

ULTA – Investment Memo

“Most of the time we’re picking up the pieces after a high-growth company hits the wall at 80 miles per hour. Public markets can actually conspire to screw companies up. When you’re growing fast, you get this big P/E and soon you have the wrong investors with ridiculous expectations.” Jeff Ubben, 1.31.06

Recommendation:

Long ULTA at \$208 (last close) in small size with the goal of building a full position at a sub-\$200 basis. Intra-quarter newsflow for ULTA will likely continue to be negative (Amazon & concerns over promotional intensity) and should provide opportunities to average down in the stock.

Summary Financials:

ULTA											
Summary Financials - FY End 1/31											
TRADING STATISTICS				SUMMARY FINANCIALS							
Price	\$207.90			Revenue	2,670.6	3,241.4	3,924.1	4,854.7	5,884.5	6,714.5	7,618.6
Diluted Shares	62.7			EBITDA	433.9	542.2	671.4	865.1	1,038.0	1,143.5	1,281.3
Market Cap	13,033.7			EPS	\$3.15	\$3.98	\$4.98	\$6.52	\$8.97	\$10.83	\$12.49
Net Debt (Cash)	(133.1)			FCF	83.1	147.6	76.7	260.9	337.5	566.2	629.1
Enterprise Value	12,900.6			FCF/Share	\$1.29	\$2.28	\$1.19	\$4.15	\$5.45	\$9.42	\$10.82
EPS Valuation	Bear	Base	Bull	Gross Margin %	35.2%	35.1%	35.3%	36.0%	35.6%	35.6%	35.5%
2019 EPS	\$10.51	\$12.49	\$13.31	EBITDA Margin %	16.2%	16.7%	17.1%	17.8%	17.6%	17.0%	16.8%
P/E Multiple	17.0x	21.0x	23.0x								
Share Price	\$178.67	\$262.33	\$306.13	Revenue Growth y/y %		21.4%	21.1%	23.7%	21.2%	14.1%	13.5%
Upside/(Downside)	(14.1%)	26.2%	47.2%	EBITDA Growth y/y %		25.0%	23.8%	28.9%	20.0%	10.2%	12.0%
Probability	25.0%	50.0%	25.0%	EPS Growth y/y %		26.4%	25.2%	31.0%	37.6%	20.7%	15.4%
Probability-Weighted Value:			\$252.37	P/E			41.7x	31.9x	23.2x	19.2x	16.6x
Upside:			21.4%	EV/EBITDA			19.2x	14.9x	12.4x	11.3x	10.1x
				FCF Yield %			0.6%	2.0%	2.6%	4.5%	5.2%
				ROIC	20.2%	20.5%	22.1%	26.4%	31.2%	31.7%	30.2%

Summary Thesis & Risk/Reward:

- Following severe multiple compression (40x NTM P/E to sub-20x today) ULTA has completed the painful transition from growth to value/GARP. 2018’s guidance rebase has finally provided an entry point with skewed risk/reward and sets the stock up well for beat-and-raises.
- ULTA’s valuation stands out as mispriced both on an absolute basis (SSS%, growth runway and levers to boost ROIC) and relative basis (versus both the retail sector and the market writ large). **Barring a collapse in SSS%, ULTA offers a margin of safety at just north of a market multiple, with best-in-class management paired with SSS%/EPS drivers in their unit growth opportunity and an underlevered balance sheet.**
- At the most basic level: ULTA is a “very, very good” business, a secular share gainer in a fast-growing and fragmented industry. For the past few years ULTA was mispriced and being valued as an “unstoppable” business, driven by a flawed view that any brick & mortar retailer can comp mid-teens in perpetuity. Today, ULTA is valued as “barely above-average” and sentiment has turned overly draconian on the business. **Growth stocks tend to overshoot in both directions as investors over-extrapolate recent results and bears will certainly overstay their welcome here.**

- **Risk-Reward:** At \$208 the range of outcomes for ULTA is skewed higher. Near-term, bears are playing for continued deceleration in SSS%, which would likely hit the multiple more than actual earnings and result in a ~\$190 stock (18x 2018 EPS or 10% down). If ULTA is able to stabilize SSS% and raise guidance, the multiple will follow and the upside scenarios become extremely compelling; anywhere from 21-25x EPS (still well below historical average) yields 15-50% upside.
- **On a probability-weighted basis** and using 2019 numbers for valuation (i.e. NTM valuation at year-end 2018) ULTA offers ~20% upside with home run potential (~50%) if comps reaccelerate.

EPS Valuation	Bear	Base	Bull
2019 EPS	\$10.51	\$12.49	\$13.31
P/E Multiple	17.0x	21.0x	23.0x
Share Price	\$178.67	\$262.33	\$306.13
Upside/(Downside)	(14.1%)	26.2%	47.2%
Probability	25.0%	50.0%	25.0%
Probability-Weighted Value:			\$252.37
<i>Upside:</i>			21.4%

Near-Term Stock Setup & Event Path:

- Sizing is best kept moderate initially, as intra-quarter newsflow/headline risk will likely skew more negative than positive. Additionally, the data for ULTA is historically unreliable (both credit card data and Nielsen/NPD have low R-squared to reported SSS%) which limits visibility on how the business is tracking between prints. Beyond the intense focus on SSS%, ULTA's gross margins have become a tension point for the stock and are difficult to forecast with accuracy. As a result, it is best to be picky on ULTA's entry and demand valuation support.
- However, these same factors (lack of visibility) offer the opportunity to monetize the long on prints, particularly given depressed sentiment. ULTA's management is some of the best in retail and the category itself remains strong, which helps give conviction in staying long thru earnings despite being unable to easily forecast the moving parts of ULTA's P&L. Finally, ULTA has been ahead of the game on reinvestment (SG&A and capex) and is likely to get aggressive on share repurchases at current levels given low pressing cash needs and enhanced FCF post-tax reform.

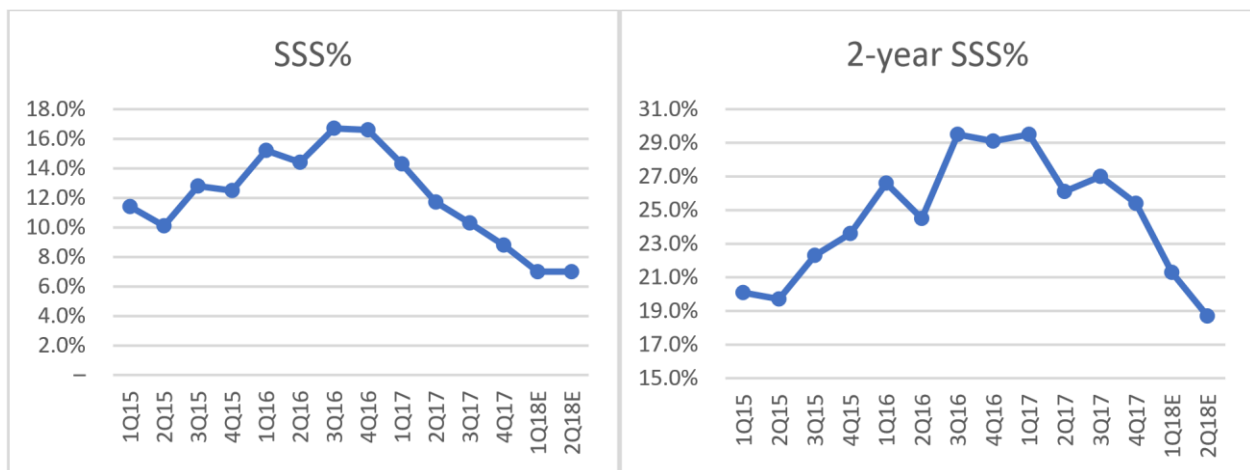
Key Investment Factors

- **ULTA's 1Q/FY18 guidance was crucial in de-risking the long setup.**
 - ULTA is cheap by all measures of value, yet it has been 'cheap-ish' for a year now and was still a great short. With 2018 SSS% re-based to 6-8% (versus historical 8-10%) and operating margins guided down 50-70 bp y/y, management has 'taken their medicine' and removed a key tenet of the bear case: that 2018 numbers needed to come down.
 - **It is important to pay attention to ULTA's 1Q'18 guide;** Historically, ULTA has guided to a 200 bp range for SSS%. For 1Q'18, management guided to 6-7% SSS%. The decline in ULTA's stock began in 2Q'17 when they missed the high end of their guide for the first time in years, followed by a string of disappointing results and the stock shedding ~40% of market cap. Management is likely to be overly conservative with guidance to avoid a similar outcome and has also pulled their EBIT margin target to provide flexibility.

Below: recent earnings surprise history, with ULTA's price action dictated primarily by SSS% rather than earnings. Note that 4Q was ULTA's first outright earnings miss in five years yet led to a relief rally.

	Ann Date	Per	Per End	C	Reported	Comp	Estimate	%Surp	Guidance	%Guid	Surp	%Px Chg
Average of Absolute Values								12.36%			17.28%	9.50%
11)	03/14/2019	Q4 19	01/19				3.510					
12)	11/21/2018	Q3 19	10/18				2.306					
13)	08/30/2018	Q2 19	07/18				2.475					
14)	05/24/2018	Q1 19	04/18				2.475					
15)	03/15/2018	Q4 18	02/18		2.766	2.750	2.787	-1.33%	~2.755	-0.18%	7.64%	
16)	11/30/2017	Q3 18	10/17		1.735	1.733	1.665	4.11%	~1.655	4.74%	-4.12%	
17)	08/24/2017	Q2 18	07/17		1.837	1.838	1.776	3.49%	~1.745	5.33%	-9.14%	
18)	05/25/2017	Q1 18	04/17		2.067	2.048	1.801	13.74%	~1.775	15.41%	3.19%	
19)	03/09/2017	Q4 17	01/17		2.264	2.240	2.135	4.92%	~2.105	6.41%	4.62%	
20)	12/01/2016	Q3 17	10/16		1.432	1.429	1.375	3.92%	~1.365	4.68%	-1.56%	
21)	08/25/2016	Q2 17	07/16		1.460	1.463	1.397	4.72%	~1.345	8.77%	-6.12%	
22)	05/26/2016	Q1 17	04/16		1.458	1.450	1.291	12.32%	~1.275	13.73%	9.11%	
23)	03/10/2016	Q4 16	01/16		1.701	1.690	1.536	10.03%	~1.505	12.29%	17.28%	

- While downside from current levels is limited, for the stock to work higher ULTA needs to show that comps have stabilized. Hitting the high end of their 1Q guide (7%) or better yet beating it will help, but 2Q's guidance is likely to matter more. Below are ULTA's recent comp trends (1Q/2Q'18 estimated at 7% SSS%) and the resulting 2-year stack:

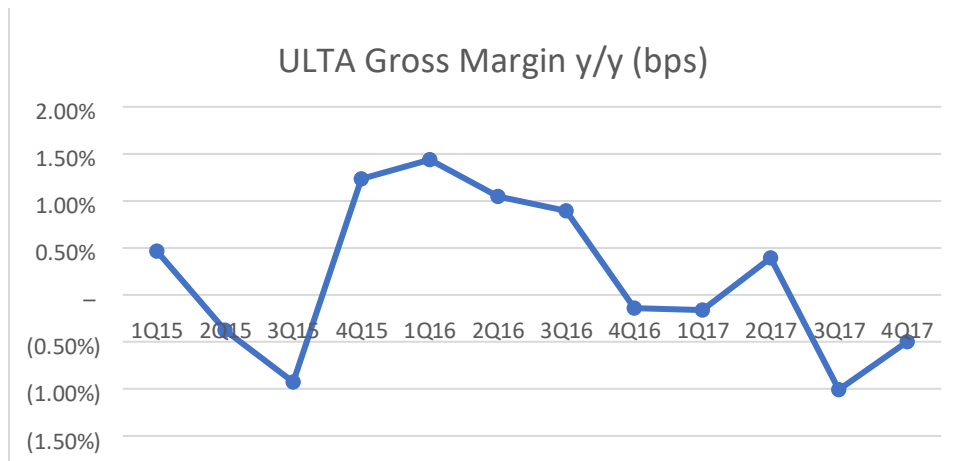


- Note that if ULTA comps 7% in 1Q and guides to 2Q stabilization (another 7%) in 2Q, the 2-year stack still decelerates sequentially by ~250 bps and gives fuel to the bear case that the business is deteriorating. **ULTA will need to guide to 9-10% to stabilize the 2-year**, which should help the stock regain some of its former multiple.
- While this is by no means a given, the street isn't there regardless and there are a handful of factors potentially working in ULTA's favor. The category and the general consumer backdrop appear healthier y/y, with ULTA's target demographic benefitting heavily from tax reform and thus spending more on discretionary goods. More importantly, ULTA's new store productivity is accelerating – ULTA should be able to get ~500-600 bps of comp alone from new store contribution and so 100-200 bps of contribution each from e-com and from their mature store base should get them into the 900-1000 bp range.

Below: ULTA's new store productivity trends (4Q17 adjusted lower for extra week)



- In addition to SSS% upside, ULTA needs to hold gross margins to disprove the notion that they're buying the comp. 2Q'17 is a difficult compare (illustrated below) but gross profit comps ease into 3Q'18 as ULTA, like the rest of the sector, was affected negatively by hurricanes. Holding gross margins flat beyond 2018 should be doable despite the structural gross margin headwind from e-commerce fulfillment. Recent datapoints and commentary from competitors and vendors (department stores/EL) support the view that the industry is growing more rational on price, and vendors are stepping in to restrict unplanned promotions at department stores.



- **Overall**, while forecasting ULTA's SSS% is tougher than for others in the space, paying ~\$200 for stock ensures that the payoff for being right outweighs the downside from being wrong, and ULTA's compares continue to ease regardless as the year progresses (lapping 10.3%/8.8% in 3Q/4Q respectively). If ULTA is able to meet or beat their lowered SSS% guidance, the stock should attract incremental interest from both long-onlies (who can point to a fundamental bottom/inflection) and from faster-money funds (who, for lack of a more generous description of their investment process, will buy the stock now that it has stopped going down).

- **Other portfolio considerations & potential hedges:** ULTA has no true peers beyond SBH, which is a challenged business and most likely a factor mismatch. The best and most liquid comps would be the off-price space; high-multiple (18-20x) and high-quality businesses with LSD% SSS%, MSD% unit growth and comparable margin profiles. Again, while ULTA's valuation stands out as 'too cheap' relative to the off-price basket, shorting TJX against ULTA should help protect downside in a scenario where multiples compress across the sector.

Consensus View & Variant View:

For ULTA, it is important to differentiate between the consensus view as measured by the street and the consensus view as measured by the market-implied expectations of the stock.

- The street is still overwhelmingly bullish despite ULTA's 40% decline peak-to-trough, with 18 buys, 9 holds and 0 sells. Many analysts still have 12-month price targets close to \$300 which comes across as wholly unrealistic given that fundamentals have decelerated. Bears will point to this as "sentiment is still too bullish," which on its own would be a true statement.

Ulta Beauty Inc		
Consensus Rating		▲ 4.33
Buys	66.7%	18
Holds	33.3%	9
Sells	0.0%	0

- However, the consensus street view is at odds with what is baked into the stock, with most of the variance driven by the multiple this business should garner. At sub-20x, ULTA is not priced in-line with what its fundamentals would suggest (mid-teens top-line & 20%+ EPS growth). The bear case 'consensus' based on current valuation is that ULTA's business will continue to deteriorate rapidly and that ULTA is a 10-15% EPS grower rather than 15-20%+.

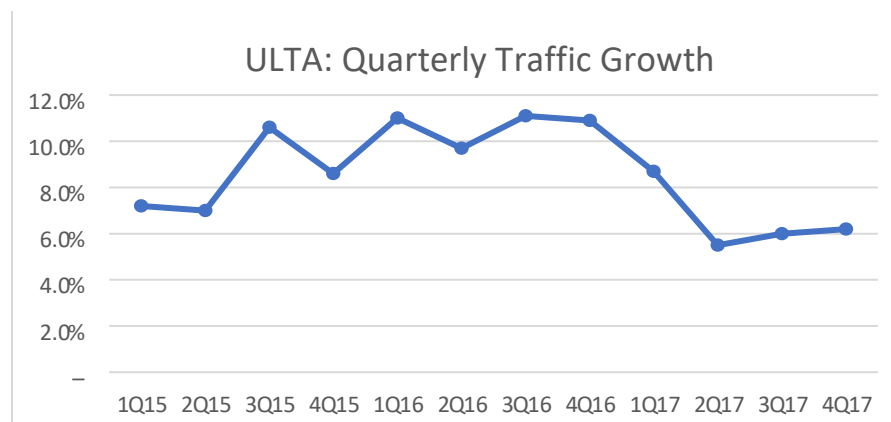
(Below: ULTA NTM P/E compression, 3-year timeframe)



Variant View / Why Does The Opportunity Exist?:

Bears claim ULTA is expensive without discussing whether it is expensive for a reason. To be fair, paying 35-40x for a brick & mortar retailer is poor process and tends to be a recipe for losing money. However, at just north of a market multiple (~20x forward) ULTA has become too cheap relative to the quality of the business for the following reasons:

- **High-single digit comps paired with 50-60% e-commerce growth.**
 - As the majority of retail can attest, making the 'omnichannel shift' without overly cannibalizing in-store sales is a hard balance to strike, and ULTA is peerless in their ability to comp MSD%/HSD% while growing e-commerce 50-60% y/y (LTM). It is critical to note that ULTA's comps are driven primarily thru traffic rather than by price:



- This supports management's claim that e-commerce is largely incremental to sales:
 - ✦ **6/20/17** "...e-commerce, we have found to be largely incremental. We only have 8.6% of our loyalty members that in the last 12 months have shopped online and in-store, so there's opportunity there. Our omni-channel guests are our best guests. They buy almost three times more than retail-only guests".
- Without delving into a full sum-of-the-parts analysis (flawed given some degree of cannibalization) it is likely the standalone ULTA e-commerce asset is worth well in excess of what the current valuation ascribes.



- Beyond recent trends, ULTA should be able to eventually achieve 30-40% ecommerce penetration, in-line with their competitor Sephora. Last, there should be a synergistic element to omnichannel as ULTA continues to grow their store base, with more square footage leading to increased awareness of the ULTA brand and providing a further boost to e-commerce sales.
- Underlevered balance sheet provides optionality.**
 - ULTA carries no debt and is south of 2.0x on a net debt/EBITDAR basis. While not baking this into base case balance sheet forecasts, substantial earnings upside could be driven solely thru optimizing ULTA's capital structure.
 - Adding \$1B of debt (putting them at just ~1.0x net debt/EBITDA) would be enough to instantly repurchase 8% of market cap.
 - Alternatively, the proceeds could be used to boost the dividend north of a 2% yield and open up the stock to a new shareholder base (income investors).
- Duration of growth runway** ○ Beyond capital return, ULTA is blessed in that they have an avenue to deploy free cash (store growth) where ROIC (~30%) exceeds current ROIC and vastly exceeds ULTA's cost of capital.

Below: ULTA's new store economics, which carry a sub-two year payback period

Highly Productive New Store Model			
NET COST TO OPEN A NEW 10,000 SQ FT STORE: \$1.6 MILLION			
Leasehold and Fixtures	Inventory	Pre-Opening Expense	Total Investment
\$1.5M Gross	\$1.0M	\$0.1M	\$2.6M Gross
-\$0.7M Landlord Contributions	-\$0.3M Accounts Payable		-\$1.0M
\$0.8M Net	\$0.7M Net	\$0.1M	\$1.6M Net
PAYBACK PERIOD = ~TWO YEARS			



- ULTA now has just shy of 1,100 stores and management sees room to increase the store base by another 30-60% off current levels. At only \$5.5B in revenue, ULTA is still below 5% share of the ~\$140B U.S. beauty market.



- As a back of the envelope exercise, valuing the store base at maturity (3-5 years out) with conservative assumptions yields that the enterprise is approximately fairly valued at the low end, with potential for a double at the high end.

	<u>Low</u>	<u>Mid</u>	<u>High</u>
Stores At Maturity	1,400	1,550	1,700
Sales/Store	\$6.00	\$6.50	\$7.00
Total Revenue	8,400	10,075	11,900
EBIT Margin %	14.0%	15.0%	16.0%
EBIT	1,176	1,511	1,904
EBIT Multiple	12.0x	14.0x	16.0x
Enterprise Value	14,112	21,158	30,464
Up/Down %	9.4%	64.0%	136.1%

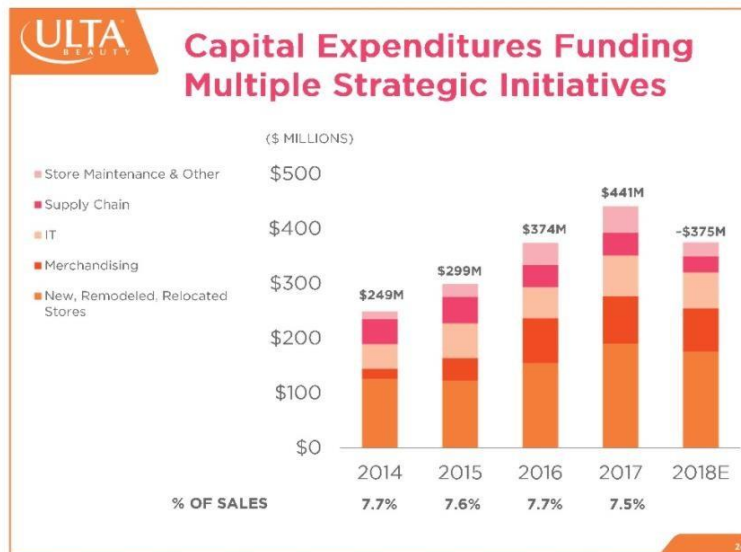
- **Best-in-class management & time horizon arbitrage:**

- ULTA's management is widely regarded as some of the best in the industry. No factor speaks louder than shareholder return, and since Mary Dillon's arrival in 2013, ULTA's returns have outpaced both the market and the XRT by a wide margin (~160% vs 70% S&P and 25% XRT).



- Part of the recent sell-off in ULTA is driven by the street's myopic focus on SSS%. In an often-promotional industry, Dillon generally refuses to sacrifice margin for comp, which hurts SSS% in the near-term but preserves the health of the business long-term as it prevents consumers from becoming trained to shop on deal.
- Most recently, ULTA took the opportunity during their rebase of 2018 guidance to implement a handful of initiatives which will depress current year margins but increase the business' long-term competitive position. In an industry where most retailers are struggling to make their current year EPS, ULTA's far-reaching mentality merits attention and is deserving of a premium multiple.

Below: ULTA has spent hundreds of millions in growth capex over the years and is late in their omnichannel buildout, compared to peers who are now just using tax reform proceeds to play catch-up.



Invert: When does ULTA become a short?

- Inverting the situation, the bear case at current levels has become unattractive. In 2017 the short pitch relied on the fact that numbers for next year were too high. Now that they've been taken down below street (leading to the stock trading higher on 'bad news') bulls can point to FY1 as an 'investment year' and shift to the narrative to FY2 numbers where the stock is trading at a discount to the market (17x EPS).
- Getting paid on prints from the short side here requires ULTA to comp below their conservative guidance or to comp in-line but with severe margin pressure. This is a tough ask especially in what appears to be a strong consumer backdrop where a rising tide lifts all ships.
- Aside from betting on continued comp deceleration, anecdotes from sell-side research YTD support the notion that the short thesis has played out.
 - (1/18/2018) Deutsche Bull/Bear Debate: "How bears win: The outright bears believe comps continue to compress especially as department stores now seem to be fighting back a bit harder, making the space more competitive still. The combination of slowing comps and slowing EBIT growth leads to lower EPS growth and a multiple in the 16x - 18x range. In this scenario, with comps slowing to 5% in 2018 and 2019, and margin growth slowing to where we would assume a 14% operating margin for 2019, our bear case model shakes out to EPS of closer to \$13.35 (assuming no incremental buybacks above and beyond our current model). **A 16x multiple on this bear case 2019 EPS estimate drives an implied value of \$220, about 10% below current levels.**"
- Risk/reward flips better to the short side north of \$250, assuming that upside has been driven by sentiment rather than SSS% inflecting / earnings revisions.

Appendix A: Model Output

A. Summary Financials

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P/E Multiple	17.0x	21.0x	23.0x		FCF/Net Income %	41.0%	57.4%	24.0%	63.7%	60.8%	87.1%	86.7%
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Probability	25.0%	50.0%	25.0%		EBITDA Growth y/y %		25.0%	23.8%	28.9%	20.0%	10.2%	12.0%
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Probability-Weighted Value:				\$252.37								
Upside:				21.4%	P/E			41.7x	31.9x	23.2x	19.2x	16.6x
					EV/EBITDA			19.2x	14.9x	12.4x	11.3x	10.1x
					FCF Yield %			0.6%	2.0%	2.6%	4.5%	5.2%

D. Balance Sheet

ULTA	2015	1Q	2Q	3Q	4Q	2016	1Q	2Q	3Q	4Q	2017	1QE	2QE	3QE	4QE	2018E	2019E
Earnings Model - FY End 1/31	1/31/16	4/30/16	7/31/16	10/31/16	1/31/17	1/31/17	4/30/17	7/31/17	10/31/17	1/31/18	1/31/18	4/30/18	7/31/18	10/31/18	1/31/19	1/31/19	1/31/20
BALANCE SHEET																	
Cash/Equivalents	345.8	239.3	194.1	133.1	385.0	385.0	321.7	92.9	46.8	277.4	277.4	228.7	202.1	139.7	443.7	443.7	672.8
Short-term Investments	130.0	130.0	110.0	110.0	30.0	30.0	150.0	180.0	60.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0	120.0
Accounts Receivable	65.0	54.1	56.0	65.7	88.6	88.6	62.9	67.6	82.9	99.7	99.7	73.4	79.0	96.6	108.6	108.6	127.4
Inventory	761.8	843.5	930.2	1,137.0	944.0	944.0	1,048.4	1,144.7	1,349.7	1,096.4	1,096.4	1,225.0	1,340.2	1,577.8	1,193.7	1,193.7	1,400.6
Prepaid/other	72.5	71.6	82.7	85.6	88.6	88.6	89.9	98.2	101.4	98.7	98.7	104.8	114.8	118.1	107.4	107.4	126.1
Current Assets	1,375.2	1,338.4	1,376.1	1,538.5	1,536.2	1,536.2	1,673.0	1,592.5	1,646.3	1,693.7	1,693.7	1,753.5	1,857.6	2,053.6	1,975.0	1,975.0	2,448.4
Net PP&E	847.6	870.8	919.6	1,001.9	1,004.0	1,004.0	1,020.9	1,095.1	1,172.7	1,189.5	1,189.5	1,210.3	1,231.0	1,251.7	1,274.7	1,274.7	1,347.0
Deferred comp plan/Other	8.1	9.7	10.1	10.8	11.3	11.3	13.8	14.6	15.9	25.5	25.5	25.5	25.5	25.5	25.5	25.5	25.5
Total Assets	2,230.9	2,218.9	2,305.8	2,551.2	2,551.5	2,551.5	2,707.6	2,702.2	2,834.9	2,908.7	2,908.7	2,989.3	3,114.1	3,330.8	3,275.1	3,275.1	3,821.0
Accounts Payable	196.2	266.3	285.2	425.1	259.5	259.5	319.4	313.5	447.3	325.8	325.8	373.1	367.0	522.9	354.7	354.7	416.1
Accrued Liabilities	187.4	179.3	205.9	229.6	260.9	260.9	210.4	256.8	266.4	302.3	302.3	245.8	300.6	311.5	329.1	329.1	386.2
Current Liabilities	396.2	495.7	492.2	654.6	529.3	529.3	584.3	570.3	714.7	642.2	642.2	633.0	681.8	848.4	697.9	697.9	816.4
Deferred rent	321.8	330.1	345.4	361.7	366.2	366.2	372.5	387.7	400.5	407.9	407.9	435.2	453.9	468.1	444.1	444.1	521.1
Deferred taxes	59.5	60.0	58.5	62.7	86.5	86.5	86.8	85.2	78.6	59.4	59.4	59.4	59.4	59.4	59.4	59.4	59.4
Other long-term liabilities	10.5	13.4	17.7	20.1	19.6	19.6	22.4	23.7	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Total Liabilities	788.0	899.3	913.9	1,099.1	1,001.6	1,001.6	1,065.9	1,066.9	1,218.8	1,134.5	1,134.5	1,152.6	1,220.0	1,401.0	1,226.4	1,226.4	1,421.9
Total Equity	1,442.9	1,319.7	1,391.9	1,452.1	1,550.2	1,550.2	1,641.7	1,635.4	1,616.1	1,774.2	1,774.2	1,836.6	1,894.0	1,929.8	2,048.6	2,048.6	2,399.0

E. Cash Flow Statement

ULTA	2015	1Q	2Q	3Q	4Q	2016	1Q	2Q	3Q	4Q	2017	1QE	2QE	3QE	4QE	2018E	2019E
Earnings Model - FY End 1/31	1/31/16	4/30/16	7/31/16	10/31/16	1/31/17	1/31/17	4/30/17	7/31/17	10/31/17	1/31/18	1/31/18	4/30/18	7/31/18	10/31/18	1/31/19	1/31/19	1/31/20
CASH FLOW																	
Net Income	320.0	92.0	90.0	87.5	140.2	409.8	128.2	114.2	104.6	208.2	555.2	156.9	151.9	128.8	212.5	650.0	726.0
D&A	165.0	47.9	49.7	53.5	59.3	210.3	62.5	62.5	62.7	65.0	252.7	72.9	73.1	73.0	70.8	289.8	327.6
Deferred income tax	5.8	0.5	(1.5)	4.2	23.8	27.0	0.3	(1.6)	(6.5)	(19.3)	(27.1)	-	-	-	-	-	-
SBC	15.6	4.0	4.8	5.3	5.1	19.3	5.5	5.5	7.0	6.4	24.4	5.5	5.5	7.0	6.4	24.4	24.4
Working Capital	(124.8)	25.0	(91.7)	(46.0)	81.5	(31.2)	(22.8)	(136.9)	(60.9)	186.1	(34.5)	(90.3)	(63.4)	(77.5)	208.2	(23.0)	(48.9)
Cash From Operations	375.9	166.9	52.7	103.4	311.7	634.7	175.3	43.0	110.3	449.7	778.2	145.0	165.6	131.3	499.3	941.2	1,029.1
Capex	(299.2)	(54.3)	(95.3)	(131.6)	(92.5)	(373.7)	(76.8)	(116.2)	(144.0)	(103.7)	(440.7)	(93.8)	(93.8)	(93.8)	(93.8)	(375.0)	(400.0)
Other	20.2	-	20.0	-	80.0	100.0	(120.0)	(30.0)	120.0	(60.0)	(90.0)	-	-	-	-	-	-
Cash from Investing	(279.0)	(54.3)	(75.3)	(131.6)	(12.5)	(273.7)	(196.8)	(146.2)	(24.0)	(163.7)	(530.7)	(93.8)	(93.8)	(93.8)	(93.8)	(375.0)	(400.0)
Repurchase	(167.4)	(226.7)	(25.8)	(44.5)	(47.3)	(344.3)	(51.6)	(126.4)	(131.0)	(58.6)	(367.6)	(100.0)	(100.0)	(100.0)	(100.0)	(400.0)	(400.0)
Stock options exercised	19.6	6.2	2.2	7.8	0.1	16.3	11.8	1.3	1.8	1.2	16.2	-	-	-	-	-	-
Purchase of treasury shares	(2.0)	(1.9)	(0.5)	(0.3)	(0.1)	(2.8)	(2.5)	(1.5)	(0.2)	(0.0)	(4.2)	-	-	-	-	-	-
Cash from Financing	(140.2)	(219.2)	(22.6)	(32.8)	(47.2)	(321.8)	(42.3)	(126.5)	(129.4)	(57.4)	(355.1)	(100.0)	(98.5)	(100.0)	(101.5)	(400.0)	(400.0)
Net Change	(43.3)	(106.6)	(45.2)	(61.0)	251.9	39.2	(63.7)	(229.8)	(43.1)	228.6	(107.6)	(48.8)	(26.6)	(62.4)	304.0	166.2	229.1
Cash: BOP	389.2	345.9	239.3	194.1	133.2	345.9	385.1	321.3	91.5	48.5	385.1	277.5	228.7	202.1	139.7	277.5	443.7
Cash: EOP	345.9	239.3	194.1	133.2	385.1	385.1	321.3	91.5	48.5	277.0	277.5	228.7	202.1	139.7	443.7	443.7	672.8