



Analysts' Briefing

Financial Results – For the year ended

June 30, 2017

Entity rating by PACRA
Short term A1 and Long term A



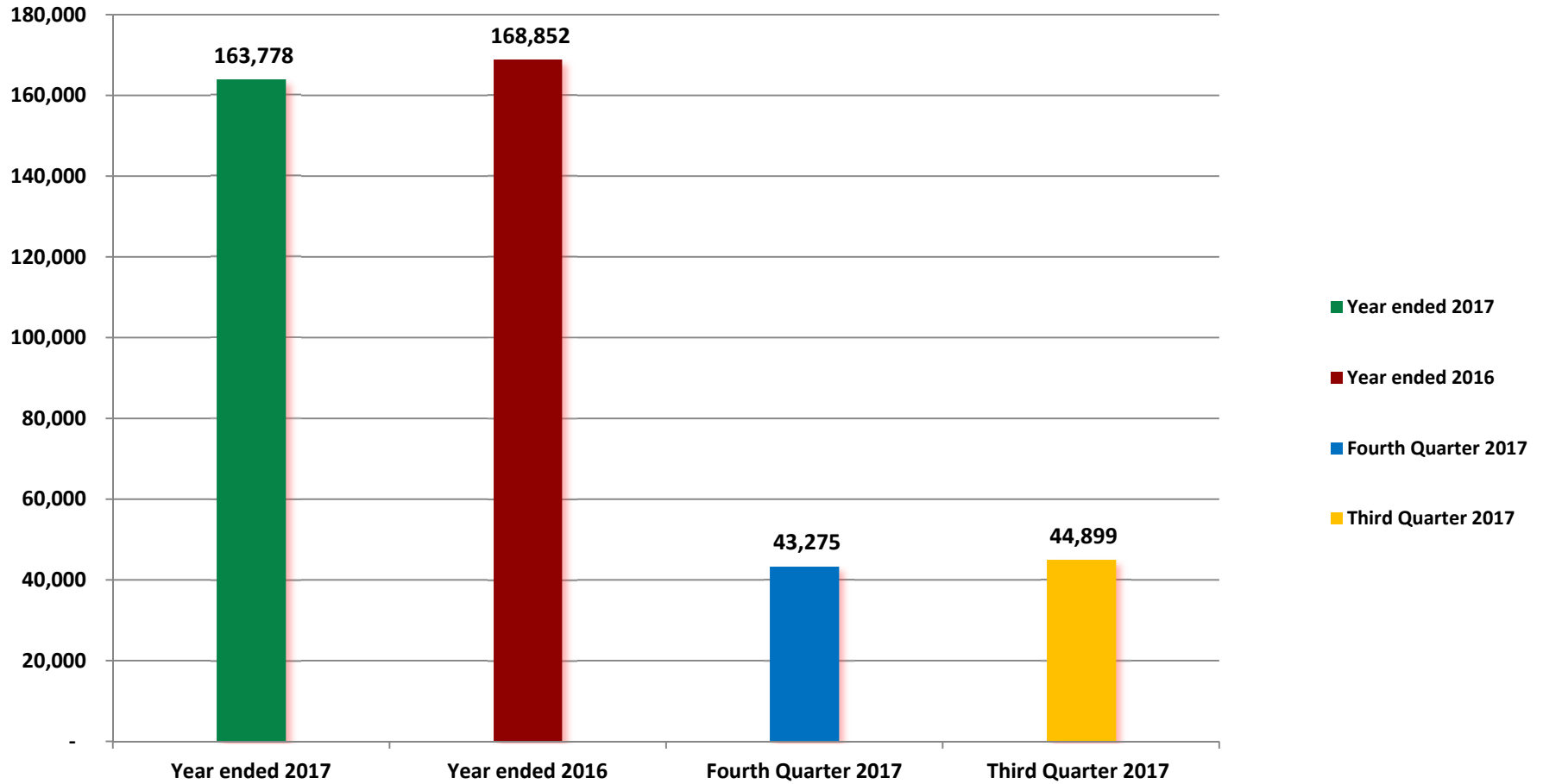
Pakistan's Largest-Selling Brand of Steel bars

Quantities



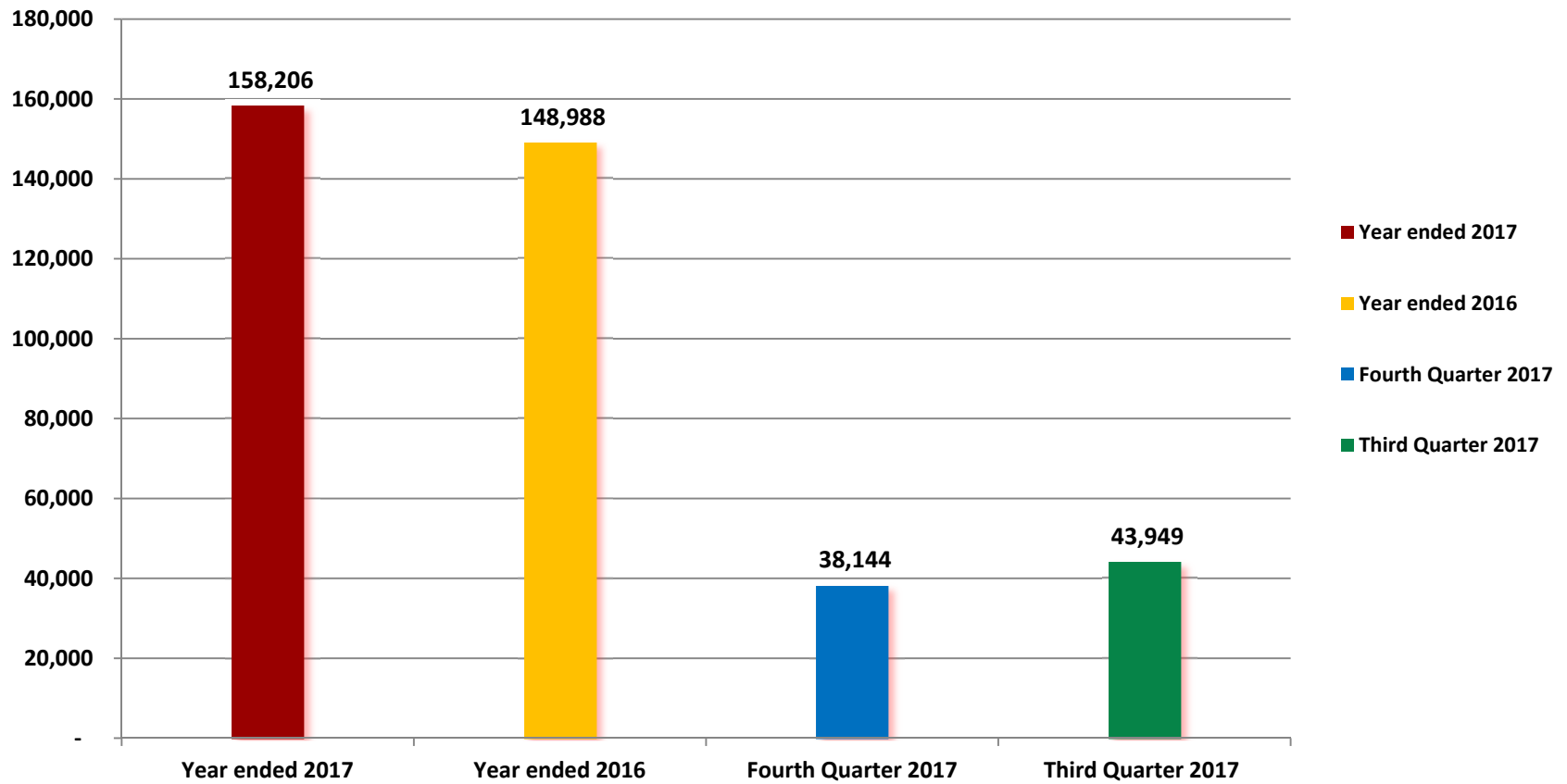
Production - Billets

Pakistan's Largest-Selling Brand of Steel bars



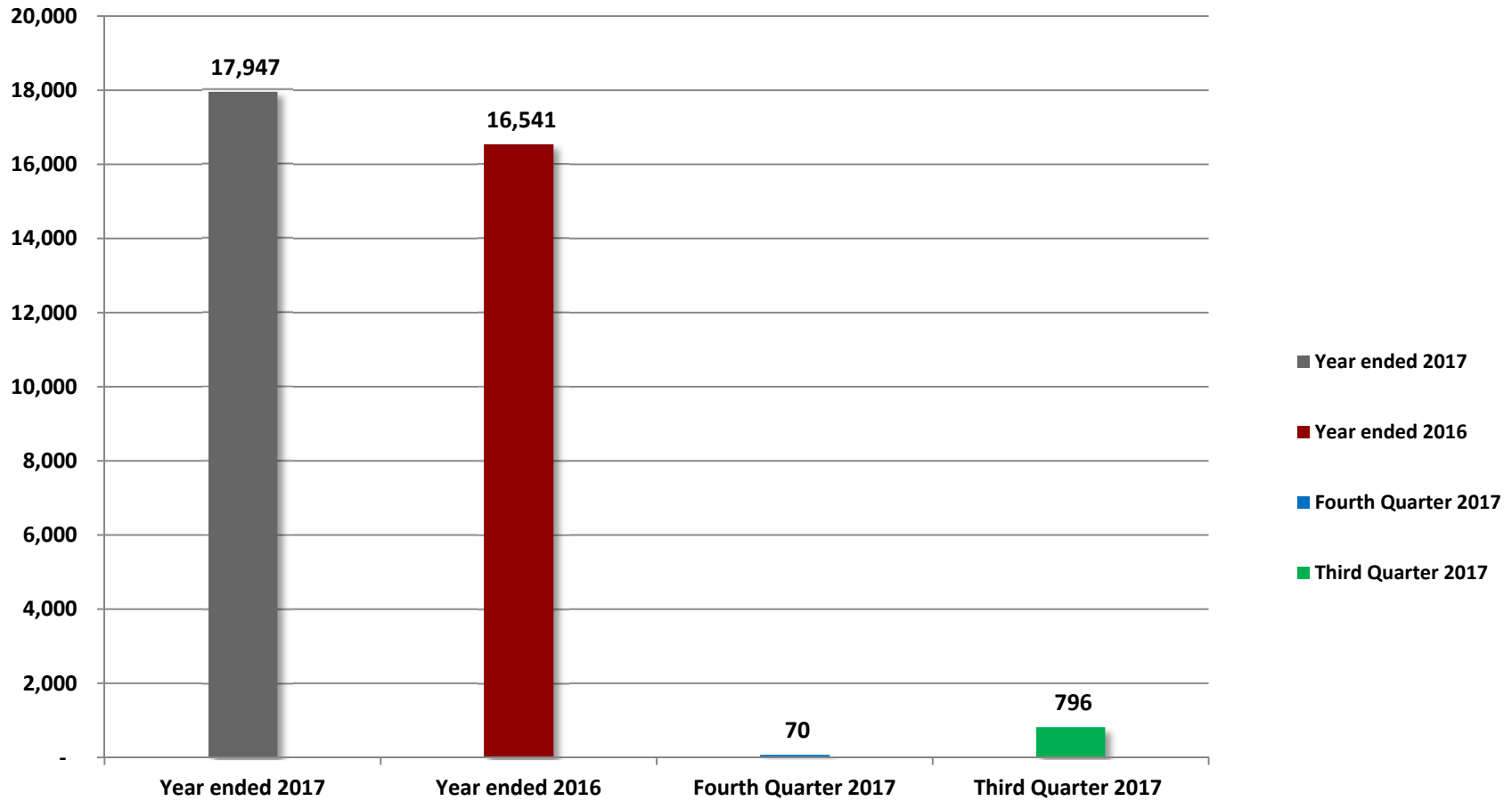


Production - Prime Bars





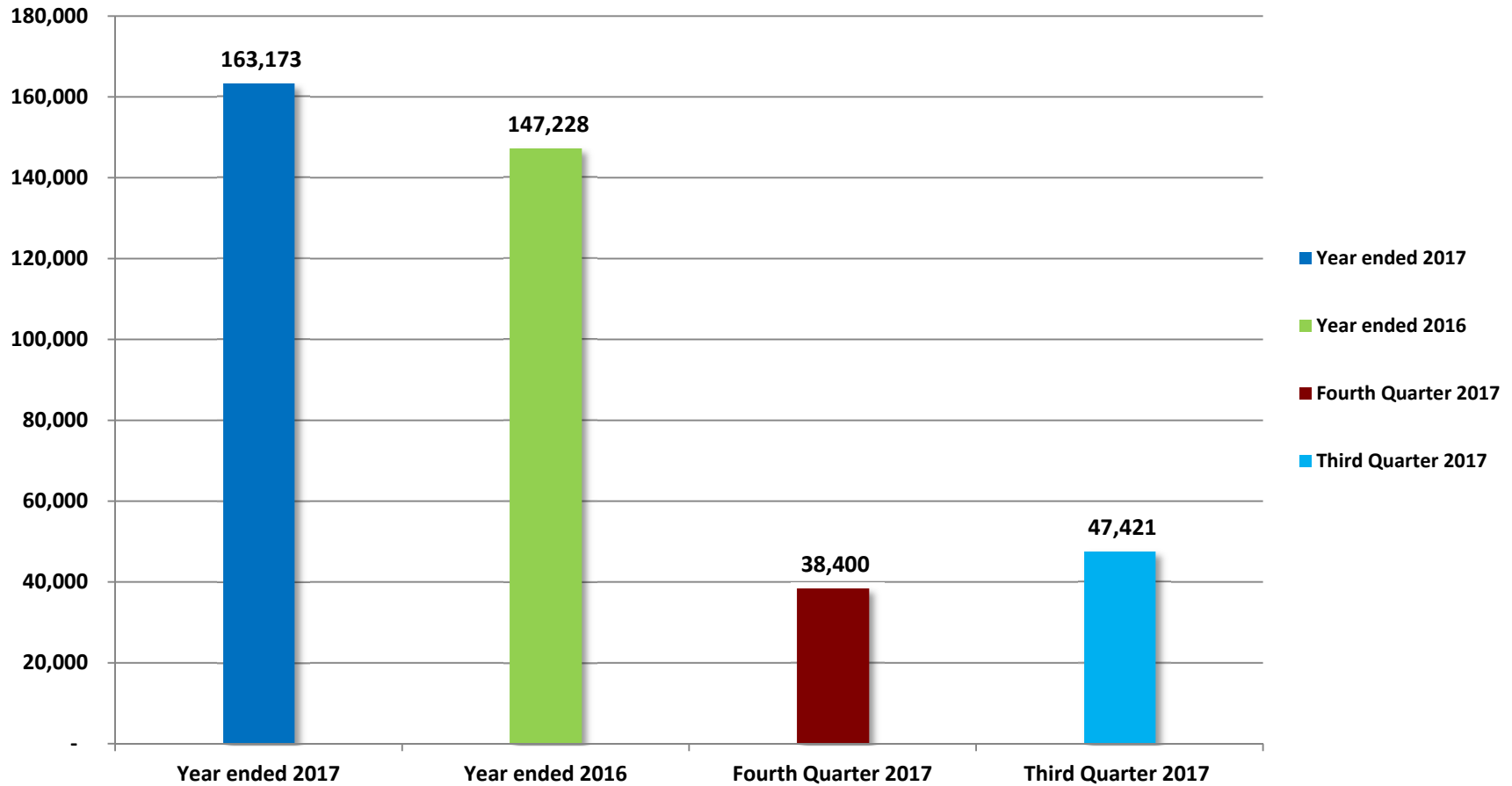
Sales – Trading bars





Sales - Prime Bars

Pakistan's Largest-Selling Brand of Steel bars





Profit & Loss Account

Profit & Loss Account

Pakistan's Largest-Selling Brand of Steel bars

Description	NOTE	Twelve months ended		Fourth vs Third Quarter FY 17	
		June 30, 2017	June 30, 2016	Apr - June 2017	Jan - Mar 2017
		-----Rupees-----		-----Rupees-----	
SALES - net	22	13,283,811,229	12,400,191,349	3,148,697,344	3,576,703,759
Cost of sales	23	(10,815,624,056)	(9,608,236,222)	(2,472,408,508)	(2,878,314,637)
Gross profit / (loss)		2,468,187,172	2,791,955,127	676,288,836	698,389,122
Distribution cost	24	(337,266,551)	(341,325,913)	(79,015,546)	(88,593,127)
Administrative expenditure	25	(324,830,812)	(216,283,236)	(94,333,437)	(83,788,019)
Other charges	26	(116,550,926)	(165,014,968)	(36,053,634)	(33,828,015)
Other operating income	27	7,357,725	15,398,750	451,199	644,116
Operating profit / (loss)		1,696,896,608	2,084,729,760	467,337,417	492,824,077
Finance costs	28	(251,583,475)	(335,534,389)	(65,246,950)	(57,804,113)
Profit / (Loss) before taxation		1,445,313,133	1,749,195,371	402,090,467	435,019,964
Taxation (Expense) Reversal	29	(371,260,430)	(470,446,343)	(200,509,402)	(97,880,176)
Profit / (loss) after taxation		1,074,052,703	1,278,749,028	201,581,066	337,139,788
GP	%	19	23	21	20
Profit Margins before tax	%	11	14	13	12
Profit Margins after tax	%	8	10	6	9
Effective tax rate	%	26	27	50	23
Earnings per share - basic and diluted	Rs.	3.62	4.81	0.68	1.14
Working of Weighted average shares for EPS	#	297,011,427	266,011,427	297,011,427	297,011,427



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Expansion



Amreli Steels Limited

Pakistan's Largest-Selling Brand of Steel bars

	Existing	In progress	Further expansion	Further expansion	Full Capacity
Steel Rolling capacities	180,000	300,000	125,000	145,000	750,000
Expected time lines	In operation	November 17	November 17	FY 18-19	FY 19-20
Steel Melting	200,000	200,000	200,000	0	600,000
Expected time lines	In operation	COD Announced	FY 17-18	0	FY 17-18



Outlook



Future Outlook – Key Factors

- Scrap prices
- Rupee devaluation
- Cost of energy
- Further increase in administrative, marketing and selling expenses
- Pass through of increased costs
- Ability to take full advantage of tax credit under Section 65E
- Demand
- Supply
- Competition



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Thank you