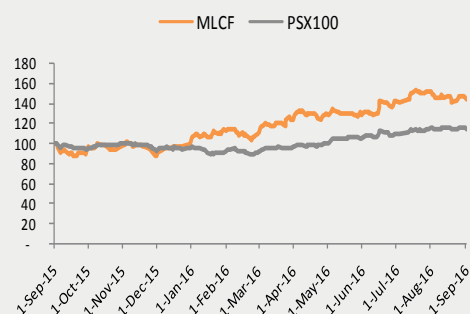


MAPLE LEAF CEMENT FACTORY LTD
Sep 2, 2016
CURRENT MARKET DATA

Current Price	101.85
Market Cap (PKR mn)	53749.7
52 wk Hi	114.31
52 wk low	64.36
Outstanding shares (mn)	527.73
Free Float (mn)	237.48

Sources: PSX
STOCK RELATIVE PERFORMANCE

Sources: PSX
EARNING SUMMARY FY16E

PKR 'mn'	FY16E	FY15	YoY
Net Sales	23,151	20,720	12%
Cost of sales	13,544	13,224	2%
Gross Profit	9,607	7,496	28%
Admin Exp	482	381	26%
Dist Exp	1,334	1,314	2%
Other op exp	493	263	87%
Other op inc	21	46	-54%
Finance Cost	493	1,083	-54%
PBT	6,826	4,501	52%
Tax	2,010	1,047	92%
PAT	4,816	3,454	39%
EPS	9.13	6.55	39%

Source: Nael Research, Company accounts
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Earnings estimated to clock at PKR 2.48/sh for 4QFY16

- Maple leaf cement factory Ltd (MLCF) is scheduled to announce its FY16 financial result on Sept 5, 2016. We expect MLCF to post earnings of PKR 1.31bn (EPS: PKR 2.48) in 4QFY16, compared to PKR 1.11bn (EPS: PKR 2.10) registered in 4QFY15, depicting an impressive growth of 18%YoY.
- We expect the company to declare a final cash dividend of PKR 2/sh, taking cumulative payout to PKR 3.5/sh.
- The said projections results in accumulated earnings of PKR 4.82bn (EPS: PKR 9.13) for FY16 as compared to PKR 3.45bn (EPS: PKR 6.55) recorded in FY15.
- On yearly basis, projected increase in topline of MLCF is attributable to surge in domestic offtake by ~11% during FY16 as compared to FY15, resulting from an uptick in construction activities. However, exports volume remained sluggish witnessing a drop of ~10%YoY (83%L & 17%E during FY16).
- The growth in earnings can be attributed to 1) surge in local dispatches by ~12%QoQ 2) lower fuel & energy cost 3) decline in finance cost due to early retirement of loan.
- On quarterly basis, topline of the company is expected to witness a marginal upside of 2%QoQ from domestic sales as compared to last quarter.

MLCF FINANCIAL RESULT FY16E

PKR 'mn'	4QFY16E	4QFY15	YoY	4QFY16E	3QFY16	QoQ
Net Sales	6,216	5,656	10%	6,216	6,075	2%
Cost of sales	3,623	3,573	1%	3,623	3,475	4%
Gross Profit	2,593	2,083	24%	2,593	2,601	0%
Admin Exp	114	115	-1%	114	129	-11%
Dist Exp	352	347	1%	352	335	5%
Other Op Exp	135	74	81%	135	173	-22%
Other Op Inc	5	8	-34%	5	5	12%
Finance Cost	73	203	-64%	73	103	-29%
PBT	1,924	1,352	42%	1,924	1,866	3%
Tax	616	242	154%	616	703	-12%
PAT	1,309	1,109	18%	1,309	1,163	12%
EPS	2.48	2.10	18%	2.48	2.20	12%

Source: Nael Research, Company accounts