INDU: 1QFY27 EPS clocked-in at PKR 94; PAT up 10%YoY

Flashnote: Automobile Assembler – Indus Motor Company Limited (INDU) - Result Review

Wednesday, October 28, 2026

- **4QFY26: EPS:** PKR 94; **DPS:** PKR 56; **PAT:** ~PKR 7.4Bn. – Above expectations.
- During 1QFY27, INDU's sales revenue clocked-in at ~PKR 74.0Bn, up 11%QoQ/20%YoY, mainly due to a 17%QoQ/34%YoY increase in sales volume to 13,260 units. Gross margin got back on track at 15%, improving by 5pptsQoQ, though declined 2pptsYoY.
- Consequently, INDU reported a quarterly PAT of ~PKR 7.4Bn, up 21%QoQ/10%YoY. On a YoY basis, profitability was supported by higher sales volumes, effective cost controls, increased localization, higher other income, and a favorable exchange rate. Whereas, on a QOQ basis, the profitability was further supported by reduced admin and other expense, as well as reduced WPPF. The Company also announced an interim cash dividend of PKR 56/sh. for the quarter.

INDU Result Review 1QFY27

PKR Mn	1QFY27A	1QFY26A	YoY	4QFY26A	QoQ
Net sales	74,015	61,738	20%	66,777	11%
Cost of sales	62,702	51,197	22%	59,883	5%
Gross/(loss) profit	**11,313**	**10,541**	**7%**	**6,893**	**64%**
Distribution & marketing expenses	723	697	4%	(625)	N/M
Administration expenses	898	855	5%	1,425	-37%
Other expenses	108	81	32%	190	-43%
WPPF & WWF	763	688	11%	871	-12%
Operating Profit	**8,821**	**8,221**	**7%**	**5,031**	**75%**
Other Income	3,221	2,900	11%	4,846	-34%
Finance costs	204	50	3x	186	9%
Profit(loss) before tax	**11,838**	**11,071**	**7%**	**9,691**	**22%**
Taxation	4,453	4,352	2%	3,584	24%
Profit after tax	**7,384**	**6,719**	**10%**	**6,107**	**21%**
EPS	**94**	**85**		**78**	
DPS	**56**	**51**		**47**	

Source: Company Accounts & TSL Research

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

- Discounted cash flow (DCF, DDM)
- Justified price to book (JPB)
- Relative Valuation (P/E, P/B, P/S, EV/EBITDA, EV/Revenue etc.)
- Equity & Asset return based methodologies (EVA, Residual Income etc.)

SECP JamaPunji Portal link: https://jamapunji.pk/

Frequently Used Acronyms

TP	Target Price	**DCF**	Discounted Cash Flow	**FCF**	Free Cash Flows
FCFE	Free Cash Flows to Equity	**FCFF**	Free Cash Flows to Firm	**DDM**	Dividend Discount Model
SOTP	Sum of the Parts	**P/E**	Price to Earnings ratio	**P/BVPS**	Price to Book ratio
P/S	Price to Sales	**EVA**	Economic Valued Added	**BVPS**	Book Value per Share
EPS	Earnings per Share	**DPS**	Dividend per Share	**DY**	Dividend Yield
ROE	Return on Equity	**ROA**	Return on Assets	**JPB**	Justified Price to Book

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