



2015 Europe Working Capital Survey



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Cash Flow Delivered

A HACKETT GROUP COMPANY

Reliance on debt or Signs of a changing

2015 study highlights: In Europe, the cash conversion cycle (CCC) in 2014 improved 5.5% (2.1 days). Having levelled off from 2011 to 2013, working capital performance is again progressing, continuing the positive trend seen since the last recession – with 2014 performance demonstrating an 18.5% improvement in the CCC compared to 2007 levels.

The United States saw flat working capital performance over the year as the economy has improved more rapidly than Europe. However, a large source of the increase in cash on hand has also been funded through increased debt. European companies have demonstrated cash release through operational efficiencies, but at the same time have increased debt levels (40% increase to 2007), mirroring the trend to take advantage of low interest rates.

In 2014 this additional cash on hand has been used to fund investment. There are similarities in both regions but in Europe specifically, companies increasing their debt 100% or more since 2007 had an 800% increase in cash on hand, although their CCC worsened by 51%. The companies that decreased their debt since 2007 had a 225% increase in cash on hand but their CCC improved 27%. A €1.1 trillion cash flow opportunity exists when comparing top and bottom performers with most opportunity in Payables and Receivables.

As the EU economy returns to growth, notable improvements (while still relatively small) have been seen in the cash conversion cycle since 2012. The reduction witnessed in 2014 indicates debt is still viewed as an attractive



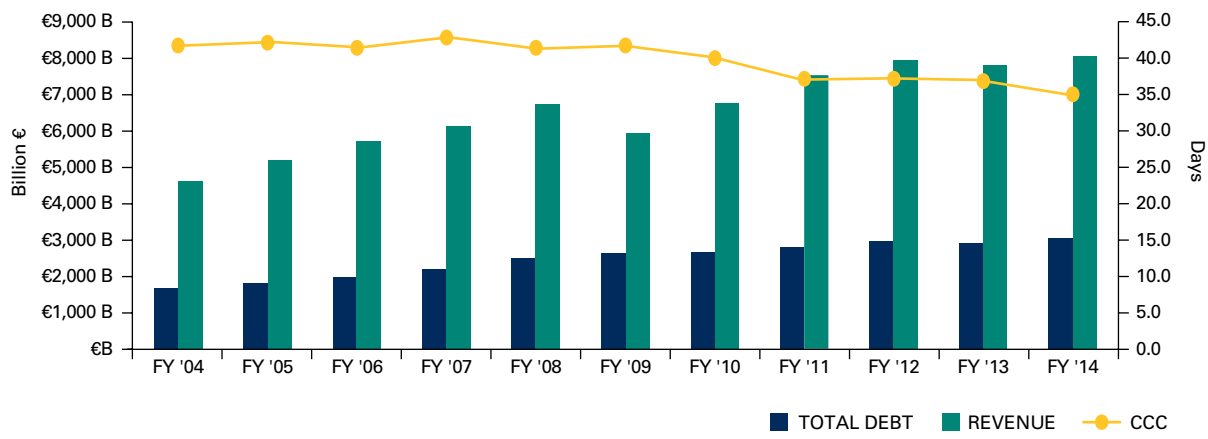
source of cash in Europe but working capital is returning to the corporate agenda. In contrast the US, experiencing GDP growth in excess of 2%, has demonstrated an increased reliance on debt and a stagnation in CCC as companies look outside of their organizations for quick and easy sources of cash.

We see a higher rate of growth in revenues for US, but it is mostly funded by debt as the CCC performance is stagnating. In Europe there is less reliance on debt and the beginnings of focus on working capital as the CCC has improved almost 20% in the past 7 years. While European companies are investing in themselves and in acquisitions, they are funding it through both debt and cash from operations.

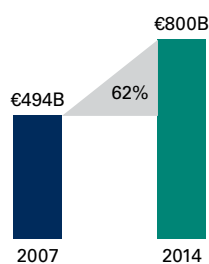
working capital? focus in Europe



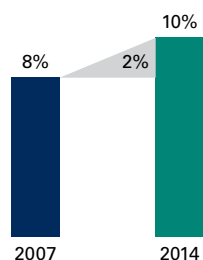
Post-recession European companies fund growth through debt and operational cash



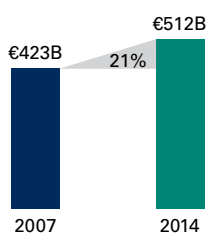
Cash on hand increases 62%



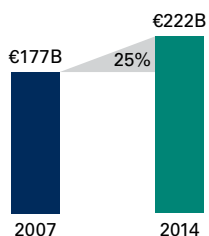
Companies are not hoarding cash
Cash on hand as a % of revenue



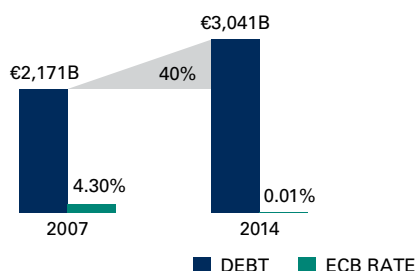
CAPEX increases 21%



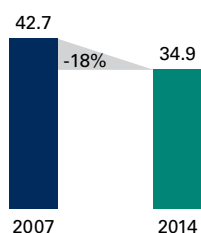
Dividends increase 25%



Debt increases 40% while borrowing rates are attractive



Internal generation of cash ignored
CCC as a % of sales



Cash, Debt and the Cash Conversion Cycle

Cash on hand has continued to increase in 2014, up 6% from 2013 and 62% over the past seven years for the European survey. Although this statistic is impressive, during the same time revenue increased 31% – meaning the actual improvement in cash on hand as a percentage of revenue increased only 2%. As cash has increased, so has spending. CAPEX investment has increased 21% over a seven-year period although this slowed with only a 1% rise in 2014. Dividend pay-outs, however, continued an upward trend, up 25% over seven years and 9% from 2013. 2014 also saw some notable mergers and acquisitions as companies took advantage of available cash.

More cash is available and is being spent, but where is it coming from? Debt is a large contributor with a worrying increase of 40% since 2007. Debt levels now stand at €3 trillion, while the European Central Bank (ECB) interest rate declined sharply from 4.3% in 2007 to 0.01% at the end of 2014. Top European companies have taken advantage of the cheap debt available and often in the short term have rewarded shareholders through dividend pay-outs and share buy-backs. Companies should however be concerned about the long term risks such as changes in interest rates, debt dependence or pressured cash flow; what companies must not forget is that you can only run out of cash **ONCE**.

Some companies have understood these facts. Mr. Bellé, CFO and CEO of LEONI AG commented, “Strong free cash flow is of key importance to our investors and provides LEONI with the necessary financial scope for both expansion through internal growth and acquisition”.

Companies with large debt have worse cash management performance

A comparison of debt levels, working capital performance and cash on hand levels yields some interesting results. Only 35% of the companies reduced their debt over the past seven years, while 65% increased their debt – out of which 28% saw debt levels increase more than 100%. Those companies managing to reduce debt since 2007 have seen an improved CCC, on average, by 27% while their cash on hand increased by 225%. At the same time, companies increasing debt 100% or more since 2007 had an average 51% deterioration in the CCC while their debt coverage was down by 98% on average at a worrying ratio of 0.24 by the end of 2014.



Companies reducing debt vs. companies increasing debt 100% or more

Debt Range % Chng 2007 - 2014	# of Comp- anies	CCC ¹ % Chng 2007 - 2014	Debt Coverage Ratio ¹ % Chng 2007 - 2014	Cash On Hand ¹ % Chng 2007 - 2014
Reduction in Debt	323	-27%	>900%	225%
Debt Increase of 100% +	269	51%	-98%	>800%

¹ Average of percentage change at individual company level

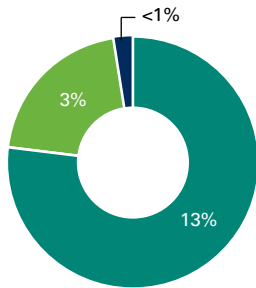
These findings raise some questions, the most important of which is whether companies are prepared for an increase in interest rates and if they are proactively managing the level of debt?

Improvements are visible, but sustainability remains a challenge

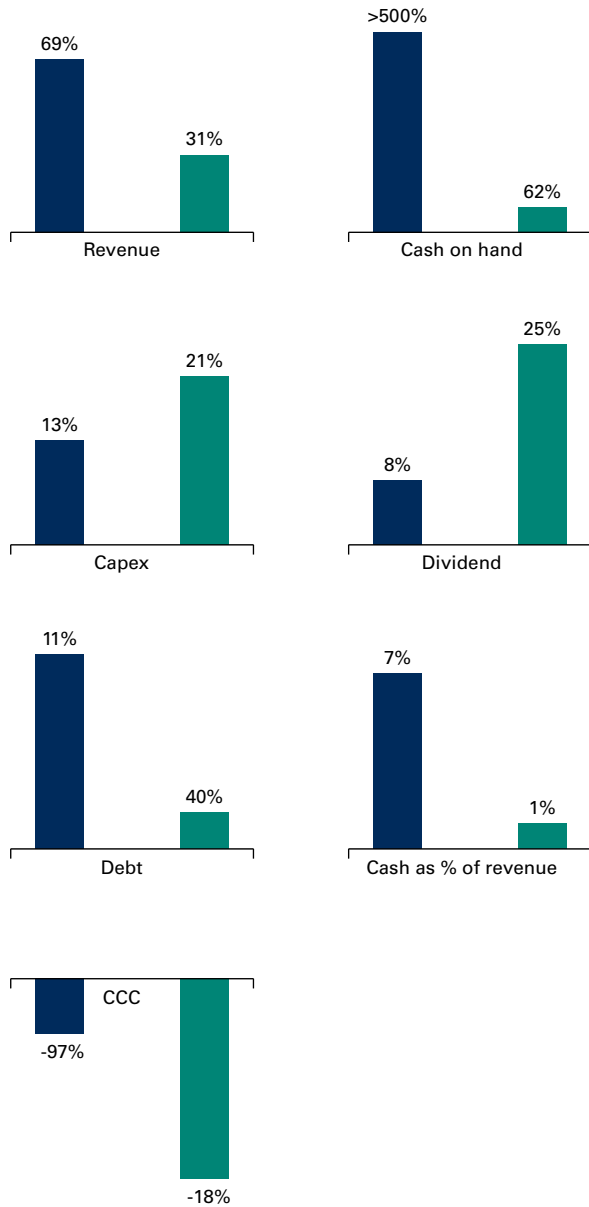
Reducing the CCC shortens the amount of time each euro is tied up in the buying, production and sales process before being converted back into cash again. The lower the better, with some industries (for example: media, retailing and telecommunications) achieving negative CCC where receivables are banked before payables are due. But companies need to be cautious as different industries operate with different requirements of working capital. While CCC needs to be lower, it also has to be optimal.

For some companies there is evidence of emerging cash awareness. Working capital is a corporate focus for 124 companies (13%) that have managed to improve their CCC every year for three years. However, as the time frame increases, the number of organisations maintaining those improvements substantially decreases. Difficulties in achieving sustainable

Profile of companies in 2015 Europe Working Capital Survey



- (13%) 124 companies improved CCC every year during the last three years
- (3%) 33 companies improved CCC every year during the last five years
- (<1%) 4 companies improved CCC every year during the last seven years



- 4 COMPANIES (7YR IMPROVEMENT IN CCC)
- COMPANIES IN 2015 EUROPE WORKING CAPITAL SURVEY

improvement are evident. Only 3% (33) of companies achieved year-on-year improvement over five years. Since 2007, only four companies (less than 1%) have managed to demonstrate continuous and sustainable CCC reduction. These companies (Unilever, Heidelbergcement, PKC Group and Luxottica Group) have also achieved better growth (38% more revenue on average vs. the companies in the survey), acquired less debt (29% less on average), had more cash as a percent of revenue (6% on average) and improved CCC (79% on average).

One of the 124 companies that improved CCC for three consecutive years shared with us their approach and vision for working capital. Mr. Bellé, the CFO and CEO of LEONI AG, said: "Along with profitability, working capital is an essential component" and management of LEONI AG "has the responsibility to sustainably improve working capital by managing the key improvement levers through the operational processes." This proves there are still companies out there keeping their eyes on the ball, continuously improving operational working capital performance to support expansion through internal growth and acquisitions.

Performance varies at Industry level

The latest survey has identified an opportunity gap between top and bottom performers by industry totalling €1.1 trillion. While all three areas of working capital offer improvement potential, the largest performance gaps in 2014 lie within payables and receivables.

Some select industries have improved performance over the past year. Transportation infrastructure has seen a move into a negative CCC for the first time since 2010. Oil and gas performance has improved due to strategic reductions in oil stocks by large players, while the dropping oil price has also reduced inventory values, particularly raw materials, in selected industries. On the other hand, several industries have seen working capital performance decline over the past year. European Airlines, while maintaining a negative CCC, has experienced challenges in working capital management with global events and increased competition from Gulf carriers impacting revenue growth, while household products and IT services, among others, have experienced declining receivables performance in 2014.

What next?

As the European economy continues the return to growth, improvements in working capital management and the CCC are encouraging.



However, increased debt levels as companies capitalise low interest rates are a cause for concern. In 2015 we expect this trend to continue as companies take advantage of cheap borrowing costs. If and when interest rates rise, those companies focusing on optimising their CCC will be best positioned to mitigate their risk, continue utilising cash for investment activities, and outperform their peers not only in areas directly related to cash, but also the downstream elements impacting cost and internal/external service.

A good starting point for companies wishing to be one step ahead and improve their cash conversion cycle is to understand the gaps in each of the working capital components: days sales outstanding (DSO), days payables outstanding (DPO) and days inventory outstanding (DIO). Making use of peer group comparisons with similar organisations or within industry groupings is a good way to initially estimate the potential cash flow opportunity trapped in the operations and determine if it's worth pursuing.

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companies in working capital management by 2014 CCC

COMPANY	COUNTRY	CCC			DSO			DIO			DPO		
		2014	1 YR% CHANGE	2013	2014	1 YR% CHANGE	2013	2014	1 YR% CHANGE	2013	2014	1 YR% CHANGE	2013
Aerospace and Defense Industry													
BAE Systems plc	UK	61	5%	57	55	-1%	56	41	8%	38	36	-3%	37
QinetiQ Group Plc	UK	62	-4%	65	70	-1%	71	7	-15%	8	15	6%	14
Ultra Electronics Holdings plc	UK	73	-15%	86	87	-17%	105	54	35%	40	69	15%	60
Zodiac Aerospace	FR	200	10%	182	78	13%	69	223	8%	206	102	9%	94
Safran SA	FR	201	2%	197	121	14%	106	199	4%	192	119	17%	102
Dassault Aviation SA	FR	440	44%	306	49	52%	32	491	39%	354	100	24%	81
Median Performance		148	4%	143	82	8%	76	96	0%	96	69	15%	60

Air Freight and Logistics Industry													
Royal Mail plc	UK	(35)	-6%	(33)	31	3%	30	1	-11%	1	67	5%	64
Logwin AG	LU	(7)	12%	(8)	46	22%	38	1	4%	1	53	16%	46
Oesterreichische Post AG	AU	(2)	-59%	(1)	37	-4%	39	3	-4%	3	43	-2%	43
PostNord AB	SW	18	144%	8	42	-1%	43	2	-23%	3	26	-31%	38
Posten Norge AS	NO	19	-9%	21	43	4%	41	0	-19%	1	24	18%	20
TNT Express N.V.	NL	28	-1%	29	56	7%	53	1	31%	1	29	17%	24
Median Performance		11	60%	7	43	4%	41	1	4%	1	38	-1%	38

Airlines Industry													
SAS AB	SW	(19)	1%	(19)	10	-14%	12	9	5%	8	38	-3%	39
International Consolidated Airlines Group, S.A.	UK	(11)	25%	(14)	23	-4%	24	10	-1%	10	43	-10%	48
Ryanair Holdings plc	IE	(10)	-4%	(9)	4	0%	4	0	-12%	0	14	3%	14
Finnair Oyj	FI	11	-15%	13	18	-9%	20	3	-24%	4	11	-6%	11
Aegean Airlines S.A.	GR	28	-6%	30	35	-12%	40	6	-6%	7	12	-22%	16
Dart Group plc	UK	64	2%	62	76	0%	76	1	83%	1	13	-6%	14
Median Performance		4	1535%	0	20	-11%	22	5	-3%	6	16	1%	16

Auto Components Industry													
Cie Automotive, S.A.	ES	(30)	0%	(30)	46	30%	35	80	0%	80	156	7%	145
Valeo SA	FR	(13)	-4%	(12)	48	6%	46	33	6%	31	94	6%	89
Autoneum Holding AG	CH	(4)	-176%	(2)	41	6%	39	49	20%	41	95	16%	81
Schaeffler AG	DE	76	-2%	78	57	5%	55	72	3%	70	53	14%	47
Compagnie Generale DES Etablissements Michelin SCA	FR	104	6%	98	48	6%	45	115	10%	105	59	14%	52
Nokian Renkaat Oyj	FI	199	-6%	211	92	-5%	97	137	-5%	143	30	3%	29
Median Performance		34	-4%	35	49	2%	48	59	3%	57	70	6%	67

Automobiles Industry													
Renault Société Anonym	FR	(30)	-23%	(24)	11	28%	9	37	8%	34	78	16%	67
Peugeot S.A.	FR	(24)	-170%	(9)	8	-26%	11	34	-24%	45	67	2%	65
Fiat Chrysler Automobiles N.V.	UK	(23)	3%	(23)	10	-9%	11	55	8%	50	87	3%	85
Volkswagen AG	DE	55	7%	51	21	0%	21	79	8%	73	45	6%	42
Daimler AG	DE	68	11%	61	22	-1%	22	87	10%	79	41	3%	40
CROSS Industries AG	AU	85	-1%	86	33	-2%	33	107	-5%	112	54	-8%	59
Median Performance		10	169%	4	18	-14%	21	83	9%	76	72	9%	66

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companies in working capital management by 2014 CCC

COMPANY	COUNTRY	CCC			DSO			DIO			DPO		
		2014	1 YR% CHANGE	2013	2014	1 YR% CHANGE	2013	2014	1 YR% CHANGE	2013	2014	1 YR% CHANGE	2013
Beverages Industry													
Anheuser-Busch InBev SA/NV	BE	(128)	-9%	(118)	26	5%	25	58	-5%	61	212	4%	204
Carlsberg A/S	DK	(45)	3%	(47)	39	-11%	44	50	-3%	52	134	-6%	142
Sociedad Anónima Damm	ES	(35)	-128%	(15)	54	18%	46	74	12%	66	163	28%	127
Diageo plc	UK	374	15%	325	71	9%	65	385	10%	350	82	-9%	90
Pernod-Ricard SA	FR	468	22%	382	48	-2%	49	600	18%	508	181	3%	175
Rémy Cointreau SA	FR	669	18%	569	54	-10%	60	902	19%	756	287	16%	248
Median Performance		17	-37%	26	48	5%	46	58	-12%	66	112	-12%	127

Biotechnology Industry													
Actelion Ltd.	CH	56	17%	48	64	-18%	78	34	8%	32	42	-33%	62
Octapharma AG	CH	324	-1%	327	135	9%	123	225	-4%	234	36	15%	31
Median Performance		309	1%	306	115	31%	87	225	-4%	234	42	-33%	62

Building Products Industry													
Uralita SA	ES	(18)	-1618%	1	16	-58%	38	86	4%	83	120	0%	120
Allegion Plc	EI	24	-38%	39	45	-2%	46	53	-6%	57	74	16%	64
Hamon & Compagnie International SA	BE	33	-50%	65	141	1%	139	10	-8%	11	118	39%	84
Villeroy & Boch AG	DE	111	-12%	126	52	4%	50	120	-7%	129	60	15%	53
Systemair AB (publ)	SW	114	-3%	118	60	-14%	70	96	-3%	99	42	-18%	51
Zehnder Group AG	CH	123	-2%	125	61	-2%	62	114	0%	114	52	3%	50
Median Performance		81	8%	75	49	-2%	50	82	4%	79	60	12%	53

Chemicals Industry													
Ercros, S.A.	ES	(17)	-181%	(6)	70	-4%	73	65	4%	62	152	8%	142
L'Air Liquide SA	FR	4	-67%	11	67	6%	64	53	10%	48	117	16%	101
Hexpol AB (Publ)	SW	16	-4%	16	39	17%	33	30	8%	28	53	20%	44
Syngenta AG	CH	151	-9%	166	89	4%	86	217	-15%	255	155	-11%	174
Symrise AG	DE	154	10%	139	73	13%	64	145	14%	127	64	23%	52
Haldor Topsøe A/S	DK	155	0%	154	63	4%	61	131	-8%	144	40	-21%	50
Median Performance		76	8%	71	51	4%	49	79	11%	71	50	2%	49

Commercial Services and Supplies Industry													
Manutencoop Facility Management S.p.A.	IT	(56)	25%	(75)	218	-8%	238	4	-15%	4	278	-12%	317
CEWE Stiftung & Co. KGaA	DE	(48)	-126%	(21)	58	-2%	59	110	-3%	114	216	11%	194
Mears Group plc	UK	(41)	-657%	7	62	6%	59	5	-15%	6	108	89%	57
Tomra Systems ASA	NO	175	-4%	183	91	19%	77	162	-3%	168	78	26%	62
Societe BIC SA	FR	195	-3%	202	78	-11%	88	161	2%	158	43	-1%	44
Edenred SA	FR	364	13%	321	394	14%	347	9	-3%	9	39	13%	34
Median Performance		36	3%	35	62	5%	59	15	-8%	16	45	-2%	46

Communications Equipment Industry													
Alcatel-Lucent	FR	3	-26%	5	70	7%	65	82	10%	74	149	10%	135
Pace plc	UK	5	-24%	7	117	88%	62	29	4%	28	141	69%	84
Nokia Corporation	FI	45	41%	32	98	18%	83	66	65%	40	119	30%	91
Ericsson	SW	143	12%	127	133	9%	122	71	27%	56	62	23%	50
Median Performance		25	30%	19	108	45%	74	68	43%	48	130	49%	87

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COMPANY	COUNTRY	CCC			DSO			DIO			DPO		
		2014	1 YR% CHANGE	2013	2014	1 YR% CHANGE	2013	2014	1 YR% CHANGE	2013	2014	1 YR% CHANGE	2013
Construction and Engineering Industry													
Abengoa SA	ES	(351)	-12%	(314)	71	47%	48	26	-3%	27	448	15%	389
Sacyr SA	ES	(190)	-78%	(107)	188	0%	188	120	3%	117	498	21%	411
Ferrovial, S.A.	ES	(175)	73%	(650)	71	-3%	73	34	-67%	100	280	-66%	824
Fluidra, S.A.	ES	188	20%	157	69	-7%	74	168	6%	158	49	-36%	76
SRV Group Plc	FI	209	-12%	237	29	31%	22	194	-16%	231	14	-17%	17
Galliford Try plc	UK	217	-4%	225	68	13%	60	200	-6%	212	51	8%	47
Median Performance		39	-15%	46	80	4%	78	26	-19%	32	63	2%	61

Construction Materials Industry													
Caltagirone SpA	IT	14	-36%	22	81	3%	79	163	37%	119	230	31%	176
CEMEX Latam Holdings, S.A.	ES	22	46%	15	26	-25%	34	43	-3%	44	47	-26%	64
Lafarge S.A.	FR	30	5%	28	45	5%	43	55	5%	52	70	5%	67
Titan Cement Company S.A.	GR	96	14%	85	30	-17%	36	117	22%	95	50	7%	47
Imerys SA	FR	126	18%	107	53	5%	51	188	20%	156	115	15%	100
RHI AG	AU	140	20%	117	72	19%	60	116	12%	103	47	3%	46
Median Performance		70	-1%	70	48	2%	47	94	10%	85	68	3%	66

Containers and Packaging Industry													
Papeles y Cartones de Europa S.A.	ES	(54)	-19%	(46)	15	-28%	20	74	5%	71	143	5%	137
Smurfit Kappa Group plc	IE	8	-82%	42	64	18%	55	45	-1%	46	102	75%	58
DS Smith Plc	UK	12	-49%	24	48	-14%	56	27	-13%	30	62	0%	62
Huhtamaki Oyj	FI	61	-4%	64	50	2%	49	60	-1%	61	49	7%	46
BillerudKorsnäs Aktiebolag (publ)	SW	68	-26%	91	46	3%	44	110	2%	107	88	46%	60
Ardagh Packaging Holdings Limited	IE	78	-7%	83	47	-11%	53	71	-2%	72	40	-4%	42
Median Performance		27	-36%	42	47	-3%	49	71	0%	71	88	46%	60

Distributors Industry													
John Menzies plc	UK	(11)	-379%	4	28	5%	27	3	-35%	4	42	57%	27
Connect Group PLC	UK	(3)	-88%	(2)	22	0%	22	10	2%	10	35	6%	33
Headlam Group plc	UK	27	-44%	49	68	22%	56	96	-4%	100	136	27%	107
Inchcape plc	UK	30	4%	28	16	54%	10	63	-7%	68	49	0%	50
S.A. D'Ieteren N.V.	BE	57	6%	53	18	-10%	20	58	12%	52	20	5%	19
Medion AG	DE	120	17%	102	116	35%	86	46	14%	40	42	77%	24
Median Performance		29	-26%	39	25	3%	24	52	13%	46	42	40%	30

Diversified Consumer Services Industry													
AcadeMedia AB	SW	(23)	-19%	(19)	10	-27%	14	0	10%	0	33	0%	33
Median Performance		(23)	19%	(19)	10	-27%	14	0	10%	0	33	0%	33

Diversified													
TDC A/S	DK	(202)	-24%	(163)	54	-4%	56	19	1%	18	275	16%	238
Telecom Italia S.p.A.	IT	(152)	-33%	(114)	94	44%	65	10	-21%	12	255	33%	191
Hellenic Telecommunications Organization SA	GR	(145)	-25%	(115)	66	1%	66	20	-4%	21	231	14%	202
TeliaSonera Aktiebolag (publ)	SW	(13)	37%	(20)	43	-1%	43	11	12%	10	67	-9%	74
Cable & Wireless Communications Plc	UK	8	-25%	10	39	-15%	46	11	26%	9	42	-4%	44
Elisa Oyj	FI	44	24%	35	70	2%	69	23	0%	23	49	-13%	57
Median Performance		(47)	13%	(42)	53	7%	50	11	1%	11	105	-4%	109

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companies in working capital management by 2014 CCC

COMPANY	COUNTRY	CCC			DSO			DIO			DPO		
		2014	1YR% CHANGE	2013	2014	1YR% CHANGE	2013	2014	1YR% CHANGE	2013	2014	1YR% CHANGE	2013
Electric Utilities Industry													
TenneT Holding B.V.	NL	(554)	-344%	(125)	243	0%	243	5	7%	5	802	115%	372
TERNA - Rete Elettrica Nazionale Società per Azioni	IT	(429)	91%	(4,853)	136	-60%	340	17	-17%	20	582	-89%	5,213
Elia System Operator SA	BE	(147)	-229%	(45)	141	115%	66	15	73%	9	303	155%	119
Helsingin Energia	FI	77	14%	68	9	-47%	16	78	-2%	79	9	-68%	28
Electricite de FR SA	FR	115	6%	109	116	9%	107	117	8%	109	118	10%	107
Axpo Holding AG	CH	117	0%	117	117	3%	113	40	-6%	42	40	4%	38
Median Performance		16	-30%	23	57	0%	57	19	-8%	21	48	2%	47

Electrical Equipment Industry													
Gamesa Corporación Tecnológica S.A.	ES	(70)	25%	(94)	141	-25%	188	106	-8%	115	317	-20%	397
PKC Group Oyj	FI	26	-21%	33	39	2%	38	57	5%	54	70	18%	59
Prysmian S.p.A.	IT	38	28%	30	75	2%	73	83	13%	73	119	2%	117
Alstom SA	FR	132	-12%	150	152	-11%	170	67	-5%	70	87	-4%	90
SGL Carbon SE	DE	142	2%	139	48	-1%	48	152	1%	151	58	-4%	60
Huber+Suhner AG	CH	155	5%	148	64	22%	52	127	11%	114	36	93%	18
Median Performance		78	-3%	81	68	11%	62	83	-1%	83	70	8%	64

Electronic Equipment													
Esprinet SpA	IT	10	43%	7	44	4%	42	43	4%	42	77	0%	77
Ingenico S.A.	FR	27	-3%	28	93	8%	86	49	2%	48	114	8%	105
ALSO Holding AG	CH	28	24%	22	39	2%	38	34	13%	30	45	-2%	46
Premier Farnell plc	UK	142	3%	139	42	-3%	44	142	5%	135	42	5%	40
Hexagon AB	SW	164	11%	148	86	12%	77	133	7%	125	55	2%	54
Jenoptik AG	DE	191	9%	176	72	9%	66	170	11%	153	51	18%	43
Median Performance		78	-2%	79	62	1%	61	72	-16%	85	57	2%	56

Energy Equipment and Services Industry													
Tecnicas Reunidas, S.A.	ES	(122)	3%	(126)	167	5%	159	4	-9%	5	293	1%	289
Amec Foster Wheeler plc	UK	(6)	-118%	34	138	70%	81	1	361%	0	145	204%	48
Technip SA	FR	7	133%	(20)	90	1%	89	15	9%	14	98	-20%	122
Petrofac Limited	Channel Islands	214	24%	173	141	25%	112	113	7%	105	40	-11%	45
SBM Offshore N.V.	NL	251	39%	180	272	24%	219	1	-41%	1	22	-46%	41
Frank's International N.V.	NL	255	1%	252	112	-2%	115	155	-1%	156	13	-33%	19
Median Performance		82	8%	76	83	-6%	89	28	9%	26	52	8%	48

Food and Staples Retailing Industry													
Jeronimo Martins SGPS SA	PT	(57)	-1%	(57)	1	-9%	2	21	-7%	23	80	-1%	81
Distribuidora Internacional de Alimentación, S.A.	ES	(46)	-12%	(41)	11	40%	8	32	26%	25	89	20%	75
O'KEY GROUP SA	LU	(42)	-7%	(39)	1	10%	1	41	16%	35	83	11%	75
Fyffes plc	EI	31	10%	29	39	51%	26	33	14%	29	41	54%	26
MARR SpA	IT	47	2%	46	99	-7%	106	38	9%	35	89	-6%	95
Amsterdam Commodities NV	NL	121	10%	109	41	7%	38	116	21%	96	36	49%	24
Median Performance		(12)	6%	(11)	9	11%	8	32	6%	30	49	9%	45

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		2014	1YR% CHANGE	2013	2014	1YR% CHANGE	2013	2014	1YR% CHANGE	2013	2014	1YR% CHANGE	2013
Food Products Industry													
Campofrio Food Group, S.A.	ES	(77)	-6%	(73)	25	-5%	26	113	-2%	115	215	0%	214
Greencore Group plc	EI	(39)	-4%	(37)	26	1%	26	22	-4%	23	87	1%	86
Danone	FR	(33)	7%	(35)	33	6%	31	44	6%	42	110	2%	108
Austevoll Seafood ASA	NO	187	-18%	229	42	-18%	51	193	-20%	242	48	-25%	64
Chocoladefabriken Lindt & Sprüngli AG	CH	224	17%	192	99	14%	86	182	3%	176	57	-20%	70
Viscofan SA	ES	352	2%	344	66	-3%	68	322	-5%	337	35	-42%	61
Median Performance		35	-19%	44	41	11%	37	57	-8%	61	61	3%	59

Gas Utilities Industry													
Ascopiave S.p.A.	IT	(12)	-354%	5	92	-6%	98	2	57%	1	106	13%	94
Gas Natural SDG SA	ES	9	-32%	14	84	24%	68	23	26%	18	98	35%	72
Rubis	FR	30	-5%	32	29	-5%	30	23	-11%	26	22	-12%	25
HMN Naturgas I/S	DK	106	17%	90	94	-6%	100	39	30%	30	28	-31%	40
Median Performance		20	-13%	23	88	7%	83	23	4%	22	63	12%	56

Health Care Technology Industry													
Agfa-Gevaert N.V.	BE	132	-6%	140	75	-12%	85	103	6%	97	46	8%	43
Median Performance		132	-6%	140	75	-12%	85	103	6%	97	46	8%	43

Healthcare Equipment and Supplies Industry													
GN Store Nord A/S	DK	98	3%	95	95	16%	82	80	-1%	81	77	15%	67
Sartorius Aktiengesellschaft	DE	128	0%	129	57	-10%	64	115	-7%	125	45	-26%	60
Sorin SpA	IT	129	16%	111	86	11%	77	173	28%	135	130	29%	101
Carl Zeiss Meditec AG	DE	187	12%	167	81	-6%	86	150	16%	129	43	-11%	49
Getinge AB	SW	187	13%	166	101	5%	96	142	14%	125	56	2%	55
William Demant Holding A/S	DK	202	4%	194	78	3%	76	173	2%	171	49	-6%	52
Median Performance		144	-2%	146	85	5%	82	128	2%	125	56	2%	55

Healthcare Providers and Services Industry													
Oriola-KD Corporation	FI	(47)	-2%	(46)	40	-47%	76	52	-52%	108	140	-39%	231
Korian-Medica	FR	(32)	22%	(41)	23	0%	24	2	-15%	2	57	-14%	66
Générale de Santé Société Anonyme	FR	(10)	-5%	(10)	22	9%	20	14	31%	10	46	13%	40
Lifco AB	SW	82	0%	82	41	2%	41	71	0%	71	30	1%	29
Fresenius Medical Care AG & Co. KGAA	DE	93	-4%	97	80	-2%	81	38	-7%	41	24	-2%	25
Fresenius SE & Co KGaA	DE	98	4%	95	70	7%	65	52	-1%	53	23	1%	23
Median Performance		22	3%	21	40	-5%	42	32	2%	32	45	8%	42

Hotels, Restaurants and Leisure Industry													
NH Hoteles S.A.	ES	(145)	-97%	(73)	40	15%	35	7	-89%	62	191	13%	170
GTECH S.p.A.	IT	(129)	-34%	(97)	90	-16%	108	38	6%	36	258	7%	241
Whitbread PLC	UK	(117)	-8%	(108)	11	9%	10	10	2%	10	137	8%	128
Sodexo S.A.	FR	28	4%	27	64	5%	61	6	0%	6	42	6%	40
Pierre & Vacances SA	FR	85	-12%	96	100	-1%	100	90	14%	80	105	25%	84
Millennium & Copthorne Hotels plc	UK	107	112%	51	46	337%	11	83	49%	56	22	39%	16
Median Performance		(17)	20%	(14)	17	7%	16	10	1%	10	43	8%	40

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		2014	1 YR% CHANGE	2013	2014	1 YR% CHANGE	2013	2014	1 YR% CHANGE	2013	2014	1 YR% CHANGE	2013
Household Durables Industry													
Kaufman & Broad SA	FR	(8)	-265%	5	113	9%	104	133	-7%	143	254	5%	242
TomTom NV	NL	19	30%	15	55	14%	48	40	14%	35	75	11%	68
Electrolux AB	SW	21	-29%	30	67	3%	65	58	14%	50	104	21%	86
Crest Nicholson Holdings plc	UK	545	10%	497	21	13%	19	654	19%	548	130	87%	70
Redrow plc	UK	549	-5%	580	9	-19%	11	624	-6%	665	84	-13%	97
The Berkeley Group Holdings plc	UK	731	10%	663	30	7%	28	815	5%	778	114	-21%	144
Median Performance		122	-4%	128	42	-5%	44	133	3%	130	58	24%	47

Household Products Industry													
Henkel AG & Co. KGaA	DE	3	141%	(6)	61	15%	53	71	10%	64	129	5%	124
McBride plc	UK	14	-12%	16	66	-1%	66	49	-19%	61	100	-9%	111
Svenska Cellulosa Aktiebolaget SCA (publ)	SW	58	-2%	59	59	-3%	61	64	-2%	65	65	-2%	67
PZ Cussons plc	UK	90	6%	85	54	0%	54	113	1%	112	77	-5%	81
Median Performance		19	-1%	19	59	9%	54	71	8%	65	97	9%	89

Independent Power Producers and Energy Traders Industry													
Pohjolan Voima Oy	FI	50	-13%	58	32	-31%	47	41	34%	30	23	17%	19
Statkraft AS	NO	68	-8%	74	65	11%	58	32	23%	26	28	184%	10
Median Performance		51	-16%	60	32	-31%	47	37	22%	30	23	127%	10

Industrial Conglomerates Industry													
DCC plc	IE	2	-63%	5	28	-21%	35	18	21%	14	44	-2%	44
COFIDE - Gruppo De Benedetti SpA	IT	2	-78%	10	66	-28%	92	39	103%	19	102	2%	101
Carr's Milling Industries plc	UK	47	6%	45	51	4%	49	32	10%	29	36	7%	33
Rheinmetall AG	DE	123	12%	110	89	10%	81	133	-4%	138	99	-10%	109
Smiths Group plc	UK	123	-6%	130	71	-3%	74	96	-6%	102	44	-3%	46
Siemens Aktiengesellschaft	DE	127	-1%	128	74	0%	74	108	1%	107	54	4%	52
Median Performance		96	4%	93	66	-11%	74	71	2%	69	54	4%	52

Internet and Catalog Retail Industry													
Cnova N.V.	NL	(93)	-41%	(66)	15	5%	14	51	-6%	54	158	18%	134
Selecta Group B.V.	NL	(24)	-142%	(10)	20	7%	19	29	12%	26	73	34%	55
Zalando SE	DE	(19)	-109%	(9)	23	28%	18	101	-13%	116	143	0%	143
ASOS plc	UK	103	-15%	120	3	30%	2	120	-15%	141	20	-11%	23
Findel plc	UK	157	-1%	158	140	-3%	143	89	5%	84	71	2%	70
N Brown Group plc	UK	279	4%	268	253	3%	246	83	-3%	86	57	-10%	63
Median Performance		67	-2%	69	31	-6%	33	83	8%	77	61	-3%	63

Internet Software and Services Industry													
United Internet AG	DE	(33)	-25%	(27)	23	23%	19	8	-18%	9	64	17%	54
Cimpress N.V.	NL	(26)	-286%	(7)	7	-2%	7	10	41%	7	43	107%	21
Median Performance		(30)	78%	(17)	23	23%	19	9	8%	8	64	17%	54

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IT Services Industry													
Northgate Information Solutions Holdings Limited	UK	(181)	-30%	(139)	49	10%	45	0	152%	0	230	25%	184
CompuCenter plc	UK	3	-92%	30	82	5%	78	7	-16%	8	86	53%	56
Cancom SE	DE	5	262%	(3)	60	-12%	68	14	9%	13	69	-18%	84
Reply S.p.A.	IT	136	-1%	138	165	-5%	173	27	68%	16	56	10%	51
Indra Sistemas, S.A.	ES	146	133%	63	196	126%	87	36	-47%	68	86	-6%	92
Engineering Ingegneria Informatica S.p.A.	IT	161	-18%	197	281	-11%	317	0	-71%	0	121	1%	120
Median Performance		25	-32%	37	76	0%	76	14	35%	11	63	17%	53

Leisure Equipment and Products Industry													
LEGO A/S	DK	60	15%	52	75	7%	70	99	10%	90	114	6%	108
Trigano Société Anonyme	FR	77	-26%	104	41	-12%	46	128	-16%	151	91	-2%	93
Amer Sports Corp.	FI	140	9%	129	89	1%	88	121	12%	108	69	5%	66
Bénéteau S.A.	FR	158	9%	145	57	33%	42	175	8%	163	73	23%	60
Median Performance		136	5%	129	57	23%	46	128	-13%	147	73	10%	66

Life Sciences Tools and Services Industry													
Eurofins Scientific SA	LU	51	-3%	52	83	2%	81	8	8%	7	40	11%	36
Gerresheimer AG	DE	86	3%	83	59	6%	56	76	-4%	79	49	-5%	51
Qiagen NV	NL	141	5%	135	72	-1%	73	106	4%	102	37	-9%	41
Lonza Group Ltd	CH	153	27%	121	62	10%	57	128	24%	104	37	-6%	40
Median Performance		125	3%	121	72	-1%	73	76	-4%	79	37	-6%	40

Machinery Industry													
Carraro SpA	IT	(19)	-787%	3	38	-4%	39	97	21%	80	154	31%	117
Melrose Industries PLC	UK	4	-94%	65	68	30%	52	69	-9%	76	134	111%	63
Duro Felguera, S.A.	ES	20	40%	14	158	2%	155	15	33%	11	153	0%	152
Wacker Neuson SE	DE	194	7%	183	49	-5%	52	171	13%	151	26	30%	20
Heidelberger Druckmaschinen Aktiengesellschaft	DE	208	-1%	209	56	-4%	58	199	5%	189	47	26%	38
TRUMPF GmbH + Co. KG	DE	211	3%	204	80	8%	74	173	2%	169	41	7%	39
Median Performance		113	14%	99	67	4%	64	100	1%	99	61	7%	57

Marine Industry													
Hapag-Lloyd AG	DE	(23)	-337%	(5)	38	46%	26	9	-14%	10	70	68%	42
A.P. Møller - Mærsk A/S	DK	(12)	-64%	(7)	31	-12%	36	12	-8%	13	55	-1%	56
CMA CGM S.A.	FR	(3)	-114%	23	52	28%	41	9	-22%	12	64	122%	29
Stolt-Nielsen Limited	UK	27	-10%	30	34	0%	34	13	-16%	15	20	3%	19
Wilh. Wilhelmsen Holding ASA	NO	32	-3%	33	59	-7%	63	45	-12%	52	72	-12%	82
DryShips, Inc.	GR	38	-3%	39	68	-14%	79	8	-41%	13	37	-29%	52
Median Performance		18	-31%	27	39	1%	38	10	-23%	13	43	21%	35

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Media Industry													
Numericable-SFR	FR	(603)	-157%	(234)	312	306%	77	70	112%	33	985	186%	344
Publicis Groupe SA	FR	(381)	-10%	(347)	386	5%	367	26	0%	26	793	7%	740
NOS SGPS SA	PT	(226)	-122%	(102)	95	-8%	103	30	17%	25	351	53%	230
Pearson plc	UK	55	15%	48	72	16%	62	37	5%	35	55	9%	50
ITV plc	UK	58	11%	52	39	-16%	47	34	48%	23	15	-15%	18
Solocal Group SA	FR	115	22%	94	172	16%	148	1	25%	1	58	7%	55
Median Performance		(16)	47%	(11)	72	5%	69	10	-24%	13	89	6%	84

Metals and Mining Industry													
Vedanta Resources plc	UK	(74)	-40%	(53)	20	2%	20	63	0%	63	157	16%	136
New World Resources Plc	NL	8	-5%	8	29	-9%	32	24	88%	13	45	24%	36
Antofagasta plc	UK	12	-80%	57	56	21%	46	39	-37%	61	83	66%	50
Elval Hellenic Aluminium Industry SA	GR	137	0%	137	57	8%	52	113	1%	112	32	16%	27
Schmolz + Bickenbach AG	CH	138	6%	130	48	-4%	50	150	14%	131	60	15%	52
TUBACEX S.A.	ES	232	17%	199	59	-10%	66	268	26%	212	95	21%	79
Median Performance		75	1%	74	37	1%	37	89	-1%	90	52	13%	46

Multiline Retail Industry													
Marks & Spencer Group plc	UK	(12)	-54%	(8)	4	14%	4	47	7%	44	64	14%	56
Debenhams plc	UK	7	35%	6	4	26%	3	62	-6%	66	59	-8%	64
Poundland Group plc	UK	25	-16%	30	9	6%	9	52	-2%	53	36	13%	32
Mothercare plc	UK	38	-8%	41	21	17%	18	53	-17%	63	36	-10%	40
Stockmann Oyj ABP	FI	57	-21%	73	4	-65%	11	89	-11%	100	35	-8%	38
Next Plc	UK	97	13%	85	69	8%	64	56	13%	50	28	0%	28
Median Performance		31	-11%	35	7	-31%	10	54	-6%	58	36	-8%	39

Multi-Utilities Industry													
National Grid plc	UK	(123)	28%	(171)	39	17%	34	20	-39%	33	183	-23%	237
Eneco Holding NV	NL	(108)	-46%	(74)	59	0%	59	6	4%	6	173	24%	139
ACEA S.p.A.	IT	(54)	-386%	(11)	157	1%	156	5	3%	5	216	26%	172
E.ON SE	DE	43	-13%	49	39	-11%	44	12	-13%	14	8	-6%	9
Centrica plc	UK	46	-5%	49	51	-11%	57	8	-10%	9	13	-28%	18
Telecom Plus plc	UK	67	-9%	73	70	-8%	76	1	234%	0	5	47%	3
Median Performance		3	-80%	15	51	-12%	58	10	-12%	12	62	6%	59

Oil, Gas and Consumable Fuels Industry													
Hellenic Petroleum SA	GR	(63)	-182%	(22)	11	-26%	15	25	-36%	39	99	29%	77
Fluxys BE SA	BE	(29)	-157%	52	60	58%	38	59	-20%	75	148	144%	61
Nostrum Oil & Gas Plc	NL	(26)	-33%	(19)	14	-48%	27	42	49%	28	82	9%	75
Repsol, S.A.	ES	57	-11%	65	40	3%	38	44	-20%	55	26	-9%	29
Premier Oil plc	UK	71	17%	61	92	22%	75	10	-54%	21	30	-14%	35
Nynas AB	SW	79	-1%	79	26	-12%	29	66	1%	65	13	-16%	16
Median Performance		12	-51%	25	29	-19%	36	28	-12%	32	33	-16%	39

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Paper and Forest Products Industry													
ENCE Energia y Celulosa SA	ES	(43)	3%	(44)	52	10%	48	36	-41%	60	131	-14%	152
Sonae Indústria, S.G.P.S., S.A.	PT	(3)	-114%	18	35	-13%	40	65	-15%	77	103	4%	100
Munksjö Oyj	SW	28	-23%	37	36	-33%	54	100	-17%	120	108	-21%	137
Metsä Board Oyj	FI	72	-17%	87	46	-1%	46	86	5%	82	60	45%	42
UPM-Kymmene Oyj	FI	73	4%	71	52	3%	51	57	7%	54	36	7%	34
Holmen Aktiebolag (publ)	SW	108	17%	92	52	12%	46	135	7%	126	80	-1%	81
Median Performance		47	-13%	54	48	3%	46	73	0%	73	63	5%	59

Personal Products Industry													
L'Oreal SA	FR	(55)	0%	(55)	53	7%	50	127	6%	119	236	5%	224
Ontex Group N.V.	BE	29	1%	29	46	-5%	49	63	3%	61	79	-1%	80
Beiersdorf AG	DE	38	41%	27	74	13%	65	121	2%	119	158	0%	157
Oriflame Cosmetics SA	LU	99	-34%	150	23	78%	13	155	-9%	171	79	132%	34
Median Performance		34	20%	28	50	1%	49	124	4%	119	119	0%	119

Pharmaceuticals Industry													
H. Lundbeck A/S	DK	(180)	-20%	(150)	78	25%	63	175	-3%	180	433	10%	393
AstraZeneca PLC	UK	(31)	-185%	36	67	-15%	78	125	-8%	136	222	25%	178
Galenica Ltd.	CH	56	3%	54	51	-2%	53	62	6%	58	57	1%	57
Endo International plc	EL	203	44%	140	157	55%	101	129	-2%	131	83	-10%	92
Novo Nordisk A/S	DK	214	14%	189	54	13%	48	285	15%	247	124	17%	106
Roche Holding AG	CH	216	19%	181	65	0%	65	219	31%	167	68	34%	50
Median Performance		141	-7%	152	67	0%	67	156	-2%	159	108	5%	103

Professional Services Industry													
Experian plc	EL	30	16%	26	51	0%	50	0	-72%	1	21	-18%	26
DKSH Holding Ltd.	CH	32	8%	30	69	13%	61	40	15%	34	77	17%	66
SGS SA	CH	71	13%	63	79	7%	74	13	20%	11	22	-4%	22
Intertek Group plc	UK	87	64%	53	92	53%	60	3	25%	2	8	-13%	10
Bertrandt AG	DE	98	-2%	100	105	-1%	106	0	-27%	0	6	8%	6
Pöyry PLC	FI	129	8%	119	73	4%	70	77	5%	73	20	-15%	24
Median Performance		73	18%	62	67	12%	60	3	45%	2	22	-4%	22

Road and Rail Industry													
Schweizerische Bundesbahnen SBB AG	CH	(18)	11%	(20)	23	-12%	26	29	2%	29	70	-6%	75
Société Nationale des Chemins de fer Français	FR	(15)	5%	(16)	42	-16%	51	10	-36%	16	68	-18%	82
Deutsche Bahn Aktiengesellschaft	DE	(8)	-469%	(1)	38	-1%	38	11	1%	11	56	13%	50
Northgate plc	UK	34	-7%	37	42	1%	41	16	7%	15	23	22%	19
Motability Operations Group Plc	UK	40	15%	35	27	0%	27	27	16%	23	14	-11%	16
NSB AS	NO	66	17%	56	22	-9%	24	74	10%	68	31	-15%	36
Median Performance		(3)	-6%	(3)	25	-5%	26	11	-28%	15	31	-9%	34

NOTE: For the purpose of the study companies that securitise their receivables have had the value of securitised receivables added back to the overall receivables figure. NM (not meaningful).

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companies in working capital management by 2014 CCC

COMPANY	COUNTRY	CCC			DSO			DIO			DPO		
		2014	1YR% CHANGE	2013	2014	1YR% CHANGE	2013	2014	1YR% CHANGE	2013	2014	1YR% CHANGE	2013
Semiconductors and Semiconductor Equipment Industry													
CSR plc	UK	(86)	-27%	(67)	36	19%	30	63	9%	58	185	19%	156
Dialog Semiconductor Plc	UK	36	-51%	74	32	-38%	51	57	-28%	79	52	-8%	56
NXP Semiconductors NV	NL	38	-41%	65	35	-7%	38	92	-10%	102	89	18%	75
Infineon Technologies AG	DE	57	4%	55	49	0%	49	97	9%	88	88	7%	82
STMicroelectronics NV	CH	95	5%	90	45	-5%	47	94	6%	89	44	-4%	46
SMA Solar Technology AG	DE	123	15%	106	72	49%	49	112	30%	86	61	116%	28
Median Performance		48	-31%	70	41	-16%	48	93	7%	87	75	14%	66

Software Industry													
Software AG	DE	47	1%	46	90	6%	85	0	-3%	0	43	11%	39
Gemalto NV	NL	105	28%	82	105	13%	93	54	5%	51	53	-14%	62
Median Performance		76	19%	64	89	6%	84	27	5%	26	48	8%	45

Specialty Retail Industry													
Industria de Diseno Textil SA	ES	(31)	0%	(31)	7	-1%	7	90	0%	90	127	0%	127
Carpetright plc	UK	(30)	10%	(33)	4	-10%	4	72	-6%	77	106	-7%	114
Pets at Home Group Plc	UK	(29)	-235%	(9)	10	109%	5	55	-2%	56	94	35%	69
H & M Hennes & Mauritz AB (publ)	SW	90	-1%	91	9	0%	9	114	-2%	116	32	-5%	34
Mekonomen AB	SW	120	6%	113	28	2%	27	170	1%	168	77	-6%	82
Jumbo SA	GR	267	4%	256	21	20%	17	265	0%	266	19	-30%	27
Median Performance		35	-14%	41	8	7%	7	99	10%	90	68	15%	60

Technology Hardware, Storage and Peripherals Industry													
Seagate Technology Public Limited Company	EI	25	91%	13	46	8%	42	36	22%	30	57	-3%	59
Wincor Nixdorf Aktiengesellschaft	DE	76	13%	67	77	20%	64	65	8%	60	66	15%	57
Median Performance		26	-15%	30	46	8%	42	58	-4%	60	63	7%	59

Textiles, Apparel and Luxury Goods Industry													
OVS S.p.A.	IT	(1)	72%	(5)	23	-14%	27	158	10%	143	183	4%	175
Luxottica Group SpA	IT	34	-7%	36	36	6%	34	98	2%	96	100	7%	93
Samsonite International S.A.	LU	48	0%	48	43	2%	42	110	-4%	115	104	-4%	108
LVMH Moët Hennessy Louis Vuitton SA	FR	225	4%	217	27	-1%	27	320	3%	310	122	1%	120
Christian Dior SE	FR	247	3%	239	24	1%	23	333	2%	327	109	-1%	111
Compagnie Financiere Richemont SA	CH	388	-4%	403	21	-2%	21	417	-4%	435	49	-6%	52
Median Performance		133	19%	112	36	5%	34	187	5%	177	100	7%	93

Tobacco Industry													
Imperial Tobacco Group plc	UK	68	-4%	72	36	0%	36	50	-5%	53	17	2%	17
Swedish Match AB	SW	118	43%	83	43	2%	42	124	73%	72	49	60%	31
Scandinavian Tobacco Group A/S	DK	361	0%	362	48	-4%	50	356	0%	355	43	-1%	44
British American Tobacco plc	UK	480	11%	434	72	5%	69	498	9%	455	90	0%	90
Median Performance		239	8%	222	46	-1%	46	240	13%	213	46	24%	37

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companies in working capital management by 2014 CCC

COMPANY	COUNTRY	CCC 1 YR% CHANGE			DSO 1 YR% CHANGE			DIO 1 YR% CHANGE			DPO 1 YR% CHANGE		
		2014	2013	2012	2014	2013	2012	2014	2013	2012	2014	2013	2012
Trading Companies and Distributors Industry													
Cramo Oyj	FI	(12)	-2%	(12)	56	3%	54	15	21%	13	83	6%	79
Travis Perkins plc	UK	13	-58%	32	61	47%	41	69	-1%	69	117	48%	79
Grafton Group plc	EL	21	12%	18	53	38%	39	46	-33%	69	79	-12%	89
Jacquet Metal Service S.A.	FR	106	31%	81	47	4%	45	123	15%	108	64	-11%	72
Indutrade AB (publ)	SW	112	-5%	118	64	7%	59	91	-6%	97	43	14%	38
Beijer Ref AB (publ)	SW	159	6%	150	76	2%	75	142	5%	135	59	-2%	60
Median Performance		53	1%	53	53	-1%	54	56	-15%	66	59	-2%	60

Transportation Infrastructure Industry													
Aéroports de Paris Société Anonyme	FR	(67)	-106019%	(0)	67	-8%	72	6	-3%	6	140	78%	79
Avinor AS	NO	(59)	-374%	(12)	41	4%	39	3	-1%	3	102	88%	54
Groupe Eurotunnel SA	FR	(57)	-923%	(6)	44	1%	44	2	-12%	2	103	100%	51
Flughafen Zürich AG	CH	6	48%	4	42	-9%	46	10	-8%	10	45	-13%	52
BBA Aviation plc	UK	34	-4%	35	44	9%	41	40	0%	41	51	11%	46
Ansaldo STS SpA	IT	202	33%	152	284	7%	265	33	-36%	52	116	-30%	165
Median Performance		(23)	505%	(4)	44	0%	44	10	0%	10	85	59%	53

Water Utilities Industry													
Southern Water Services Ltd.	UK	21	-1%	21	36	0%	36	2	25%	1	17	2%	17
Severn Trent Plc	UK	46	-16%	55	50	-4%	52	21	-16%	25	25	10%	23
Median Performance		44	114%	21	50	-4%	52	9	6%	8	25	10%	23

Wireless Telecommunication Services Industry													
VimpelCom Ltd.	NL	(254)	-1%	(250)	34	-10%	38	9	-27%	12	297	-1%	300
Vodafone Group Public Limited Company	UK	(21)	-55%	(14)	35	3%	34	6	19%	5	62	18%	53
freenet AG	DE	6	163%	2	49	1%	48	12	23%	10	55	-1%	56
Tele2 AB (publ)	SW	29	-13%	34	86	-13%	99	12	6%	11	69	-10%	77
Median Performance		(6)	236%	(2)	35	-7%	38	12	3%	11	62	12%	56

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“REL hit the bull’s eye with a pragmatic, straight forward process that met our needs. Their professionals found real solutions that our team embraced and implemented with line of sight impact on our target KPI. These guys get the job done.”

Tim Wild,
Vice President,
Supply Chain, Brunswick Boat Group

“REL brings in good professionals, who roll up their sleeves and start working with local teams to make things happen. They have a hands-on mentality and a no-nonsense approach. They are not like typical consultants who only give you plans to follow.”

Rens Blankers,
Head of Shared Business Services Finance
Philips

Scorecard methodology

The REL's working capital survey calculates working capital performance based on the latest publicly available annual financial statements of the 1,000² largest listed non-financial companies with headquarters in the US. The survey takes an industry-based approach to ranking companies according to the four key working capital metrics: days sales outstanding (DSO), days inventory outstanding (DIO), days payables outstanding (DPO) and cash conversion cycle (CCC). For each industry the companies are ranked according to overall CCC, the top three and bottom three performers are listed in the scorecard.

Companies are classified according to the Standard and Poor's Global Industry Classification Standard (GICS), using data sourced from S&P Capital IQ. Historical comparisons within the survey are made on a like-for-like basis. Where off-balance sheet arrangements are used by the company, adjustments have been made to the data in order to provide true, consistent and comparable figures.

Days Sales Outstanding (DSO) = Accounts Receivable/(One day revenue)

- Year-end trade receivables net of allowance for doubtful accounts, divided by one day of average revenue
- A decrease in DSO represents an improvement, an increase a deterioration

Days Inventory Outstanding (DIO) = Inventory/(One Day Cost of Goods Sold (COGS))

- Year-end inventory balance divided by average days COGS
- A decrease is an improvement, an increase a deterioration

Days Payables Outstanding (DPO) = Accounts Payable/(One Day COGS)

- Year-end trade accounts payable balance divided by average days COGS
- An increase in DPO represents an improvement, a decrease a deterioration

Cash Conversion Cycle (CCC) = (DSO + DIO - DPO)

- Year-end DSO + DIO - DPO performance (in days as calculated above)
- The lower the number of days, the better

² REL targets the 1,000 largest (by revenue) publicly traded companies for inclusion in the survey. To be included in the survey the companies must file their FY2014 financials before the survey closes. This year, the survey included 947.



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