

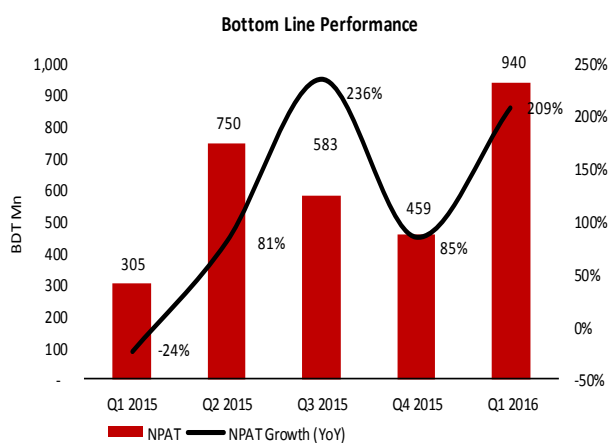
Flash Note on BSRM Steels Limited - Q1 2016

DSE News: BSRMSTEEL

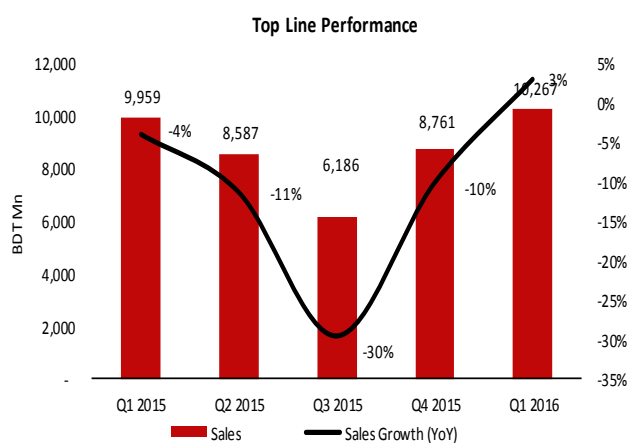
(Q1 Un-audited): Consolidated EPS was BDT 2.8 for January-March, 2016 as against BDT 0.9 for January-March, 2015. Consolidated NOCFPS was BDT 11.9 for January-March, 2016 as against BDT 18.8 for January-March, 2015. Consolidated NAV per share was BDT 29.8 as of March 31, 2016 and BDT 30.0 as of March 31, 2015.

Key Findings:

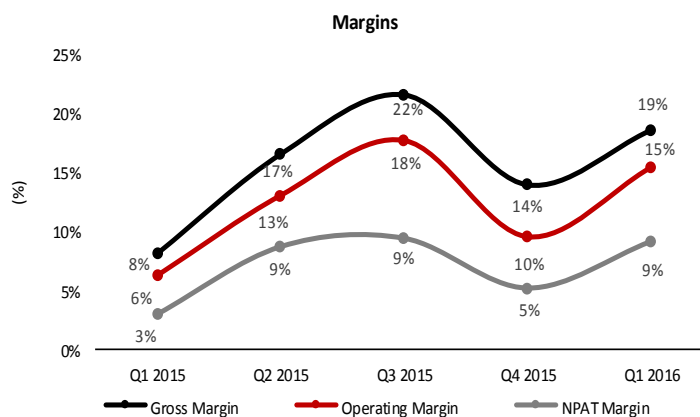
1. During Q1 2016, consolidated sales grew by 3.1% YoY, while revenue on standalone basis encountered 7.0% YoY de-growth.
2. Global price decline of steel raw materials assisted the company to secure a gross margin expansion of 10.4% points in Q1 2016 from that of Q1 2015.
3. Enhanced gross margin helped the operating margin to improve by 9.3% points over Q1 2015.
4. As per Balance Sheet of Q1 2016, D/E ratio of BSRMSTEEL decreased to 1.3x from 1.7x of Q1 2015. As a result finance cost reduced by 23.2% YoY in Q1 2016.
5. Finally, bottom line witnessed a tremendous growth of 208.6% with a Net Profit Margin expansion of 6.1% points over Q1 2015.



Source : Quarterly Statements; Research, IDLCIL



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