

PAKISTAN'S
LARGEST
SELLING
BRAND OF STEEL BARS

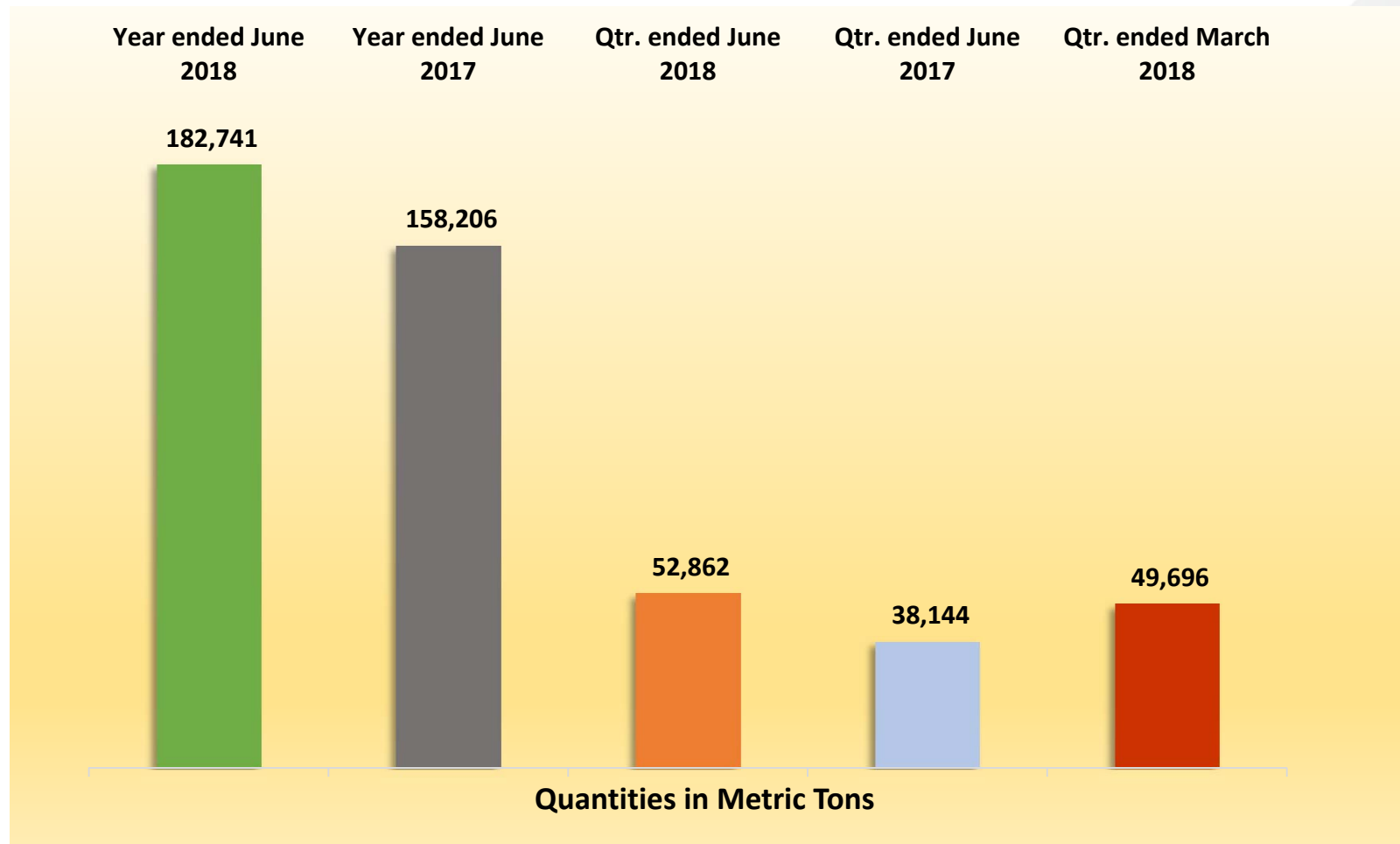
Analysts' briefing

Financial Results
Year ended June 30, 2018

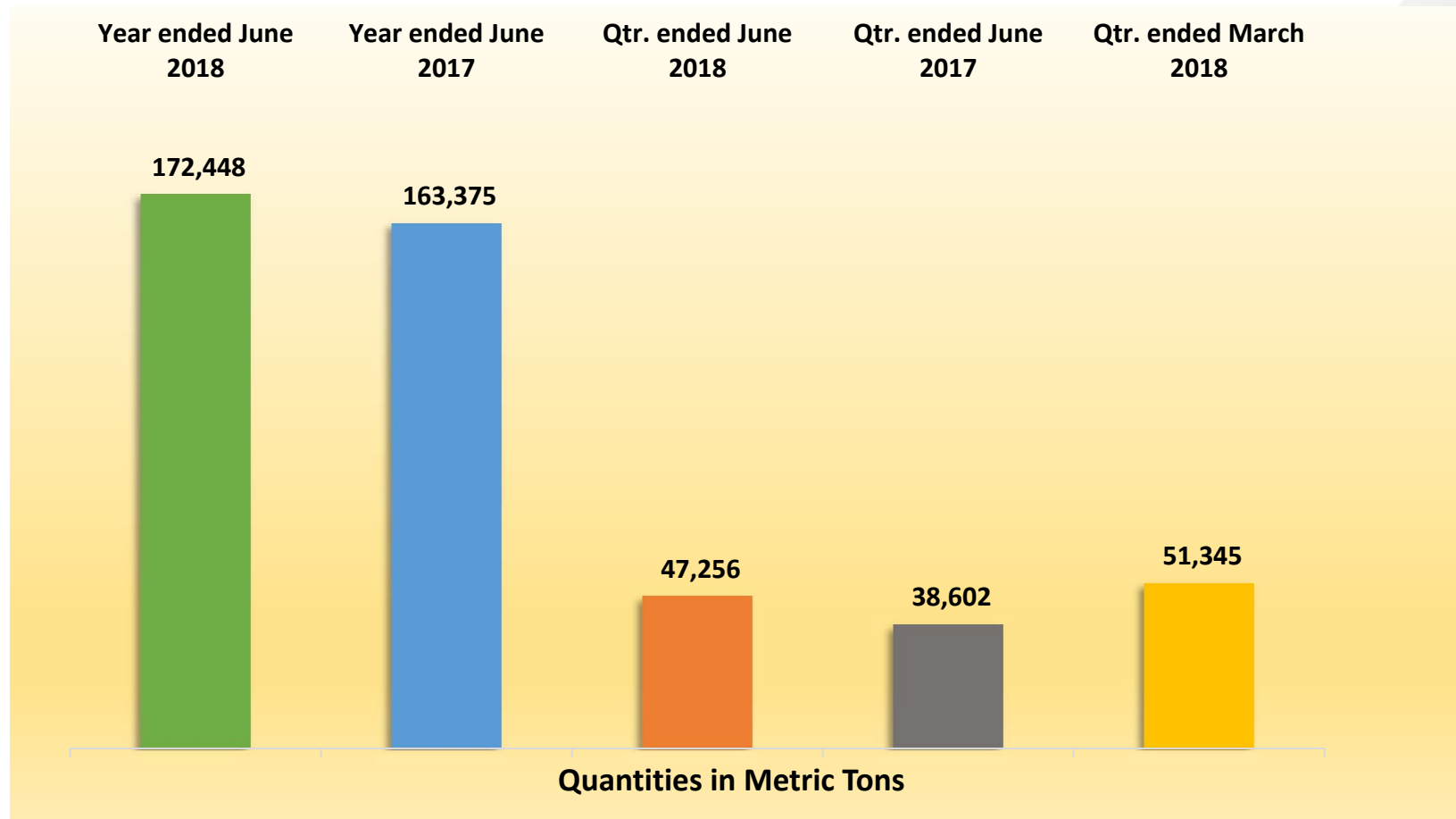


AMRELI STEELS
Building for Life

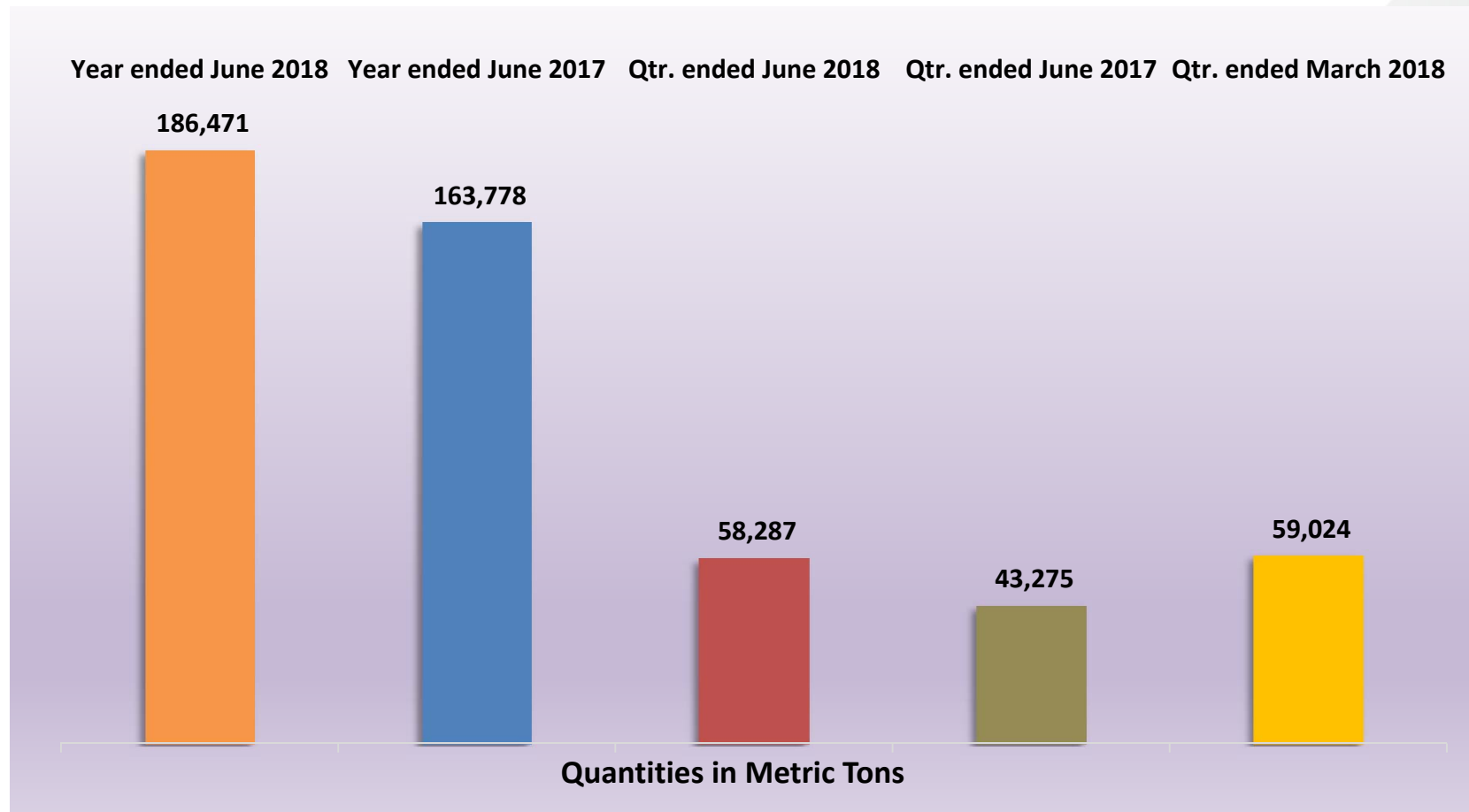
Rebars – Production quantities



Rebars – Sales quantities



Billets – Production quantities



Sales – Quantities rebars and other

Description	Year ended 30 June, 2018	Year ended 30 June, 2017	4 th Qtr. 2018	4 th Qtr. 2017	3 rd Qtr. 2018
-----Metric Tons-----					
ASL Rebars – SRM	161,103	163,375	35,911	38,602	51,345
ASL Rebars – DRM	11,345	-	11,345	-	-
Total ASL Rebars	172,448	163,375	47,256	38,602	51,345
Trading bars	170	17,947	52	70	37
ASL Billets	-	3,020	-	-	-
ASL Zinc	994	1040	196	286	182
Total quantities sold	173,612	185,382	47,504	38,958	51,564

Production Quantities– Rebars and billets

Description	Year ended 30 June, 2018	Year ended 30 June, 2017	4th Qtr. 2018	4th Qtr. 2017	3rd Qtr. 2018
ASL Rebar -SRM	163,384	158,206	35,033	38,144	48,168
ASL Rebar - DRM	19,357	-	17,829	-	1,527
Total Rebars	182,741	158,206	52,862	38,144	49,695
ASL Billets	186,471	163,778	58,287	43,275	59,024
Total Rebars & Billets	369,212	321,984	111,149	81,419	108,719

Gross profit %

	Year ended June 30, 2018	Year ended June 30, 2017	4 th Qtr. 2018	4th Qtr. 2017	3 rd Qtr. 2018
Gross profit – ASL	17.80%	18.58%	13.21%	23.1%	21.20%
ASL Rebars	15.82%	19.21%	9.13%	22.93%	19.93%
ASL Billet	-	4.09%	-	-	-
Trading bars	12.73%	4.28%	11.03%	7.93%	7.85%

Main reasons for decrease in profit before tax in 4th Quarter

Impact of GIDC provision

Lower than expected production due to KE load shedding, Ramadan and Eid in June. High cost of rebars at DRM

Increase in distribution cost mainly due to advertisement

Increase in Short-term finance cost due to upward revision in interest rates and increased working capital need.

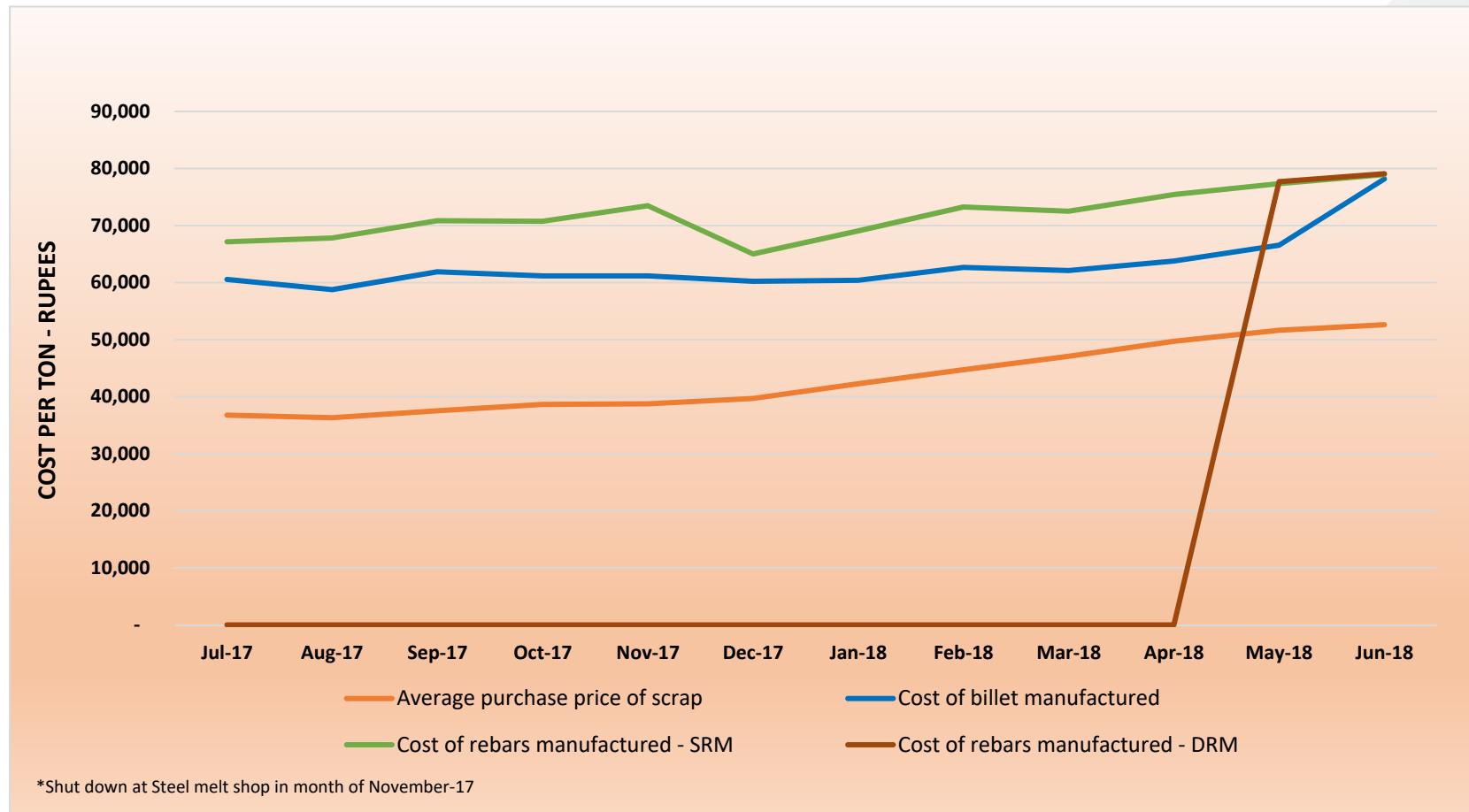
GIDC - Provision

Year	Rebars		Billets		Cumm. Total
	Amount	Per ton cost	Amount	Per ton cost	
	----- Amount in Rupees -----				
2012-13	19,691,580	142	1,984,270	13	21,675,850
2013-14	22,319,772	151	2,541,188	16	24,860,960
2014-15	39,663,293	234	3,507,374	20	43,170,667
2015-16	24,956,048	168	2,022,190	12	26,978,238
2016-17	28,619,555	181	2,776,874	17	31,396,429
2017-18	29,391,894	182	12,192,461	65	41,584,355
Total	164,642,142	178	25,024,357	25	189,666,499

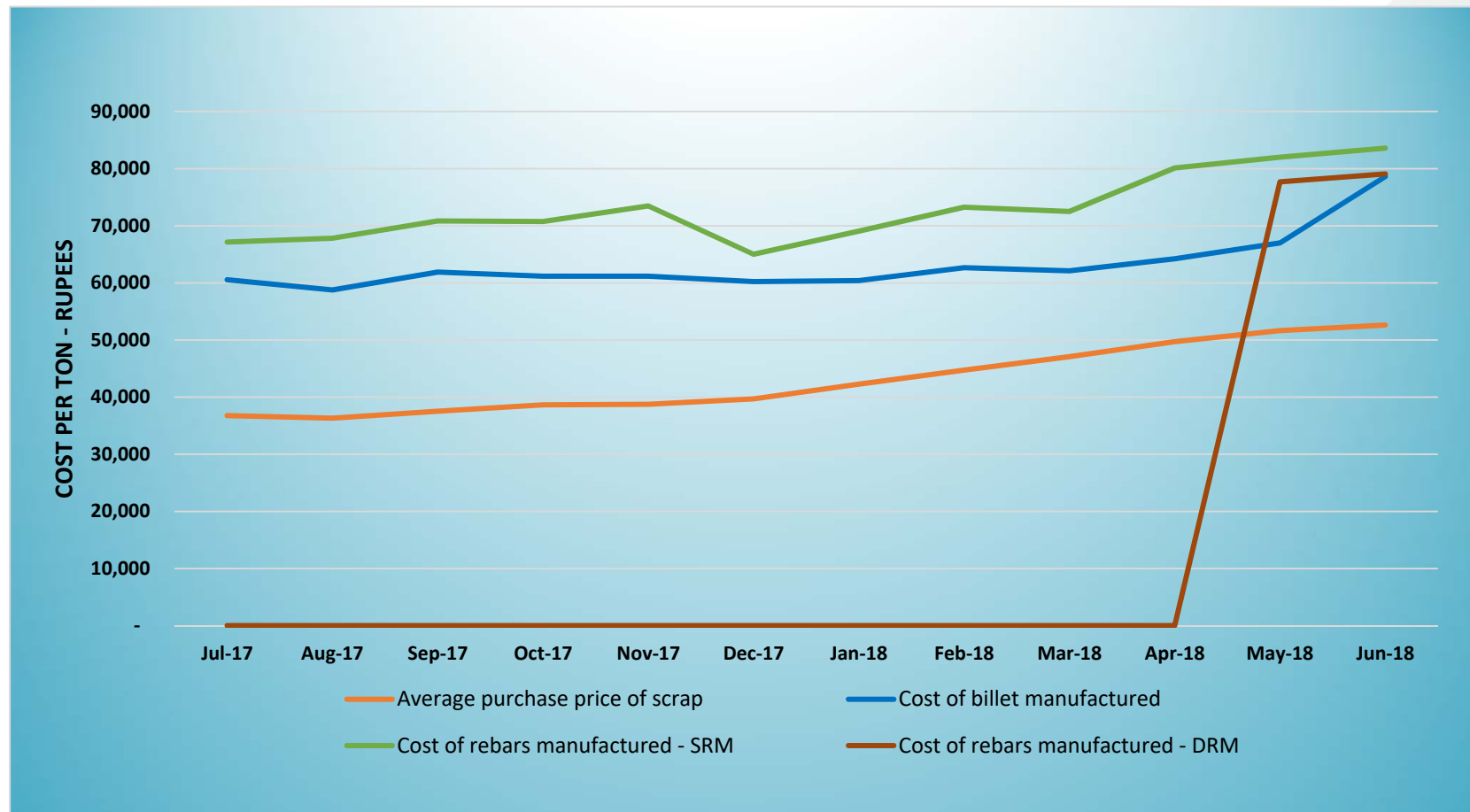
Profit or Loss for the year & Qtr. ended 30 June 2018

Description	Year Ended		Quarter Ended		
	30 June, 2018	30 June, 2017	4 th Quarter 2018	4 th Quarter 2017	3 rd Quarter 2018
----- Amount in Rupees -----					
Sales	15,500,542,721	13,283,811,229	4,634,660,476	3,148,697,344	4,628,016,189
Cost of sales	(12,742,134,429)	(10,815,624,056)	(4,022,238,218)	(2,419,183,233)	(3,646,766,877)
Gross profit	2,758,408,292	2,468,187,173	612,422,258	729,514,111	981,249,312
Distribution cost	(378,233,038)	(337,266,551)	(150,046,855)	(79,015,545)	(92,351,092)
Administrative expenses	(408,910,506)	(324,830,812)	(110,621,877)	(94,333,438)	(113,842,411)
Other charges	(123,053,961)	(116,550,926)	(26,767,170)	(36,053,636)	(47,028,976)
Other operating income	22,543,009	7,357,725	20,700,457	451,200	1,223,685
Operating profit	1,870,753,796	1,696,896,609	345,686,813	520,562,694	729,250,518
Finance costs	(476,323,111)	(251,583,475)	(152,288,209)	(65,246,950)	(117,282,514)
Profit before taxation	1,394,430,685	1,445,313,134	193,398,605	455,315,744	611,968,004
Taxation	190,805,976	(371,260,430)	394,686,426	(200,509,403)	(139,226,463)
Net profit for the period	1,585,236,661	1,074,052,704	588,085,030	254,806,341	472,741,541
EPS - basic and diluted (Rs)	5.34	3.62	1.98	0.86	1.59

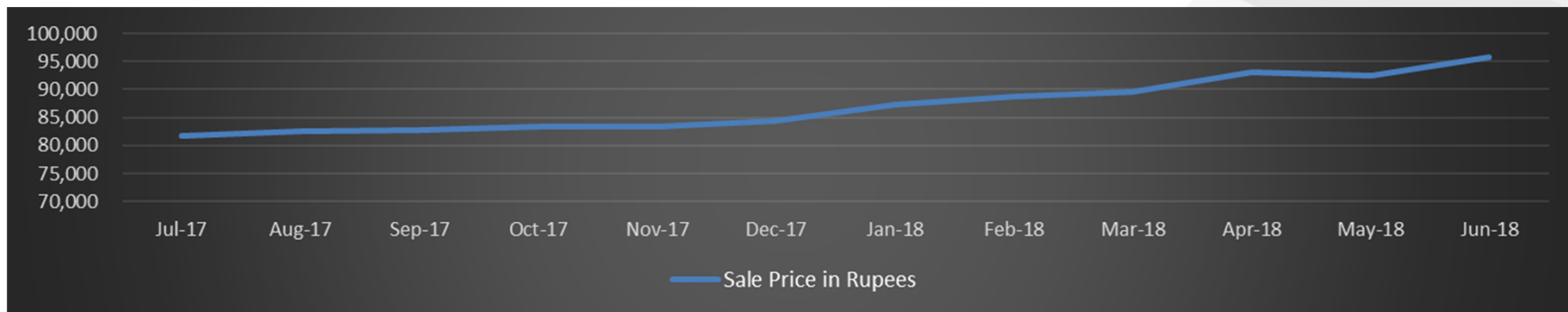
Per ton cost – without GIDC



Per ton cost – with GIDC



Sale price, scrap and PKR relation vs USD



Taxation

- ▶ Normal Tax 30%
- ▶ Tax credit for listing (65-C) Nil
- ▶ Tax credit for Equity investment (65-E) Nil
- ▶ Tax credit for BMR (65-B) 10% of investment in DRM and SMS expansion

Future Outlook, FY 18 - 19

- ▶ IMF Program
- ▶ PSDP cut
- ▶ Growth rate
- ▶ Inflation
- ▶ PKR Deval
- ▶ Interest rate
- ▶ Load shedding

- ▶ Capacity utilization DRM – 53%
- ▶ Capacity utilization SRM – 70%



Thank You

