.8	89.3	106.5	133.7	196.3	243.2	286.0
CASH FLOW STATEMENT										
EBIT		16.5	16.9	38.3	74.3	81.2	90.0	151.7	158.8	164.1
Depreciation and amortisation		11.1	10.4	10.2	12.2	15.9	25.0	26.2	27.1	28.4
Impairments		0.0	0.0	0.8	(0.0)	0.0	0.6	0.4	0.0	0.0
Share-based payments		0.2	0.2	0.2	0.2	0.3	0.5	1.2	1.2	1.2
Other adjustments		0.1	0.1	0.1	0.1	0.3	0.3	0.1	0.0	0.0
Movements in working capital		(2.3)	(0.8)	(0.2)	(4.4)	(9.0)	10.8	(14.8)	(3.5)	(2.1)
Income taxes paid		(2.3)	(2.6)	(5.5)	(12.2)	(16.3)	(22.7)	(32.1)	(30.3)	(31.3)
Operating cash flow		23.3	24.2	43.9	70.1	72.5	104.5	132.7	153.4	160.3
Net capex and intangibles		(12.3)	(12.7)	(12.8)	(21.6)	(22.5)	(24.6)	(30.0)	(31.1)	(31.7)
Net interest		0.1	0.1	0.1	(0.0)	0.1	0.1	0.2	(0.7)	(0.7)
Net proceeds from issue of shares		0.7	0.3	0.1	0.9	0.7	0.8	1.4	0.0	0.0
Dividends paid		(16.6)	(12.8)	(23.8)	(38.7)	(50.3)	(47.3)	(60.5)	(82.1)	(90.6)
Other financing activities		0.0	0.0	(1.9)	0.0	0.0	(10.3)	(10.9)	(10.9)	(10.9)
Net cash flow		(4.8)	(0.9)	5.5	10.7	0.5	23.2	32.9	28.6	26.4
Opening cash and cash equivalents		17.6	12.6	11.8	17.9	28.5	29.4	52.9	85.2	113.8
Currency translation differences and other		(0.2)	0.1	0.6	(0.1)	0.3	0.3	(0.6)	0.0	0.0
Closing cash and cash equivalents		12.6	11.8	17.9	28.5	29.4	52.9	85.2	113.8	140.2
Closing net cash (including leases)		12.6	11.8	17.9	28.5	29.4	20.8	38.2	67.7	95.0

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