

# Honda Atlas Cars (Pakistan) Limited

Result Review: 9MMY26 EPS clocked-in at PKR 15.59/share

REP-300

## Result Highlights

- Honda Atlas Cars (Pakistan) Limited (HCAR) announced its financial result for 9MMY26 today, posting a PAT of PKR 2,226mn (EPS: PKR 15.59), representing YoY increase of 117%. On a quarterly basis, the company recorded a 16% YoY increase to PKR 655mn in 3QMY26.
- Net sales during 9MMY26 clocked in at PKR 84,983mn compared to PKR 50,413mn, depicting an increase of 69% YoY, mainly driven by a 69% YoY increase in volumes to 17,559 units coupled with the impact of two new product launches, including the HRV Hybrid in Aug'25 and the Honda City 1.5L ASPIRE S CVT in Sep'25. During 3QMY26 revenue clocked in at PKR 33,103mn in contrast to PKR 17,845mn in SPLY, depicting an increase of 85% YoY.
- Gross margins improved marginally to 7.9% in 9MMY26 vs 7.7% in 9MMY25, amid stronger PKR-Yen parity.
- In 3QMY26, distribution expenses rose 3.1x YoY to PKR 451mn, driven primarily by higher volumetric sales and costs associated with new product launches, while administrative expenses increased 27% YoY to PKR 583mn.
- Other income surged 97% YoY in 3QMY26 to PKR 374mn due to higher cash and bank balances.
- In 3QMY26 finance cost increased by 157% YoY to PKR 553mn given increase in borrowings to PKR 14.3bn.
- The effective tax rate stood at 43.1% in 3QMY26, compared to 33.9% in 2QMY26.
- We have a target price of PKR 301.4/share with HCAR trading at MY26 P/E of 11.3x.

### Exhibit: Financial Highlights

(PKR mn)	9MMY26	9MMY25	YoY	3QMY26	YoY	QoQ
<b>Income Statement</b>						
Net Revenue	84,983	50,413	69%	33,103	85%	30%
Cost of Sales	78,290	46,537	68%	30,605	89%	30%
Admin Expense	1,800	1,287	40%	583	27%	-5%
Distribution Expense	1,099	588	87%	451	207%	51%
Other Expenses	360	118	206%	83	375%	23%
Other Income	1,421	619	130%	374	97%	-24%
Finance Cost	1,070	695	54%	553	157%	76%
PBT	3,786	1,806	110%	1,203	21%	7%
Taxation	1,560	779	100%	547	27%	44%
PAT	2,226	1,027	117%	655	16%	-12%
EPS (PKR)	15.59	7.19		4.59		
<b>Ratio Analysis</b>						
Gross Margins	7.9%	7.7%		7.5%		
Net Margins	2.6%	2.0%		2.0%		
Return on Equity	17.1%	11.4%		17.1%		
Return on Assets	6.2%	4.9%		6.2%		
Effective Tax	41.2%	43.1%		45.5%		

Source (s): Company Financials, AHL Research

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