Result Review | Pakistan Research

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FCCL: 4QFY26 EPS clocks in at PKR 2.2, up 38% YoY

Fauji Cement Company Limited PSX: FCCL | Bloomberg: FCCL PA | Reuters: FAUX.PSX

- FCCL announced its 4QFY26 results today wherein the company reported an EPS of PKR 2.20, up 38 % YoY. This takes cumulative earnings for FY26 to PKR 6.60/share, up 21% YoY.
- In addition, the company announced a dividend of PKR 1.5/share for the full year, resulting in a dividend payout of 23% for FY26.
- 4QFY26 marks the first quarter in which FCCL recognized its share of ACPL's quarterly results following the acquisition of a 46% stake on 24 April 2026, recording a share of profit of PKR 237mn.
- The company also announced the evaluation of the feasibility of potential merger with ACPL.
- As highlighted in our "FCCL - 4QFY26 - Results Preview" published on 10th August 2026, 4QFY26 earnings were expected to be impacted by one-off deferred tax revaluation adjustment following 2ppt reduction in super tax rate. As a result, the company posted an Effective Tax Rate (ETR) of 23% in 4QFY26 (compared to average ETR of 38% for 9MFY26).
- Net sales for 4QFY26 clocked in at PKR 23.9 bn, up 10% YoY, supported by an 8% YoY improvement in retention prices. Gross margins clocked in at 38%, down 2 ppts YoY.
- Finance costs declined 18% YoY to PKR 0.9bn in 4QFY26 due to the deleveraging of the balance sheet as company's debt fell 12% YoY to PKR 36bn in 4QFY26 (from PKR 40bn SPLY).
- Normalizing the earnings at an ETR of 39%, EPS for 4QFY26 clocks in at PKR 1.74, up 9% YoY.
- On a sequential basis, net sales increased 7% QoQ, almost fully aided by a 7% QoQ improvement in net retention as dispatches broadly remained flat. Gross margins expanded 2 ppts QoQ likely due to improved retention and the presence of low-cost coal inventory, leading to a more controlled COGS.

Key Data	
PSX Ticker	FCCL
Target Price (PKR)	80
Current Price (PKR)	58
Upside/(Downside) (%)	39%
Dividend Yield (%)	4%
Total Return (%)	43%
12-month High (PKR)	63
12-month Low (PKR)	36
Outstanding Shares (mn)	2,453
Market Cap (PKR mn)	141,431

Source: PSX, Akseer Research

Financials (PKR mn)	4QFY25	4QFY26	YoY	3QFY26	QoQ	FY25	FY26	YoY
Sales	21,802	23,907	10%	22,430	7%	88,956	93,690	5%
Cost of Sales	13,285	14,916	12%	14,427	3%	57,385	60,969	6%
Gross Profit	**8,517**	**8,990**	**6%**	**8,003**	**12%**	**31,571**	**32,721**	**4%**
General and Admin	432	457	6%	448	2%	1,689	1,918	14%
Selling and Distribution	685	834	22%	804	4%	2,935	3,239	10%
Other Operating Expenses	436	490	12%	416	18%	1,479	1,710	16%
Other Income	504	492	-2%	692	-29%	1,830	2,597	42%
Finance Cost	1,132	931	-18%	1026	-9%	5,772	4,167	-28%
Share of profit from associate	0	237	n.m.	0	n.m.	0	237	n.m.
Profit Before Tax	**6,336**	**7,008**	**11%**	**6,001**	**17%**	**21,526**	**24,522**	**14%**
Taxation	2,417	1,601	-34%	2,541	-37%	8,199	8,340	2%
Net Income	**3,919**	**5,407**	**38%**	**3,459**	**56%**	**13,326**	**16,183**	**21%**
EPS (PKR)	**1.60**	**2.20**	**38%**	**1.41**	**56%**	**5.43**	**6.60**	**21%**
DPS (PKR)	1.25	1.50	20%	0	n.m.	1.25	1.50	20%

Source: Company Accounts, Akseer Research

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

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