

Flash Note

Monday, 21 January 2019

Cements

Attock Cement Company Limited (ACPL)

Higher exports sales drive topline, while higher input cost kept gross margins at bay; earnings down 28% to PKR 2.87/share

- Attock Cement Company Limited (ACPL) reported 2QFY19 earnings of PKR 2.87/share (down by 28%q/q), taking 1HFY19 to 5.94/share, down by 29%.
- Net sales registered a healthy +24%/y growth thanks to better retention prices and healthy exports volume. However, gross profits came off by 20%/y owing to rising input cost, denting its gross profit margins to 21% from previous 35%.

Exhibit:

ACPL Result Highlights

Period end (JUN) - PKRmn	2QFY19	2QFY18	YoY	1QFY18	QoQ	1HFY19	1HFY18	YoY
Net Sales	4,954.2	3,979.3	24%	5,680.0	-13%	10,634.2	7,569.7	40%
Gross Profit	1,051.2	1,388.5	-24%	1,197.1	-12%	2,248.3	2,605.1	-14%
Sell. / Dist. & Admin	401.8	335.6	20%	599.7	-33%	1,001.5	727.7	38%
Non-Operating Income	73.2	16.7	339%	61.3	19%	134.5	27.6	5.62x
EBIT	686.6	1,012.8	-32%	633.7	8%	1,320.3	1,813.3	-27%
Financial Charges	177.9	67.7	163%	122.7	45%	300.5	78.3	11.62x
Pre-tax Profits	508.7	945.1	-46%	511.0	0%	1,019.7	1,735.0	-41%
Taxation	115.0	397.1	-71%	88.0	31%	203.0	582.1	-65%
Profit after Tax	393.7	548.0	-28%	423.0	-7%	816.8	1,152.9	-29%
EPS (PKR)	2.87	3.99		3.08		5.94	8.39	
DPS (PKR)	-	-		-		-	-	
Key Ratios								
Gross Margin (%)	21.2	34.9		21.1		21.1	34.4	
Net Margin (%)	7.9	13.8		7.4		7.7	15.2	
Effective Tax Rate (%)	22.6	42.0		17.2		19.9	33.6	

Source: Company Accounts, IGI Research

No. of Shares : 137mn

Analyst

Saad Khan

Saad.khan@igi.com.pk

Tel: (+92-21) 111-234-234 Ext.: 810

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Research Analyst(s)

Research Identity Number: BRP009

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Contact Details

Research Team

Saad Khan	Head of Research	Tel: (+92-21) 111-234-234 Ext: 810	saad.khan@igi.com.pk
Abdullah Farhan	Senior Analyst	Tel: (+92-21) 111-234-234 Ext: 912	abdullah.farhan@igi.com.pk
Suleman Ashraf	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 957	suleman.ashraf@igi.com.pk
Muhammad Saad	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 816	muhammad.saad@igi.com.pk
Umesh Solanki	Database Manager	Tel: (+92-21) 111-234-234 Ext: 974	umesh.solanki@igi.com.pk

Equity Sales

Faisal Jawed Khan	Head of Equities	Tel: (+92-21) 35301779	faisal.jawed@igi.com.pk
Zaeem Haider Khan	Regional Head (North)	Tel: (+92-42) 38303559-68	zaeem.haider@igi.com.pk
Muhammad Naveed	Regional Manager (Islamabad & Upper North)	Tel: (+92-51) 2604861-62	muhammad.naveed@igi.com.pk
Irfan Ali	Regional Manager (Faisalabad)	Tel: (+92-41) 2540843-45	irfan.ali@igi.com.pk
Asif Saleem	Branch Manager (RY Khan)	Tel: (+92-68) 5871652-56	asif.saleem@igi.com.pk
Mehtab Ali	Branch Manager (Multan)	Tel: (+92-61) 4512003	mahtab.ali@igi.com.pk
Zeeshan Kayani	Branch Manager (Abbottabad)	Tel: (+92-992) 408243-44	zeeshan.kayani@igi.com.pk
Ihsan Mohammad	Branch Manager (Peshawar)	Tel: (92-91) 5253035	ihsan.mohammad@igi.com.pk

IGI Finex Securities Limited

Trading Rights Entitlement Certificate (TREC) Holder of
Pakistan Stock Exchange Limited |
Corporate member of Pakistan Mercantile Exchange Limited

Head Office

Suite No 701-713, 7th Floor, The Forum, G-20,
Khayaban-e-Jami Block-09, Clifton, Karachi-75600
UAN: (+92-21) 111-444-001 | (+92-21) 111-234-234
Fax: (+92-21) 35309169, 35301780
Website: www.igisecurities.com.pk

Stock Exchange Office

Room # 134, 3rd Floor, Stock Exchange Building,
Stock Exchange Road, Karachi.
Tel: (+92-21) 32429613-4, 32462651-2
Fax: (+92-21) 32429607

Lahore Office

Shop # G-009, Ground Floor,
Packages Mall
Tel: (+92-42) 38303560-69
Fax: (+92-42) 38303559

Faisalabad Office

Room #: 515-516, 5th Floor, State Life
Building, 2- Liaqat Road
Tel: (+92-41) 2540843-45
Fax: (+92-41) 2540815

Multan Office

Mezzanine Floor, Abdali Tower,
Abdali Road
Tel: (92-61) 4512003, 4571183

Peshawar Office

2nd Floor, The Mall Tower,
35 The Mall Saddar Cantt.
Tel: (92-91) 5273035, 5223882

Islamabad Office

Mezzanine Floor, Office 5, 6 & 7, Kashmir Plaza,
Block- B, Jinnah Avenue, Blue Area
Tel: (+92-51) 2604861-2, 2604864, 2273439
Fax: (+92-51) 2273861

Rahim Yar Khan Office

Plot # 12, Basement of Khalid Market,
Model Town, Town Hall Road
Tel: (+92-68) 5871652-3
Fax: (+92-68) 5871651

Abbottabad Office

Ground Floor, Al Fatah Shopping Center ,
Opp. Radio Station, Mansehra Road
Tel: (+92-99) 2408243 - 44

Sialkot Office

Suite No. 10 & 11, 1st Floor, Soni Square,
Mubarik Pura
Tel: (+92-52) 3258028

IGI Finex Securities Limited

Research Analyst(s)

Research Identity Number: BRP009

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