

Result announcement: 2QFY22

Automobile Assemblers

Indus Motors Company Limited

Earnings: Indus Motor Company Limited (INDU) announced its financial result for the 2QFY22. As per the financial result, the company reported earnings of PKR 4,750mn (PKR 60.4/share) compared to last year PKR 2,958mn (PKR 37.6/share) an increase of 31%. However, on a quarterly basis earnings are down by 12%q.

Dividends/Payouts: The company announced cash dividend of PKR 30/share along with interim dividends of PKR 34.5/share, thus the total dividend for the year stands at PKR 64.5/share compared to last year PKR 37.0/share same period.

Operating performance: During the period under review, the company reported net sales of PKR 69.6bn an increase by 35%. Gross profit margins of the company took a hit during the quarter arriving at 7.6% compared to previous quarter 10.8% and 8.2% 2qFY21. Moreover, the company recorded operating costs (including admin and selling & marketing costs) of PKR 0.9bn (up by +31%y). EBIT during the period under review came at PKR 6.5bn (up by +28%y). In addition, the company booked lower effective tax charge to the tune of 26% compared to previous quarter 29% and 28.7% last year same period.

Exhibit: Financial highlights Indus Motor Company Limited (INDU)								
Latest result published for: 2qFY22								
in PKRmn -- Period End: Jun	2qFY22	1qFY22	FY2021	4qFY21	3qFY21	2qFY21	1qFY21	FY2020
Net Sales	69,633	65,552	179,162	48,002	51,514	45,451	34,195	86,167
Gross Profit	5,264	7,072	16,654	5,896	4,746	3,723	2,288	7,451
Selling & Distribution	418	456	1,619	653	394	346	226	1,469
Admin.	463	466	1,465	402	418	329	316	1,385
Operating Profits	4,383	6,151	13,570	4,841	3,934	3,048	1,746	4,597
EBIT	6,474	7,712	18,333	6,412	5,062	4,171	2,688	7,373
Finance Cost	30	29	134	54	21	24	34	86
Taxation	1,694	2,258	5,371	1,959	1,422	1,189	800	2,205
Profit After Tax	4,750	5,425	12,829	4,398	3,619	2,958	1,854	5,082
EPS	60.4	69.0	163.2	56.0	46.0	37.6	23.6	64.7
DPS	30.0	34.5	103.5	36.5	30.0	25.0	12.0	30.0
Source: IGI Research, Company Financials						No of Shares (mn): 78.6		

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