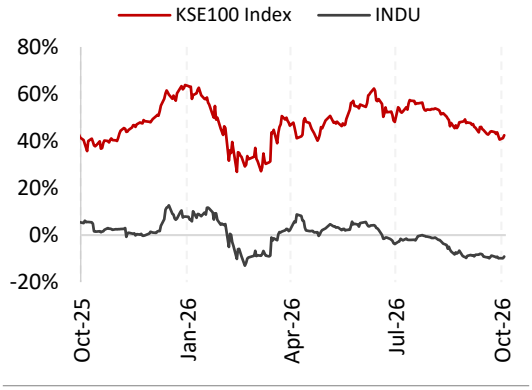
Indus Motor Company Limited (INDU)

1QFY27: Volume Surge Lifts Earnings 10% YoY

Wednesday, October 28, 2026

- Indus Motor Company Limited (INDU) announced its 1QFY27 results, posting a Profit After Tax (PAT) of PKR 7,384mn (EPS: PKR 93.95), up 10% YoY from PKR 6,719mn (EPS: PKR 85.49) in the corresponding period last year (SPLY).
- Net revenue rose 20% YoY to PKR 74,015mn, from PKR 61,738mn in SPLY. The growth was driven mainly by a sharp rise in Corolla/Yaris sales, which reached 10,925 units in 1QFY27 against 7,626 units in 1QFY26.
- Volumes also improved sequentially from 8,786 units in the preceding quarter. Fortuner/Hilux sales edged up 4% YoY to 2,335 units. Combined Corolla and Fortuner/Hilux sales stood at 13,260 units, a notable 34% YoY increase.
- Gross margin contracted by 180bps, to 15.3% in 1QFY27 from 17.1% in 1QFY26. This compression tempered bottom-line growth and left earnings expansion well behind the revenue gain.
- Other income grew 11% YoY to PKR 3,221mn (1QFY26: PKR 2,900mn), supported by higher prevailing interest rates.
- The effective tax rate eased to 37.6% in 1QFY27 from 39.3% in SPLY, providing modest relief to net profitability.
- Alongside the results, the Board announced a cash dividend of PKR 56.0 per share.

KSE100 Index vs. INDU Performance Chart



Source: PSX, BMA Research

Indus Motor Company Ltd. -(PSX: INDU) Earnings Snapshot

(PKR mn)	Sep-26	Sep-25	YoY	Jun-26	QoQ
Net Sales	74,015	61,738	20%	66,777	11%
COGS	62,702	51,197	22%	59,883	5%
Gross Profit	11,313	10,541	7%	6,893	64%
Gross Margins	**15.3%**	**17.1%**		**10.3%**	
Dist. & Ad.	723	697	4%	-625	-216%
Op. Profit	9,692	8,990	8%	6,093	59%
Other Income	3,221	2,900	11%	4,846	-34%
PBT	11,838	11,071	7%	9,691	22%
Tax	4,453	4,352	2%	3,584	24%
PAT	7,384	6,719	10%	6,107	21%
EPS (PKR)	**93.95**	**85.49**		**77.70**	
DPS (PKR)	**56.00**	**51.00**		**47.00**	

Source (s): Company Financials, BMA Capital

BMA Research
BMA Capital Management Ltd.
E-mail: research@bmacapital.com
Tel: 111-262-111

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Old rating system

Valuation Methodology

To arrive at our period end target prices, BMA Capital uses different valuation methodologies including

- Discounted cash flow (DCF, DDM)
- Relative Valuation (P/E, P/B, P/S etc.)
- Equity & Asset return based methodologies (EVA, Residual Income etc.)