

# Flash Note

Friday, 12 October 2018

## Oil & Gas - Marketing Companies

### Attock Petroleum Limited (APL)

#### EPS reported at PKR 15.55 during 1QFY19 back by likely inventory gains despite depressed HSD/FO sales

- Attock Petroleum Limited (APL) announced financial results for 1QFY19 with earnings clocking in at PKR 1.55bn (EPS PKR 15.55) up by +16%YoY compared to PKR 1.33bn (EPS PKR 13.36) in the same period last year. On quarterly basis, earnings are up by +11%QoQ during 1QFY19.
- We attribute this growth in earnings during 4QFY18 likely on the back of inventory gains of PKR 300-500mn, +17%YoY rise in MS sales and higher improved MS, HSD and FO margins.
- Net Revenues increased by +50%YoY to PKR 57.81bn, likely on the back of increase in domestic MS, HSD and FO prices due to surge in international oil prices and PKR depreciation.
- Gross profit increased by +30%YoY to PKR 2.56bn during 1QFY19 as against PKR 1.97bn in similar period last year likely owing to inventory gains, rise in MS sales and hike in MS, HSD and FO margin.
- Operating costs leaped up by +27%YoY to PKR 0.69bn during 1QFY19 compared to PKR 0.54bn in the corresponding period last year.
- Finance cost leaped up by +49%YoY to PKR 0.19bn on account of rise in trade payables.
- Effective tax rate stood at 27% during 1QFY19 compared to 27% reported in the corresponding period last year likely

Exhibit:

#### Financial Highlights

PKRmn	1QFY19	1QFY18	YoY	4QFY18	QoQ
Net Sales	57,806	38,531	50%	55,985	3%
Gross Profit	2,562	1,970	30%	2,873	-11%
Operating Expense	689	543	27%	657	5%
Other Charges	113	94	20%	132	-14%
Other Income	229	206	11%	280	-18%
EBIT	2,102	1,634	29%	2,496	-16%
Finance Income / (Cost)	134	223	-40%	147	-9%
Profit Before Taxation	2,125	1,830	16%	2,377	-11%
Taxation	577	500	15%	984	-41%
Profit After Taxation	1,548	1,330	16%	1,393	11%
<b>EPS (PKR)</b>	15.55	13.36		13.99	
DPS (PKR)	-	-		25.00	

Source: IGI Research, Company Financials

No of Shares: 99.53mn

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