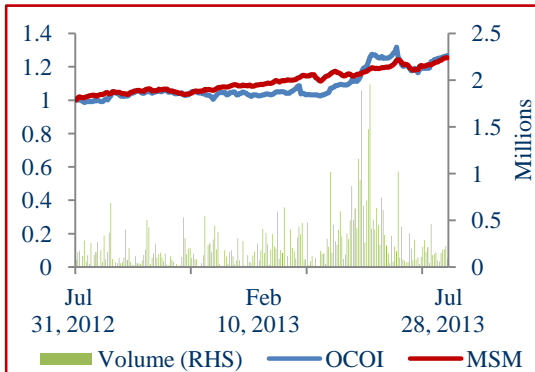
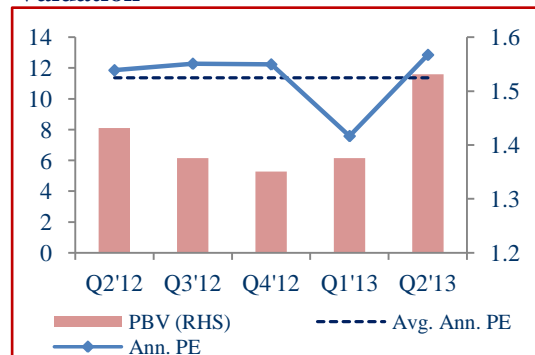
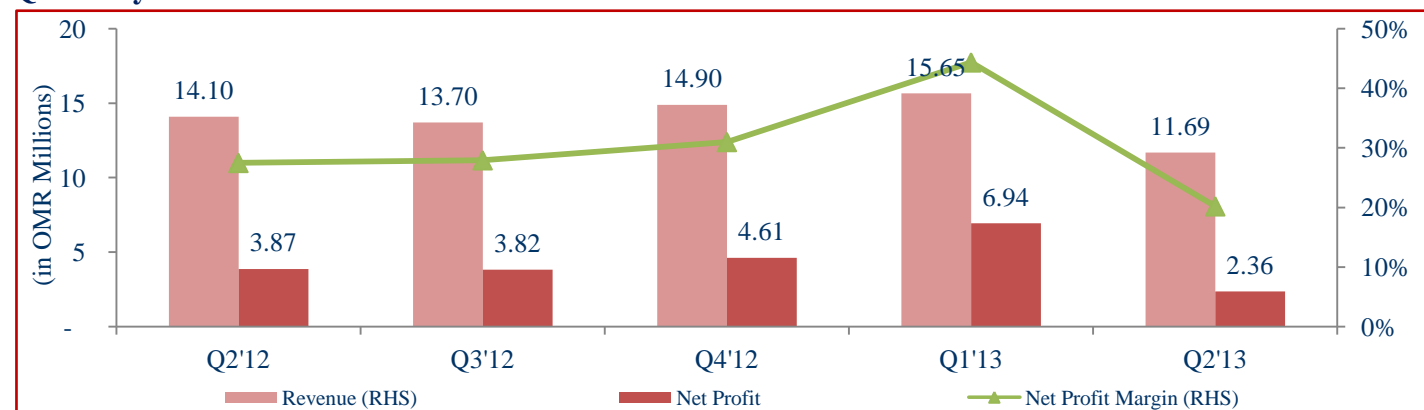


**Key Stock Data**

MSM Ticker	OCOI
Price (RO, 29-Jul-2013)	0.786
Face Value (RO)	0.100
52-wk High / Low (RO, Closing)	0.817 / 0.611
Equity Cap. (RO. mn)	33.087
Market Cap. (RO. mn)	260.064

**Relative Performance Vs MSM30 Index**

**Valuation**

**Quarterly Financial Performance**


Sources: Company Financials, Al Maha Research

- ❖ Oman Cement reported a profit after tax of RO 9.298 million for the first half of FY 2013, registering an increase of 3.1% from a net profit of RO 9.017 million reported for the same period last year. However, the net profit of the Company declined by 66% on a quarter-on-quarter basis to reach RO 2.359 million for the second quarter of 2013 from 6.939 million reported for Q1 2013. The significant decline in Q2'13 was mainly due to an unexpected breakdown of one of its Cement Mills affecting cement production and hence sales.
- ❖ Revenue of the Company stood at RO 27.337 million for H1'13 compared to RO 28.065 million recorded for first six months of last year, showing a drop of 2.6% y-o-y. On a quarter-on-quarter basis also the Company's revenues decreased by 25.3% from RO 15.65 million reported in Q1'13 to RO 11.687 million in Q2'13.
- ❖ Operating profit margin of Oman Cement declined to 29.2% for the first half of 2013 from 31.4% in H1'12 and from 39.6% for Q1'13 to 15.2% for Q2'13. On a q-o-q basis net margin too declined to 20.2% in Q2'13 from 44.3% recorded in the previous quarter. However, net margin improved to 34% for the first half of FY'13 from 32.1% for H1'12 supported by the superior performance of its investments.
- ❖ Currently, Oman Cement trades at a PBV of 1.7 and annualized PE of 14.0 which is at a premium to its quarterly historic average PE of 11.4.



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