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Bloomberg: PPL PA | Reuters: PPL.KA

PPL: Result Preview for FY15

- Pakistan Petroleum Limited (PPL) is expected to unveil its financial performance for FY15 on 24th August'15. As per our assumption, company will post NPAT of PKR 37.4bn as compared to PKR 51.4bn recorded in FY14. This translates into EPS of PKR 19, depicting the negative growth of 27%YoY. It is anticipated to post EPS of PKR 3.81 in 4QFY15, which is to decline 4%QoQ and 44%YoY respectively. The substantial decline in earnings is primarily attributed to the drop in prices of Arab light by 33%, decline in production by 15% and 2% appreciation in PKR. Additionally, we expect company to announce 4Q DPS at PKR 5 to full year payout of PKR 9.5/share
- Production of Gas remained depressed and fell by 15%YoY due to natural decline in 100% owned Adhi field, which constitutes 51% of gas production. However, Crude witnessed significant increment in production, as it increased by 16%YoY. Additionally, LPG also showed massive growth of 122%YoY in LPG production. Therefore, PPL's topline is expected to plummet by 16%YoY.
- Analyzing 4QFY15, we expect PPL's financial performance to deteriorate due to 34%YoY and 10%QoQ decline in top-line. Additionally, Tax is expected to rise by 26%QoQ due to imposition of additional super tax. Resultantly, earnings are anticipated to fall 4%QoQ.

PPL Estimated Financial Statement for FY15

PKR mn	FY15E	FY14	YoY	4QFY15E	YoY	QoQ
Net sales	100,967	119,811	-16%	20,383	-34%	-10%
Field expenditures	36,600	32,817	12%	8,153	-14%	-26%
Royalties	11,674	14,301	-18%	2,242	-38%	-14%
Other income	7,577	6,381	19%	1,529	-3%	-24%
Finance cost	527	426	24%	112	5%	-19%
Other expenses	5,261	4,103	28%	510	-55%	-8%
PBT	54,482	74,547	-27%	10,894	-40%	4%
Taxation	17,017	23,129	-26%	3,377	-30%	26%
NPAT	37,465	51,417	-27%	7,517	-44%	-4%
EPS	19.00	26.08	-27%	3.81	-44%	-4%

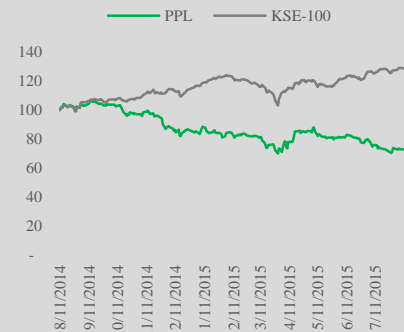
Source: Company's Account, Darson Research

CURRENT MARKET DATA

Current Price	147
Market Cap (PKR mn)	70,785
Market Cap (USD mn)	696
Index Weightage (%)	3.54
P/B	1.78
P/E	7.8
EV/ EBITDA	N.A
Free Float (%)	21

Source: KSE, Bloomberg

Relative Performance



Source: KSE, Bloomberg



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