

Wednesday, 12 Aug - 2015

Bloomberg: POL PA | Reuters:PKOL.KA

POL : Result Preview for FY15

EPS to clock in at 38.67 in FY15

- Financial result of Pakistan Oil Field (POL) for FY15 is planned to be disclosed on Thursday 13, Aug'15. As per our assumption, company is expected to post NPAT of PKR 9bn, which translates into an EPS of PKR 38.67, down 29%YoY. Earnings for 4QFY15 are expected at PKR 1.9bn (EPS: PKR 8.19) with 30%YoY and 4%QoQ decline.
- We highlight the recent turmoil in international Oil prices as the primary reason behind declining earnings. Arab Light Crude declined 33% in FY15 and settled at USD 73/bbl. Furthermore, PKR appreciated 1.5%YoY against the greenback.
- With the aforementioned decline in Oil prices and appreciation in PKR, we anticipate a 11%YoY decline in POL's topline. Additionally, the incorporation of super tax will further dent the bottom-line.
- Nevertheless, POL's operational performance has provided the much needed cushion to falling earnings. POL's Oil production in FY15 grew 6% while Gas production fell 8%. However, the ever rising LPG production continued on the same trend and grew 70%.

POL Estimated Financial Statement for FY15

PKR mn	FY15E	FY14	YoY	4QFY15E	YoY	QoQ
Net sales	31,762	35,540	-11%	7,103	-24%	10%
Operating cost	8,984	7,608	18%	2,202	8%	-4%
Excise duty	262	282	-7%	71	7%	13%
Royalty	2,762	3,439	-20%	673	-25%	27%
A.D cost	3,100	5,201	-40%	819	-58%	10%
GP	16,653	19,010	-12%	3,338	-24%	17%
Exploration cost	3,424	1,710	100%	320	12%	1724%
Administration expense	175	122	43%	50	-5%	16%
Finance cost	1,095	654	67%	298	35%	9%
Other charges	866	1,140	-24%	213	41%	36%
Other income	1,531	1,823	-16%	350	74%	-17%
Profit from associate	-	-	n/m	-	n/m	n/m
PBT	12,624	17,207	-27%	2,807	-27%	1%
Taxation	3,479	4,319	-19%	870	-19%	14%
NPAT	9,145	12,888	-29%	1,937	-30%	-4%
EPS	38.67	54.49	-29%	8.19	-30%	-4%

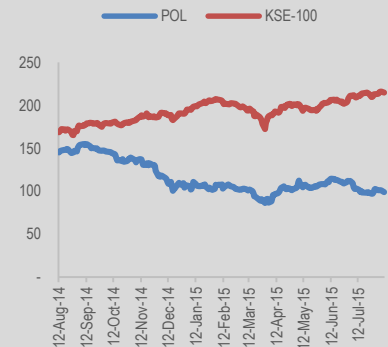
Source: Company's Account, Darson Research

CURRENT MARKET DATA

Current Price	362
Market Cap (PKR mn)	39,042
Market Cap (USD mn)	384
Index Weightage (%)	1.91
P/E	9
Free Float (%)	46

Source: KSE, Bloomberg

Relative Performance



Source: KSE, Bloomberg

Disclaimer

This report has been prepared by DARSON and is provided for information purposes only. Under no circumstances it is to be used or considered as an offer to sell, or a solicitation of any offer to buy. This information has been compiled from sources we believe to be reliable, but we do not hold ourselves responsible for its completeness or accuracy. All opinions and estimates expressed in this report constitute our present judgment only and are subject to change without notice. This report is intended for persons having professional experience in matters relating to investments.

Meet Our Research Team

Get Analysis & Advise for your Investment Goals
FREE Service for Small, Medium & High Networth Investors

Investor Training Sessions

Come & join our Awareness & Training Session
and become a **Smart Investor**

For More Details, Please Logon to: www.darsononline.com

808, 8th Floor
Business & Finance Centre
I.I. Chundrigar Road, Karachi
Tel : 92 21 32468919, 32469675
Fax : 92 21 2471088

111 900 400