

Result Review | Pakistan Research

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FCCL: 2QFY26 EPS clocks in at PKR 1.64, flattish YoY

Fauji Cement Company Limited

PSX: FCCL | Bloomberg: FCCL PA | Reuters: FAUC.PSX

- FCCL announced its 2QFY26 results today wherein the company reported an EPS of PKR 1.64, flattish YoY.
- Net sales for 2QFY26 clocked in at PKR 23.9bn, down 4% YoY from PKR 24.9bn in SPLY. The YoY decline in net retention due to depressed regional prices is partially offset by a 9% YoY growth in local dispatches, clocking in at 1.5mn tons in 2QFY26.
- Gross margins for 2QFY26 clocked in at 35%, down from 36% in SPLY due to lower retention and upward pressure on coal prices caused by Afghan border closure.
- Finance costs clocked in at PKR1.1bn, down by 19% YoY owing to a decline in interest rates and deleveraging of the balance sheet.
- On a sequential basis, earnings are up 22% QoQ. Net revenue marginally increased by 2% QoQ where 18% QoQ growth in local dispatches was offset by 83% QoQ decline in exports due to Afghan border closure.
- We maintain a 'Buy' recommendation on the stock based on our Dec-26 price target (PT) of PKR 67/share.

Key Data

PSX Ticker	FCCL
Target Price (PKR)	67
Current Price (PKR)	50
Upside/(Downside) (%)	34%
Dividend Yield (%)	3%
Total Return (%)	37%
12-month High (PKR)	63
12-month Low (PKR)	34
Outstanding Shares (mn)	2,452
Market Cap (PKR mn)	122,691

Source: PSX, Akseer Research

Financial Estimates (PKR mn)	2QFY25	2QFY26E	YoY	1HFY25	1HFY26E	YoY
Sales	24,888	23,936	2%	47,844	47,353	-1%
Cost of Sales	15,987	15,586	-3%	31,059	31,625	2%
Gross Profit	8,901	8,350	13%	16,785	15,728	-6%
Selling and Distribution	709	876	21%	1,403	1,601	14%
General and Admin	435	514	3%	849	1,013	19%
Other Operating Expenses	449	436	18%	812	804	-1%
Other Income	489	771	20%	983	1,413	44%
Finance Cost	1,329	1,073	-5%	3,004	2,209	-26%
Profit Before Tax	6,468	6,221	18%	11,700	11,514	-2%
Taxation	2,447	2,191	9%	4,433	4,197	-5%
Net Income	4,020	4,030	23%	7,267	7,317	1%
EPS	1.64	1.64	22%	2.96	2.98	1%
DPS	0.00	0.00		0.00	0.00	

Source: Company Accounts, Akseer Research

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Rating	Expected Total Return
Buy	Greater than or equal to +15%
Hold	Between -5% and +15%
Sell	Less than or equal to -5%

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