

Bengal Windsor Thermoplastics Limited (DSE: BENGALWTL)

Current Price (Jan. 09, 2014)	65.70
Total Number of Share (Mn)	75.60
Free Float (%)	35.1%
Forward PE* – BENGALWTL	14.59x
Trailing PE* – BENGALWTL	14.81x
Forward PE – Engineering Sector	21.77x

* Based on earnings of Q1, 2014

Financials (BDT Mn)	2012	2013	Q1, 2014** (Unaudited)
Net Revenue	795	880	243
Gross Profit	282	322	97
Operating Profit	238	285	89
Net Profit After Tax	194	239	85
Total Asset	1,702	2,337	2,370
Total Equity	1,222	1,837	1,881

**Year ends on June 30

YoY Growth (%)	2012	2013	Q1, 2014 (Unaudited)
Net Revenue	24%	11%	15%
Net Profit after tax	14%	23%	33%

Per Share (BDT)	2012	2013	Q1, 2014 (Unaudited)
Restated EPS	2.71	3.16	1.13
Book Value Per Share	16.17	24.29	24.88

Others (%)	2012	2013	Q1, 2014 (Unaudited)
Gross Profit Margin	35%	37%	40%
Operating Profit Margin	30%	32%	37%
Net Profit Margin	24%	27%	35%
ROA	13%	12%	4%
ROE	17%	16%	5%
Stock Dividend	-	8%	-
Cash Dividend***	-	14%	-

***Sum of interim and final dividend.

Source: DSE; Prospectus, Quarterly & Annual Report of BENGALWTL and Research, IDLC Investments Ltd.

Terminologies

Free Float : % of total shares not owned by Sponsors/ Directors, and Govt.
 Forward PE: Based on Annualized Earnings of the latest declared quarter
 Trailing PE: Based on Latest 12 Months Earnings

Company Profile

Bengal Windsor Thermoplastics Limited (DSE: BENGALWTL), was incorporated in January, 2002 as a garments accessories manufacturer. Located in Savar EPZ, it commenced its commercial operations in March, 2002. The company was initially named as 'Bengal- Build-up Bangladesh Limited', which was renamed into 'Bengal Windsor Thermoplastics Limited' in 2010. In the same year, BENGALWTL became a public company. Subsequently in 2013, it was listed both in DSE & CSE. At present, 64.9% of its shares are held by its sponsor.

BENGALWTL has a subsidiary named as Bengal Petrochem And Synthetic Textiles Ltd., where it holds 80% ownership. It manufactures thermal plastic molding component (TPMC), polyester synthetic, polyester yarn etc. and works as a backward linkage for the parent company.

Key Revenue Drivers & Company Insight

The principal activity of the Company is to produce garments accessories, such as hangers, hooks etc. The company sells its products to export oriented RMG companies. The raw materials used in BENGALWTL's production process are mostly petrochemical byproducts imported from China, Singapore & Thailand.

The yearly production capacity of BENGALWTL is 140,000,000 pcs. of hanger and in 2013, capacity utilization rate was 82.94%.

Financial Performance

In the year 2013, BENGALWTL's consolidated revenue grew by 11% and crossed BDT 850 mn level. Lower import dependence for raw materials resulted in significant cost savings, which boosted Gross Profit Margin to 37% from 35% in previous year. Besides, decline in operating expenses also spurred Operating Profit Margin to 32%. Meanwhile, Net Profit Margin increased to 27% from 24% in prior year.

Recently, the company has reported net profit after tax of BDT 85.09 million with EPS of BDT 1.13 (restated) for the period of three months (Jul '13 to Sept. '13) as against BDT 64.12 million and BDT 0.85 (restated) respectively for the same period of the previous year.

