



Assemblers | INDU | 4QFY24 | Preview



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REP # 048



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INDU: Gross Margins to mark c.15% during 4QFY24

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- Toyota Indus Motor Company Ltd. (INDU) to announce financial results for the 4QFY24. We believe the EPS to arrive at Rs.54.6/sh. during 4QFY24, a decline of c.3.5%QoQ mainly on the slowdown in sales revenue by c.4%QoQ, in the midst of lower sales volume of c.2%QoQ when comparing the 3QFY24.
- This slowdown in sales volume was marked, mainly on the Religious Holidays that fell in the 4QFY24, resultantly slumping the sales volume to 6,368 units compared to 3QFY24. It is to note here that, even the volume have shrunk by c.2%QoQ, gross margins surged to c.15% during 4QFY24, compared to margins recorded during 3QFY24. Although, the Gross Margins have notably plunged by c.3pptsYoY during 4QFY24 mainly on the improved volumes recorded during 4QFY23. Additionally, on the EBIT front, we have noticed, the EBIT to mark a decline mainly on the likely reduction in TBill and PIBs investments during 3QFY24, thus, plummeting the EBIT by c.17.5%/c.23.5% QoQ/YoY during 4QFY24. We also believe, INDU to pay DPS of Rs.33.2/sh. during 4QFY24.
- On FY24 basis, we believe the EPS to arrive at Rs.155.88/sh. a robust rise of c.27%YoY will likely be witnessed mainly on the remarkable rise in Gross Profit by c.96%YoY, regardless of likely decline in revenue by c.26%YoY, in the midst of drastic decline in volume of c.28%YoY witnessed during FY24. Further, Gross Margins are expected to rise by c.7.4%YoY mainly on the notable reduction in COGS by c.32%YoY on account of stability in parity along with the notable decline in Steel prices which reduced by c.22%YoY to average prices of USD749/MT.

INDU (PKRmn)	4QFY24F	QoQ	YoY	FY24	YoY
Sales	45,617	-3.6%	6.9%	130,976	-26.3%
COGS	38,735	-4.0%	10.8%	115,407	-32.0%
Gross Profit	6,881	-1.1%	-11.0%	15,569	96.3%
Financial Charges	30	4.9%	-2.4%	122	-13.5%
Other Income	2,658	-35.3%	5.2%	10,631	-25.0%
EBT	6,270	-17.6%	-23.5%	18,018	7.3%
Tax	1,977	-37.4%	-54.8%	5,766	-19.2%
PAT	4,293	-3.5%	12.4%	12,252	26.8%
EBIT	6,300	-17.5%	-23.5%	18,140	7.1%
EPS	54.6	-3.5%	12.4%	155.9	26.8%
DPS	33.2			101.3	
Sales Volume	6,368	-2.1%	15.5%	20,069	-27.9%
Margins %	4QFY24F	QoQ	YoY	FY24	YoY
Payout	60.7%	0.6%	1.0%	65.0%	6.6%
Gross	15.1%	0.4%	-3.0%	11.9%	7.4%
Profit	9.4%	0.0%	0.5%	9.4%	3.9%

Source: Financials, ASL Research



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1) Discounted Cash flow method 2) SOTP method 3) Justified Price to Book Value method and 4) FCFE or FCFF method.

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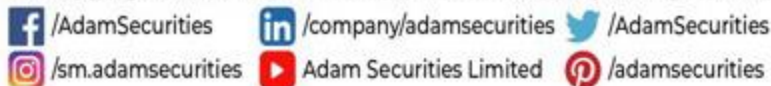
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