

# Refinery: Attock Refinery Limited

## Result Review: Profitability arrives at PKR 33.5/share in 2QFY26



### 2QFY26: Earnings arrived at PKR 33.5/share; payout of PKR 2.5/sh declared

REP-300

Attock Refinery Limited (ATRL) announced the financial result for 2QFY26, whereby the company has posted a net profit of PKR 3,568mn (EPS: PKR 33.5) against PKR 3,563mn (EPS: PKR 33.4) in 2QFY25, remaining stable on a YoY basis. The company announced a payout of PKR 2.5/sh, lower than expectations.

#### Result Highlights

- Net sales for 2QFY26 dropped 3% YoY to PKR 78bn, primarily due to lower volumes as explained below and lower MS and FO ex-refinery prices with both down 0.2% and 5.1%, respectively.
- Gross profit clocked in at PKR 4,041mn (gross margins of 5.2%). The YoY rise in gross profit was driven by improving MS and HSD spreads, despite lower volumes and weak local and export margins on higher FO offtake, mostly exported.
- International MS and HSD spreads surged 143.5% YoY to USD 11.62/bbl and 61.0% YoY to USD 20.69/bbl, respectively (Bloomberg). In contrast, HSFO prices declined 23% YoY to USD 333/ton and remained pressured by north–south freight costs. Ex-refinery FO prices averaged PKR 108,000/ton, below benchmark oil prices, signaling continued negative margins.
- MS sales declined 14.1% YoY to 125k tons and HSD sales fell 3.2% YoY to 154k tons in 2QFY26, primarily due to forced crude production curtailments at certain fields amid high system pressure on the SNGPL network. Meanwhile, FO volumes jumped 272.4% YoY to 90k tons in Dec'25, largely driven by exports from ATRL.
- Other income for 2QFY26 decline by 32% YoY, settling at PKR 2.4bn due to lower interest rates.
- On the balance sheet front, cash and short-term investments stand at PKR 92bn (PKR 860/share), with a book value of PKR 1,390/share.
- ATRL offers attractive valuations, trading at FY26e and FY27f P/E multiples of 7.2x and 4.4x, respectively.

#### Exhibit: Financial Highlights

(PKR mn)	1HFY26	1HFY25	YoY	2QFY26	2QFY25	YoY	QoQ
<b>Income Statement</b>							
Net Revenue	137,064	160,760	-15%	77,753	80,140	-3%	31%
Cost of Sales	132,091	156,190	-15%	73,712	77,352	-5%	26%
Gross Profit	4,972	4,569	9%	4,041	2,787	45%	334%
Admin Expense	937	867	8%	462	414	12%	-3%
Others Income	4,522	7,514	-40%	2,351	3,462	-32%	8%
EBIT	7,961	10,438	-24%	5,517	5,426	2%	126%
Finance Cost	172	(210)	nm	97	(115)	nm	nm
PBT	7,768	10,233	-24%	5,388	5,308	2%	113%
Taxation	3,006	3,989	-25%	2,078	2,093	-1%	124%
Profit after Taxation	5,020	6,892	-27%	3,568	3,563	0%	123%
EPS (PKR)	47.1	64.6		33.5	33.4		
DPS (PKR)	2.5	5.0		2.5	5.0		
<b>Ratio Analysis</b>							
Gross Margins	3.6%	2.8%		5.2%	3.5%		
Net Margins	3.7%	4.3%		4.3%	4.0%		
Return on Equity	6.5%	11.2%		6.5%	11.2%		
Return on Assets	4.4%	6.9%		4.4%	6.9%		
ETR	38.7%	39.0%		38.6%	39.4%		

Source (s): Company Financials, AHL Research

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