

MLCF: FY16 RESULTS SNAPSHOT

MLCF posted earnings of PKR 9.26/sh, in line with our expectations

- Maple leaf cement factory ltd (MLCF) announced its FY16 earnings of PKR 4.89bn (EPS: PKR 9.26) as compared to our projected earnings of PKR 4.82bn (EPS: PKR 9.13), in line with our expectations. The company announced a cash dividend of PKR 2.5/sh in addition to interim dividend already paid at PKR 1.5/sh during 1HFY16.
- During 4QFY16, MLCF posted PAT of PKR 1.38bn (EPS: PKR 2.61) compared to PKR 1.11bn (EPS: PKR 2.10) in 4QFY15, witnessing impressive growth of 24%YoY.
- Along with the financial result, BoD has approved the setting of an additional production line of 7000tpd (Brownfield expansion) with total estimated cost of PKR 20bn. As per the announcement, company is expected to establish LC during Oct'16 and aims to begin commercial operations within 26 months.
- Significant decline in finance cost is observed (60%YoY) during FY16 owing to early debt retirement of Sukuk obligation of PKR 8bn.

PKR 'mn'	FY16	FY15	YoY	4QFY16	4QFY15	YoY	4QFY16	3QFY16	QoQ
Net Sales	23,433	20,720	13%	6,497	5,656	15%	6,497	6,075	7%
Cost of sales	13,411	13,224	1%	3,489	3,573	-2%	3,489	3,475	0%
Gross Profit	10,022	7,496	34%	3,009	2,083	44%	3,009	2,601	16%
Admin Exp	486	381	27%	118	115	3%	118	129	-8%
Dist Exp	1,360	1,314	4%	378	347	9%	378	335	13%
Other op exp	660	263	151%	302	74	306%	302	173	75%
Other op inc	36	46	-21%	23	8	185%	23	5	389%
Finance Cost	436	1,083	-60%	16	203	-92%	16	103	-85%
PBT	7,118	4,501	58%	2,218	1,352	64%	2,218	1,866	19%
Tax	2,233	1,047	113%	839	242	246%	839	703	19%
PAT	4,885	3,454	41%	1,379	1,109	24%	1,379	1,163	19%
EPS	9.26	6.55	41%	2.61	2.10	24%	2.61	2.20	19%

Source: PSX, Company Accounts

Regards,

Jawad Ali | Research Department | Nael Capital (Pvt) Ltd | 021-32461812-3 board | 021-32461819-22 sales | 021-32461837

DISCLAIMER: The report has been prepared by Nael Capital (Pvt.) Ltd and is for information purpose only. The information and opinions contained herein have been compiled or arrived at, based upon information obtained from sources, believed to be reliable and in good faith. Such information has not been independently verified and no guaranty, representation or warranty, expressed or implied is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. Descriptions of any company or companies or their securities mentioned herein are not intended to be complete and this document is not, and should not be consulted as, an offer, or solicitation of an offer, to buy or sell any securities or other financial instruments.

<http://iamapunji.pk/>