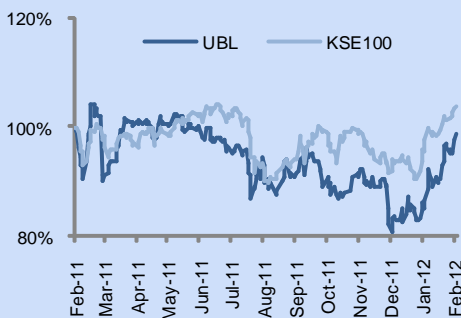


## Result Previews

### UBL, INDU and NPL

Buy	United Bank
Target Price	69.9
Last Closing	62.6
Upside	11.7%
KSE Code	UBL
Bloomberg Code	UBL PA

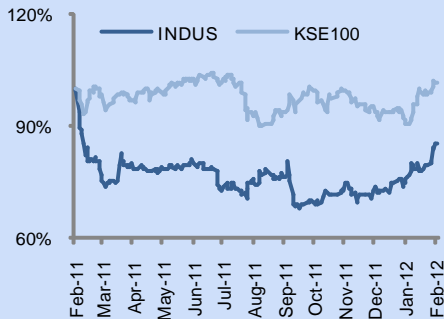
#### Stock Performance



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Buy	Indus Motors
Target Price	265.5
Last Closing	240.2
Upside	10.5%
KSE Code	INDU
Bloomberg Code	INDU PA

#### Stock Performance



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#### UBL: FY11 Earnings likely to jump by 28.5% YoY

The Board of United Bank Limited (UBL) is scheduled to meet today in UAE to approve CY11 financial results. We expect the bank to achieve a 28.5% YoY earnings growth in CY11 with profit after tax (PAT) of PKR 14.6bn (EPS: PKR 11.89) compared to PKR 11.3bn (EPS: PKR 9.25) in CY10. This healthy profitability growth is expected on account of a 17.9% YoY improvement in Net Interest Income (NII) to PKR 40.2bn as coupled with a 14.7% YoY jump in non interest income. Provisioning on the other hand is expected to swell to PKR 8.3bn in CY11, a 22.1% YoY increase, when compared with PKR 6.3bn in the corresponding period last year. Operating expenses during CY11 are expected to augment by 11.3% YoY. We expect the bank to declare a final cash dividend of PKR 4/share, taking CY11 payout to PKR 5.5/share in CY11. At last closing price of PKR 62.64/share, the stock is trading at a CY12 PBV and dividend yield of 0.85 and 10%, respectively. With Dec-12 target price of PKR 69.9/share, the stock is offering an upside potential of 11.5%, thus we recommend a Buy.

#### Financial Highlights PKR mn

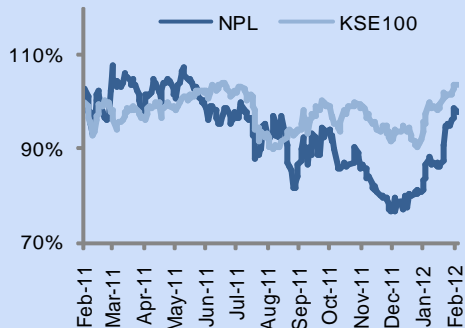
	CY11	CY10	YoY
Net Interest Income	40,229	34,109	17.9%
Provisions against NPLs	8,310	6,803	22.1%
Fees and commission	6,617	6,338	4.4%
Dividend income	580	591	-1.9%
Non Interest income	11,580	10,096	14.7%
Admin Expenses	19,775	17,765	11.3%
PBT	22,299	17,911	24.5%
PAT	14,558	11,328	28.5%
EPS	11.89	9.25	

Source: Company financials and AHL Estimates

#### INDU: 1HFY12 Earnings likely to jump by 94% YoY

The Indus Motor Company (INDU) is scheduled to announce its 1HFY12 financial result on February 22nd, 2012. The company is estimated to declare profit after tax (PAT) of PKR 1,754mn (EPS: PKR 10.39) compared to PKR 908mn (EPS: PKR 11.55) in the corresponding period last year, a phenomenal rise of 94% YoY. This is primarily driven by a robust top-line growth owing to a combination of volumetric increase of 7% YoY and average price increase of around 20% YoY. Gross margins during the period are likely to stand at 7.3%, a hike of 134bps from the corresponding period last year. During the period the company is expected to record net revenues of PKR 33,097mn, a rise of 24% YoY. In 2QFY12, the Company is expected to report PAT of PKR 817mn (EPS: PKR 10.39), which is 13% lower QoQ. This decline however, is due to seasonal effect which keeps demand subdued during Q2. We expect gross margin for the quarter to be around 7.4% for the period. INDU is also expected to announce an interim cash dividend of PKR 5.00/share. Our DCF based Dec-12 target price for INDU works out to PKR 265.5/share depicting an upside potential of 11% from last closing of PKR 240.2/share; thus we recommend Buy for the scrip.

<b>Buy</b>	<b>Nishat Power</b>
Target Price	19.1
Last Closing	15.9
Upside	20.3%
KSE Code	NPL
Bloomberg Code	NPL PA


**Financial Highlights (PKR mn)**

	1HFY12E	1HFY11A	YoY	2QFY12	1QFY12	QoQ
Net sales	33097	26828	23%	15950	17146	-7%
Gross profit	1174	1401	-16%	1174	1255	-6%
Distribution & Admin Exp	583	476	22%	319	264	21%
Operating profit	1846	925	100%	855	991	-14%
Other income	1043	760	37%	500	543	-8%
Profit before taxation	2634	1430	84%	1226	1407	-13%
Profit after taxation	1754	908	93%	817	937	-13%
Earning per share (PKR)	22.32	11.55		10.39	11.93	

Source: Company Accounts &amp; AHL Estimates

**NPL: Company is expected to earn PKR 2.54/share in 1HFY12**

Nishat Power Limited (NPL) will be announcing its 1HFY12 financial result on February 23, 2012. Our estimates for the company's profitability for the period work out to PKR 901mn translating into earnings of PKR 2.54/share as against of earnings of PKR 3.42/share in 1HFY11, depicting a decline of 25.6% YoY. In 1HFY11 company booked an incremental revenue of PKR 579mn (PKR 1.76/share) as NEPRA announced post COD tariff. On QoQ basis, we expect the company's net income to rise by 9.2% to PKR 470mn (EPS: PKR 1.33) in 2QFY12 as against of PKR 431mn (EPS: PKR1.22) in 1QFY12. This rise in earnings is attributable to 1.22% (QoQ) depreciation of Pak Rupee against US Dollar and fuel saving. In 2QFY12 we expect fuel savings to contribute to the tune of PKR0.25/share at an assumed thermal efficiency of 46.5%. We expect that company will also announce an interim cash dividend of PKR 1.00/share for 1HFY12.

Financial Highlights	2QFY11	1QFY11	% Chg.	1HFY12	1HFY11	% Chg.
Sales	6,346	6,264	1.3%	12,610	9,672	30.4%
Cost of Sales	5,097	5,071	0.5%	10,168	6,996	45.3%
Gross Profit	1,249	1,193	4.7%	2,442	2,676	-8.7%
Administrative Expenses	21	20	5.0%	40	37	10.4%
Other Operating Income	6	6	1.0%	11	23	-51.7%
Profit from Operations	1,234	1,179	4.7%	2,413	2,662	-9.4%
Finance Cost	761	746	2.0%	1,507	1,443	4.4%
Profit before Tax	473	433	9.3%	905	1,219	-25.7%
Taxation	2	2	22.6%	4	8	-47.0%
Profit After Tax	470	431	9.2%	901	1,211	-25.6%
Earning per share	1.33	1.22	9.2%	2.54	3.42	-25.6%

Source: AHL Research