Vinati Organics Ltd.	
No. of shares (m)	102.8
Mkt cap (Rscrs/$m)	13118/1779
Current price (Rs/$)	1276/17.3
Price target (Rs/$)	1072/14.5
52 W H/L (Rs.)	1355/651
Book Value (Rs/$)	131/1.8
Beta	0.7
Daily NSE volume (avg. monthly)	321670
P/BV (FY21e/22e)	8.7/7.4
EV/EBITDA (FY21e/22e)	29.8/24.9
P/E (FY21e/22e)	45.7/38.1
EPS growth (FY20/21e/22e)	18.2/-14.0/19.9
OPM (FY20/21e/22e)	40.3/39.4/36.8
ROE (FY20/21e/22e)	29.3/20.7/21.0
ROCE (FY20/21e/22e)	29.3/20.8/21.1
D/E ratio (FY20/21e/22e)	0.0/0.0/0.0
BSE Code	524200
NSE Code	VINATIORGA
Bloomberg	VO IN
Reuters	VNTI.BO

Shareholding pattern %	
Promoters	74.1
MFs / Banks / FIs	6.2
Foreign Portfolio Investors	5.1
Govt. Holding	0.0
Total Public	14.7
Total	**100.0**

As on June 30, 2020.

Recommendation

REDUCE

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Company Brief

VOL manufactures niche specialty chemicals with an integrated business model and attempts to offer the highest purity levels globally.

Quarterly Highlights

- Shutdowns for some part of the first quarter, resulting in sub-optimal capacity utilizations impacted revenue from operations as it declined 21.7% y-o-y in the first quarter this fiscal to Rs. 231.57 cr. Demand for ATBS, their marquee product was lower in the first quarter, not least due to forced closures, and possibly due to lower demand from oil industry due to stunted crude oil prices. There was strong demand for Ibuprofen this quarter gone by, leading to higher revenues from IBB their second highest revenue generating product.
- ATBS revenue share contracted in the quarter gone by from the same period last year. This is primarily due to synchronized global demand slowdown for ATBS owing to reduced demand by the oil and gas industry (globally oil and gas industry contributes 25-30% of ATBS demand).
- Lower raw material as percentage of sales (36.6% in Q1FY21), down almost 500 bps y-o-y partially due to lower crude oil prices did not manage to limit the downturn, with operating profit declining 22.5% to Rs. 97.18 cr in the first quarter this fiscal from Rs. 125.35 cr in the same period a year ago. Rise in depreciation was almost counterbalanced by higher other income resulting in PBT falling 23.5% y-o-y. Decline in taxes saved profit after tax, falling by 12.2% y-o-y to Rs. 72.30 cr.
- The stock currently trades at 45.7x FY21e EPS of Rs 27.95 and 38.1x FY22e EPS of Rs 33.50. The company faces huge product concentration risk (around 75% of revenues come from sales of ATBS and IBB). In an attempt to overcome this challenge, company came up with Butyl Phenol (revenue potential at full capacity of Rs. 400 cr) to widen the product portfolio. Growth will be invigorated by modest industry growth and better capacity utilization at the company's new plants of butyl phenols, PTBBA and 4 specialty chemicals which we expect will take 2-3 years to reach full capacity. Net profit is expected to grow by a handsome 19.9% next fiscal propelling ROE to 21%. On balance, we assign 'reduce' rating on the stock with a target of Rs 1072 (previous target: Rs 832) based on 32x FY22e earnings over a period of 12 months. The current valuation discounts FY20's free cash flows at a perpetual growth rate of 7.9%; no small by any stretch of imagination.

Standalone (Rs crs)	FY18	FY19	FY20	FY21e	FY22e
Income from operations	729.68	1127.92	1028.87	1006.84	1290.64
Other Income	30.70	30.17	44.99	34.42	40.19
EBITDA (other income included)	228.91	454.80	459.87	431.41	514.96
Profit after EO	143.90	282.49	333.82	287.24	344.31
EPS(Rs)*	13.97	27.48	32.48	27.95	33.50
EPS growth (%)	2.8	96.7	18.2	-14.0	19.9

*adjusted for stock split

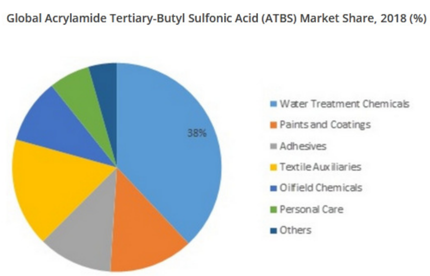
Outlook & Recommendation

ATBS and Specialty Chemicals Industry Overview

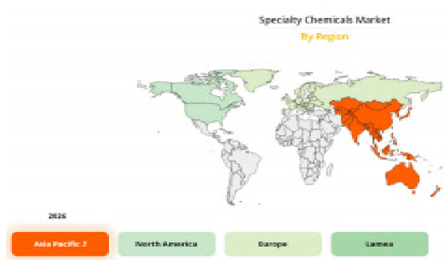
According to latest estimates by Market Research Future published in September '20, the demand for ATBS is projected to grow at a CAGR of 12% from 2020-2025. The critical demand-side drivers identified for ATBS market include its increasing use as water treatment chemicals, textile auxiliaries, paints & coatings and oilfield chemicals. Among these end-use applications, the expanding use of ATBS in water treatment is anticipated to have a considerable impact on the market growth for ATBS globally. With growing industrialization, the need for zero liquid discharge is increasing which has led to the adoption of reverse osmosis (RO) membranes and other processes to enable plants to reuse and recycle water. This is expected to lead to the increased use in water treatment plants, thus growing the demand for ATBS.

Asia-Pacific accounted for the largest market share on the backdrop of high demand for ATBS from major end-use industries. Presence of prominent and largest manufacturers in the region can be further attributed to the growing demand in the region. Furthermore, the growing textile industry in Southeast Asia and increasing oil exploration activities are expected to drive the demand for ATBS in Asia-Pacific during the forecast period.

North American market for ATBS accounted for the second-largest market share, followed by the European market. Growing exploration activities in the US and Canada and presence of paints and coatings producers in the region can be attributed to the growing demand in these regions.



Source: MRFR Analysis



Source: Allied Market Research

Source: Prescient Strategic Intelligence

The global specialty chemicals market is estimated to grow at a CAGR of 5% from 2020 to 2027 according to latest estimates from PRNewswire published in July 2020. Pharmaceutical ingredients represented the largest market share of specialty chemicals in 2019 and are projected to continue this trend over the forecast period. This dominance of the pharmaceutical segment is attributed to its widespread use of specialty chemicals in various drugs and medicines. Asia-Pacific holds the largest specialty chemicals market share of 36.0 percent. This is due to the presence of key emerging economies like China, India, and Japan. China was the largest market of specialty chemicals in Asia, followed by India.

An increase in population base, along with a rise in demand for food, is creating the need for specialty agrochemicals for better crop production and protection. Furthermore, with an increase in urbanization and industrialization, there is a decrease in agricultural land, leading to growth in demand for agrochemicals to increase the crop yield. This demand is expected to drive the growth of the specialty chemicals market size during the forecast period.

Recent report published by Grand View Research in July estimated that global specialty chemicals market size is expected to grow at a CAGR of 3.7% from 2020 to 2027 driven mainly by growing demand for high performance and functional chemicals. These are mainly used in end use industries like oil & gas, paper and personal care products. Increasing disposable income and growing population are some of the reasons highlighted for the industry growth. Manufacturer's focus towards providing innovative and custom-made product offerings for target applications and to cater to the demand of specific customers have driven research and development investment and thus, driven the development of innovative specialty chemicals and expanded the market product portfolio.

Concerns regarding the harmful effects of conventional chemicals on the environment and humans have prompted the demand for user-friendly and environment-friendly specialty chemicals. Therefore, several players' focus has shifted towards the development and marketing of specialty chemicals in order to edge out from the conventional fine and commodity chemical manufacturers. However, the technicalities associated with their small-scale production pose significant challenges to the industry.

Financials & Valuations

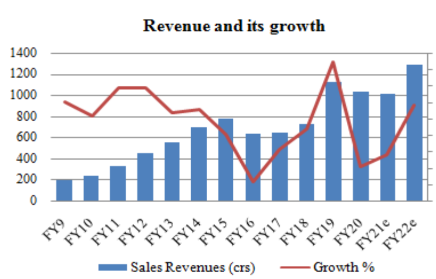
Stress in the overall economic environment seemingly had little impact on VOL's expansion plans, as it continues to invest in expanding capacities and adding new products. For FY21, it has set aside Rs. 150 cr for capacity expansion of PTBBA plant and setting up facilities for four new specialty chemicals having diversified applications ranging from agrochemicals, dyes to plastic additives etc – these will be completed by the end of this fiscal having revenue potential of Rs. 200-240 cr at current prices.

This is on the back of already no small capex last two fiscals when they invested Rs. 240 cr on BP and some to expand ATBS capacity from 26000 tonnes to 40000 tonnes, the commission of which was postponed in November '19 not least due to concerns regarding subdued global demand on account of strained oil prices. With reduced demand for ATBS currently, the old capacity of 26000 tonnes is sufficient to meet the demand.

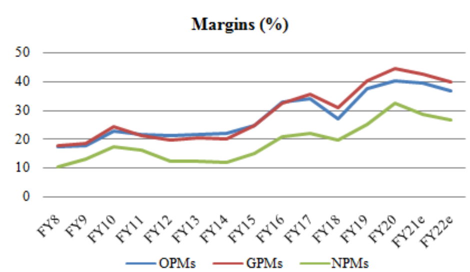
VOL undertook a greenfield expansion for setting up a Butyl Phenol plant with a capacity of 35000 tonnes which could generate peak revenue of Rs. 400 cr - currently, the demand for BP in India by some estimates is around 20000-25000 tonnes with no major manufacturers. Earlier, a few companies tried to manufacture it, but marred by a lack of scale and inconsistent supply of Isobutylene - which is a major raw material, it couldn't be manufactured economically. Vinati Organics, propelled by a regular supply of Isobutylene would not have this problem. Depending on the desired tert-butyl phenol, the ratio of isobutylene to phenols varies.

VOL ran the BP plant for some time in October, but due to some difficulties and modification requirements, it was shut down. Meaningful revenues are expected to start coming in from the third quarter this fiscal. The plant will make two types of phenols which are mostly used in making fragrances, plastics etc. - it is being looked at as an import substitution opportunity. We expect gradual ramp up in capacity utilization, yielding revenues close to Rs. 100 cr this year. Going forward, BP is a low margin product compared to ATBS and will result in moderation in margins.

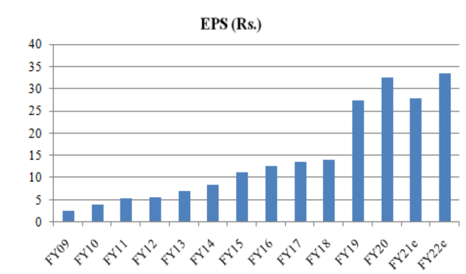
Decline in ATBS revenue counterbalanced by a rise in demand for Ibuprofen pushing up IBB revenues and some contribution from butyl phenol in the second half of the year should see VOL almost maintaining revenues to last year levels this fiscal (FY20 – Rs. 1029 cr). We expect robust revenues from ATBS and butyl phenol next fiscal to drive revenue which is expected to go up by a stunning 28% to Rs. 1290.64 cr albeit, just 14.4% up from FY19. While PTBBA and four to be launched specialty chemicals start posting some revenues next fiscal, IBB should continue its stable performance.



Sources: Vinati Organics Ltd., CD Equisearch



Sources: Vinati Organics Ltd., CD Equisearch

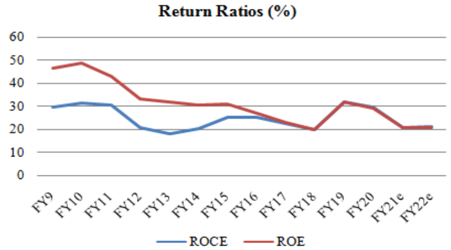


Sources: Vinati Organics Ltd., CD Equisearch

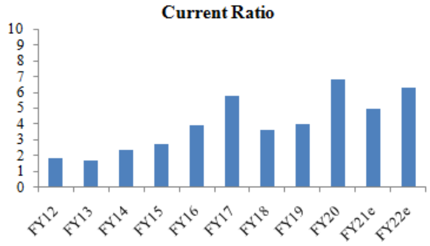
Despite modest crude oil prices, operating earnings would barely take a hit this fiscal not least due to its robust pricing formula – fixed absolute margins per kg; though operating margins would fall because of lower throughput of margin enriching ATBS. Operating margins are expected to be stable this fiscal before falling to some 36.8% next fiscal owing to BP being a low margin product in comparison to ATBS. Higher depreciation charge in the projected period would see net profit rise by 19.9% in FY22e.

Zero debt-equity ratio, highly elevated interest coverage ratio (326.2 in FY21e) and robust current investments are strong indicators from VOL's perspective. However, lower asset turnovers – fixed asset turnover is expected to slip to a dismal 1.2 in FY21e before recovering to some 1.4 next fiscal would harm ROE which will see a sharp decline to 20.7% in FY21 from 29.3% just last year. Lower asset turnover is due to sub optimal utilization in ATBS (to be completed by this fiscal) and BP on which the company will spend a combined Rs. 350 cr on new capacities.

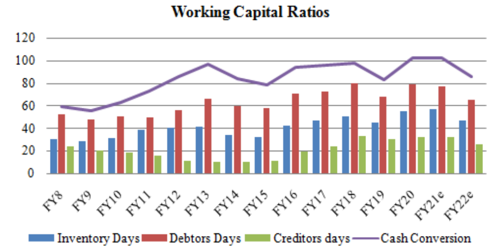
VOL's cash flows from operations improved dramatically last fiscal, more than doubling to Rs. 415.93 cr from Rs. 200.36 cr a year ago driven mainly by improvement in working capital with majority of improvements seen in trade receivables. Its free cash flows soared to some Rs. 277 cr from negative free cash flows in the previous year, despite high capital expenditure on BP.



Sources: Vinati Organics Ltd., CD Equisearch



Sources: Vinati Organics Ltd., CD Equisearch



Sources: Vinati Organics Ltd., CD Equisearch

The stock currently trades at 45.7x FY21e EPS of Rs 27.95 and 38.1x FY22e EPS of Rs 33.50. With an increase in oil demand, as sales velocity picks up, VOL's integrated business model (wherein it comes up with products for which it has a readily available supply of raw material, for ex: IB is used as a raw material for IB derivatives and BP) and its global market leadership in a couple of products would make its business model difficult to replicate for outsiders due to complex processes and global capacity concentration – a sort of barely puny advantage. Significant portion of revenues will come from new products over the next couple of years (BP and 4 new specialty chemicals would contribute roughly Rs. 350 cr in FY21 and FY22 combined). ROCE is expected to dip this fiscal (20.8%) before rising tepidly to 21.1% next fiscal on impressive growth in the latter period. On balance, we advice reduce rating on the stock with a target of Rs 1072 (previous target: Rs 832) based on 32x FY22e earnings over a period of 9-12 months. For more information, refer to our March 2020 report.

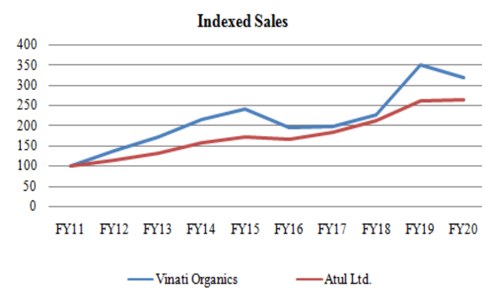
Cross Sectional Analysis

Company	Equity*	CMP	MCAP*	Sales*	Profit*	OPM (%)	NPM (%)	Int Cov	ROE (%)	Mcap/Sales	P/BV	P/E
Vinati Organics	10	1276	13118	965	324	40.1	33.6	223.8	26.6	13.6	9.7	40.5
Atul Ltd	30	6089	18061	3713	637	22.1	17.1	78.2	21.3	4.9	5.6	28.4

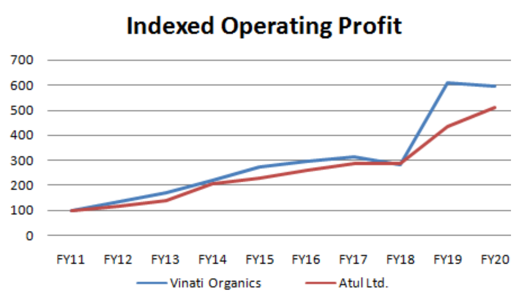
*figures in crores; calculations on ttm basis; adjusted for stock split wherever applicable
Book value adjusted for goodwill and revaluation reserve wherever applicable;

Atul Ltd has laid down significant expansion plans for the next few years, albeit a part of it has been delayed due to Covid. Out of ongoing projects of around Rs. 487 cr, Atul Bioscience (wholly owned subsidiary) will soon commission an API and intermediaries plant with not so timid sales potential. Its JV with Nouryon to manufacture monochloroacetic acid would also be commissioned in the second half of FY21. Despite its focus on launching new products, barely 15% of revenues over the next few years would come from it according to management estimate.

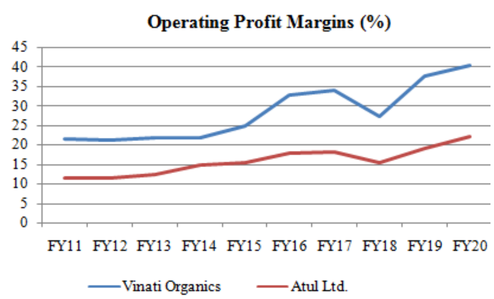
Atul's reliance on life science chemicals and performance & other chemicals resulted in income from operations declining over a third (36.5%) to Rs. 660.56 cr in the first quarter from Rs. 1040.55 cr in the same period last fiscal as Covid forced suspension of its manufacturing plants - its biggest contributor, performance and other chemicals segment witnessed a striking 42.6% drop in revenues (gross), consequently resulting in 41.7% drop in profits at the EBIT level. Atul managed to generate almost Rs. 160 cr of operating profits in the first quarter this fiscal in comparison to Rs. 240.25 cr in the same period last fiscal, a decline of 34% y-o-y. Saved by its other income, which jumped over Rs. 30 cr y-o-y (Rs. 40.64 cr in Q1FY21), its PBT declined almost 25% to Rs. 163.51 cr in the same period.



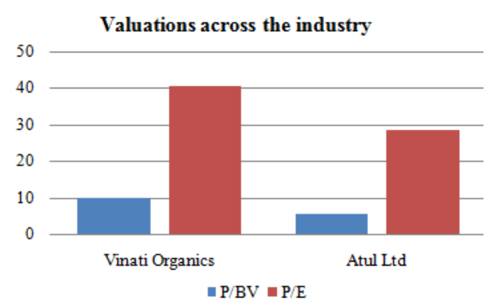
Sources: Companies, CD Equisearch ; FY11=100



Sources: Companies, CD Equisearch ; FY11=100



Sources: Companies, CD Equisearch



Sources: Companies, CD Equisearch

Financials

Quarterly Results

Figures in Rs crs

	Q1FY21	Q1FY20	% chg.	FY20	FY19	% chg.
Income From Operations	**231.57**	**295.92**	**-21.7**	**1028.87**	**1127.92**	**-8.8**
Other Income	8.60	6.25	37.6	44.99	30.17	49.1
Total Income	**240.17**	**302.17**	**-20.5**	**1073.86**	**1158.09**	**-7.3**
Total Expenditure	134.39	170.57	-21.2	613.99	703.29	-12.7
EBITDA (other income included)	**105.78**	**131.60**	**-19.6**	**459.87**	**454.80**	**1.1**
Interest	0.04	0.30	-85.7	2.04	2.18	-6.5
Depreciation	10.65	6.98	52.5	33.16	27.39	21.1
PBT	**95.09**	**124.31**	**-23.5**	**424.67**	**425.24**	**-0.1**
Tax	22.79	41.95	-45.7	90.85	142.75	-36.4
PAT	**72.30**	**82.36**	**-12.2**	**333.82**	**282.49**	**18.2**
EO	-	-	-	-	-	-
Adjusted Net Profit	**72.30**	**82.36**	**-12.2**	**333.82**	**282.49**	**18.2**
EPS(Rs)*	7.03	8.01	-12.2	32.48	27.48	18.2

Income Statement

Figures in Rs crs

	FY18	FY19	FY20	FY21e	FY22e
Income From Operations	**729.68**	**1127.92**	**1028.87**	**1006.84**	**1290.64**
Growth (%)	13.9	54.6	-8.8	-2.1	28.2
Other Income	30.70	30.17	44.99	34.42	40.19
Total Income	**760.38**	**1158.09**	**1073.86**	**1041.26**	**1330.83**
Total Expenditure	531.47	703.29	613.99	609.86	815.87
EBITDA (other income included)	**228.91**	**454.80**	**459.87**	**431.41**	**514.96**
Interest	2.17	2.18	2.04	1.18	1.21
Depreciation	23.36	27.39	33.16	46.37	53.62
PBT	**203.37**	**425.24**	**424.67**	**383.85**	**460.13**
Tax	59.49	142.75	90.85	96.62	115.81
PAT	**143.88**	**282.49**	**333.82**	**287.24**	**344.31**
EO	-0.02	-	-	-	-
Adjusted Net Profit	**143.90**	**282.49**	**333.82**	**287.24**	**344.31**
EPS (Rs)*	13.97	27.48	32.48	27.95	33.50

*adjusted for stock split

Balance Sheet

Figures in Rs crs

	FY18	FY19	FY20	FY21e	FY22e
Sources of Funds					
Share Capital	10.28	10.28	10.28	10.28	10.28
Reserves	786.39	1041.00	1269.13	1551.23	1833.87
Total Shareholders' Funds	**796.66**	**1051.28**	**1279.41**	**1561.51**	**1844.15**
Long Term Debt	-	-	-	-	-
Total Liabilities	**796.66**	**1051.28**	**1279.41**	**1561.51**	**1844.15**
Application of Funds					
Gross Block	502.26	547.25	856.49	1117.46	1117.46
Less: Accumulated Depreciation	45.41	72.74	105.73	152.10	205.72
Net Block	**456.84**	**474.51**	**750.76**	**965.36**	**911.74**
Capital Work in Progress	34.88	191.18	30.97	0.00	0.00
Investments	131.74	96.47	227.39	350.00	660.00
Current Assets, Loans & Advances					
Inventory	82.23	92.39	93.17	97.83	109.57
Trade receivables	177.11	243.98	201.78	221.95	239.71
Cash and Bank	5.24	3.80	53.70	18.07	20.19
Short term loans (inc. OCA)	66.56	94.43	66.52	67.13	80.83
Total CA	**331.16**	**434.60**	**415.17**	**404.99**	**450.30**
Current Liabilities	96.61	85.56	84.57	84.81	102.89
Provisions-Short term	2.67	3.24	4.44	5.17	5.95
Total Current Liabilities	**99.28**	**88.80**	**89.01**	**89.99**	**108.84**
Net Current Assets	231.88	345.80	326.16	315.00	341.46
Net Deferred Tax Liability	-80.86	-84.57	-70.48	-83.78	-84.90
Net long term assets (net of liabilities)	22.18	27.89	14.60	14.93	15.85
Total Assets	**796.66**	**1051.28**	**1279.41**	**1561.51**	**1844.15**

Key Financial Ratios

	FY18	FY19	FY20	FY21e	FY22e
Growth Ratios(%)					
Revenue	13.9	54.6	-8.8	-2.1	28.2
EBITDA	-0.6	98.7	1.1	-6.2	19.4
Net Profit	2.6	96.3	18.2	-14.0	19.9
EPS	2.8	96.7	18.2	-14.0	19.9
Margins (%)					
Operating Profit Margin	27.2	37.6	40.3	39.4	36.8
Gross profit Margin	31.1	40.1	44.5	42.7	39.8
Net Profit Margin	19.7	25.0	32.4	28.5	26.7
Return (%)					
ROCE	19.9	31.6	29.3	20.8	21.1
ROE	19.9	31.8	29.3	20.7	21.0
Valuations					
Market Cap/ Sales	6.4	7.5	7.7	13.0	10.2
EV/EBITDA	19.7	18.4	16.7	29.8	24.9
P/E	32.3	29.9	23.8	45.7	38.1
P/BV	6.0	8.4	6.2	8.7	7.4
Other Ratios					
Interest Coverage	94.5	196.2	209.6	326.2	381.9
Debt Equity	0.0	0.0	0.0	0.0	0.0
Net Debt-Equity Ratio	-0.2	-0.1	-0.2	-0.2	-0.4
Current Ratio	3.6	4.0	6.8	5.0	6.3
Turnover Ratios					
Fixed Asset Turnover	1.6	2.4	1.7	1.2	1.4
Total Asset Turnover	1.0	1.3	0.9	0.7	0.8
Inventory Turnover	7.2	8.1	6.6	6.4	7.9
Debtors Turnover	4.6	5.4	4.6	4.8	5.6
Creditor Turnover	11.1	12.1	11.3	11.2	14.0
WC Ratios					
Inventory Days	50.6	45.3	55.2	57.2	46.4
Debtor Days	79.4	68.1	79.1	76.8	65.3
Creditor Days	33.0	30.2	32.3	32.5	26.0
Cash Conversion Cycle	97.0	83.2	101.9	101.5	85.7

Ratios adjusted for stock split

Cumulative Financial Data

Figures in Rs. crs	FY11-13	FY14-16	FY17-19	FY20-22e
Income from operations	1323	2099	2498	3326
Operating profit	285	552	841	1287
EBIT	275	522	842	1273
PBT	247	486	835	1269
PAT	175	332	567	965
Dividends	33	64	74	196
OPM (%)	21.5	26.3	33.7	38.7
NPM (%)	13.3	15.8	22.7	29.0
Interest coverage	9.9	14.6	118.4	287.8
ROE (%)	34.4	28.3	24.4	23.1
ROCE (%)	20.3	22.3	23.9	23.1
Debt-Equity*	1.0	0.1	0.0	0.0
Fixed asset turnover	2.4	2.1	2.0	1.6
Debtors turnover	5.9	6.1	4.6	4.6
Inventory turnover	9.4	10.5	8.1	6.7
Creditors turnover	27.6	27.2	14.6	11.7
Debtor days	61.7	59.5	78.6	79.6
Inventory days	38.8	34.7	44.8	54.2
Creditor days	13.2	13.4	24.9	31.3
Cash conversion	87.3	80.7	98.5	102.5
Dividend payout ratio (%)	19.0	19.2	13.1	20.3

FY11-13 implies three year period ending fiscal 13
*as on terminal year

VOL's revenues grew by 58.6% and 19% in FY14-16 and FY17-19 respectively. Almost a double digit revenue dip in FY20 would barely harm VOL, as it is expected to boost its cumulative revenues over 33% in the three year projected period ending FY22 to Rs. 3326 cr on the back of meaningful contribution from Butyl Phenol (almost Rs. 290 cr in FY21 and FY22 combined per our estimates). Despite larger depreciation costs in the projected period, EBIT would show no small increase as it would rise over 51% to Rs. 1273 cr in the same period. Despite gradual ramp up – butyl phenol and 4 specialty chemicals would take about 3 years to reach optimum capacity - thus dampening fixed asset turnover to 1.6 in FY20-22e from 2 in the preceding three year period (see table). Aided by reduction in corporate tax rate, cumulative post tax profits are expected to go up 70.4% eclipsing much of the timidity in earnings to be encountered in FY21.

Negligible debt coupled with increased EBIT would send the interest coverage ratio skyrocketing to 287.8 in FY20-22e from an already impressive 118.4 in the previous three year period. Despite an increase in post tax earnings, ROE is expected to decline marginally to 23.1% in the projected period from 24.4% in FY19-22 partially due to lower asset turnover rate (see table). Somewhat rise in debtor days along with a not so tepid increase in inventory days is expected to push up the cash conversion cycle to 103 days from 99 days in FY17-19 period.

Financial Summary- US dollar denominated

million $	FY18	FY19	FY20	FY21e	FY22e
Equity capital	1.6	1.5	1.4	1.4	1.4
Shareholders' funds	118.2	145.7	169.0	203.4	241.1
Total debt	2.3	0.5	0.0	0.1	0.1
Net fixed assets (incl. CWIP)	75.6	96.2	103.7	130.9	123.7
Investments	20.3	13.9	30.2	47.5	89.5
Net current assets	31.4	43.7	42.6	34.4	37.3
Total assets	118.2	145.7	169.0	203.4	241.1
Revenues	113.2	161.4	145.2	136.6	175.1
EBITDA	35.5	65.1	64.9	58.5	69.8
EBDT	35.2	64.8	64.6	58.4	69.7
PBT	31.6	60.8	59.9	52.1	62.4
PAT	22.3	40.4	47.1	39.0	46.7
EPS($)	0.22	0.39	0.46	0.38	0.45
Book value ($)	1.15	1.42	1.64	1.98	2.35

Figures adjusted for stock split wherever applicable
Income statement figures translated at average rates; balance sheet at year end rates; projections at current rates (Rs 73.73/$).
All dollar denominated figures are adjusted for extraordinary items.

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buy: >20%	accumulate: >10% to ≤20%	hold: ≥-10% to ≤10%	reduce: ≥-20% to <-10%	sell: <-20%

Rs/$	FY17	FY18	FY19	FY20
Average	67.09	64.45	69.89	70.88
Year end	64.84	65.04	69.17	75.39

All $ values mentioned in the write-up translated at the average rate of the respective quarter/ year as applicable. Projections converted at current exchange rate. Cumulative dollar figure is the sum of respective yearly dollar value.