

Company Name : Berjaya Auto Berhad
Date : 12 June 2015
Source : The Edge Financial Daily

Berjaya Auto Up 7% On Profit Rise, Dividends

KUALA LUMPUR (June 12): Berjaya Auto Bhd (Financial Dashboard) rose as much as 24 sen or 7% on its fourth quarter and full-year profit rise from a year earlier. The automobile distributor also declared dividends of six sen a share for the quarter ended April 30, 2015 (4QFY15).

Berjaya Auto (fundamental: N/A; valuation: N/A) reached its highest so far today at RM3.79. At 10.36am, the second-largest gainer on Bursa Malaysia pared gains at RM3.75 with 975,000 shares done.

Yesterday, Berjaya Auto announced to Bursa Malaysia its 4QFY15 net profit rose to RM55.26 million from RM48.1 million. Revenue increased to RM424.34 million from RM394.98 million.

For the full year, net profit climbed to RM215.41 million or 26.6 sen per share from RM130.62 million or 17.21 sen per share. Revenue grew to RM1.83 billion from RM1.45 billion.

Berjaya Auto declared total dividends of six sen a share in 4QFY15. These comprise a single-tier interim dividend of 2.75 sen and special single-tier dividend of 3.25 sen.

The 4QFY15 dividends bring full-year dividends to 14.6 sen a share against 5.25 sen a year earlier.

Today, MIDF Amanah Investment Bank Bhd analysts Izzat Esa and Ashikin Saiful Bahri wrote in a note the research firm had downgraded its target price (TP) for Berjaya Auto shares to RM4.62 from RM4.70 previously.

The TP downgrade came with an unchanged "buy" call for the stock.

"We revised our TP on potential margin erosion for FY16 as Berjaya Auto may resort to promotions and discounts to maintain market share," the analysts said.

(Note: The Edge Research's fundamental score reflects a company's profitability and balance sheet strength, calculated based on historical numbers. The valuation score determines if a

stock is attractively valued or not, also based on historical numbers. A score of 3 suggests strong fundamentals and attractive valuations.)