REGENCY ASSETS MANAGEMENT LIMITED
Member of The Nigerian Stock Exchange

CORPORATE ANALYSIS AND PROJECTIONS

LARFAGE CEMENT WAPCO NIGERIA PLC
FUNDAMENTAL ANALYSIS

FINANCIAL RESULT ANALYSIS
Year End DEC. 31

	2009	2008	2007	2006	2005
Turnover N'm	45,590	43,274	38,665	39,647	26,626
PAT (N'm)	5,055	11,252	10,679	10,678	2,763
Share Capital (N'm)	1,501	1,501	1,501	1,501	1,501
SH. Funds (N'm)	43,711	40,456	32,806	25,015	15,238
Reserves(N'm)	32,718	29,463	21,813	14,554	4,508
NET ASSETS	43,711	40,456	32,806	25,015	15,238
EPS (N=)	1.68	3.75	3.56	3.56	0.92
DPS(N=)	0.10	0.60	1.20	1.00	0.30
Price (year end)	30.00	25.50	79.80	53.99	17.30
P/ER	17.86	6.80	9.08	5.04	1.72
No of Shares	3,002	3,002	3,002	3,002	3,002
BOOK VALUE	14.56	13.48	10.93	8.33	5.08
Price to book ratio	2.06	1.89	7.30	6.48	3.41
Bonus Issue					

QUARTERLY RESULT ANALYSIS 2010

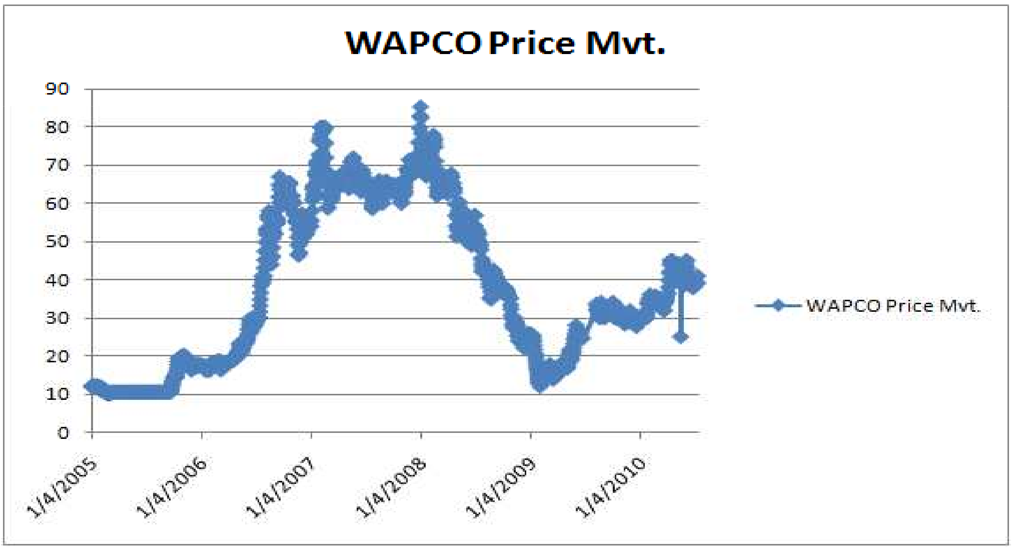
	Q1		Q2		Q3	
	Curr.	Last Year	Curr	Last/Year	Curr	Last/Y
Turnover (N'b)	12.04	13.36				
PAT (N'b)	1.713	1.546				
Int. Div.(N'000)						
NET ASSETS						

SHAREHOLDING STRUCTURE

Foreign Invt.	60.00%
ODUA GP of Coys	10.01%
Nigerian Citizen	29.99%
	100.00%

TECHNICAL ANALYSIS

Price as at 13/07/2010	EPS	P/E Ratio	Book Val. Per Share	Price to Book Ratio	ROCE	52 weeks High	52 weeks Low	Margin in %	1st qter FWD EPS	1st qter FWD PER
41.00	N=1.68	24.40	14.56	2.82	3.92	N=46.17	N 25.36	94.16	N 2.28	17.98



SWOT ANALYSIS

STRENGTHS	**WEAKNESS**
1.Foreign Technical Partner	1.High term loan.
2.Good product Research.	2.High cost of production
3.Good brand name.	
4.5yr Consistent pyt of dividend	
5 Good reserve, high potential for bonus	
OPPORTUNITIES	**THREAT**
1.Good market share	
2. Growth in capital ,market.	2.Harsh economic policies

INVESTMENT CONSIDERATION

1. Manufacturing, marketing and distribution of cement.
2.market leader in cement industry
3.The company operates Technical Service agreement with its Majority Shareholder Lafarge. S.A.
4. Consistent payment of divident in the last five years.
5.P&L & B/S fluctuate during the 5 yr period .
6. Lower PAT in 2009 due high term loan of N24.79 b
7. The term loam is for Lakatabu expansion project which is expected to double prod. capacity by 2011
8. Elephant Cement, is a widely accepted brand with good mkt share
9.Newly commis.parker, will enhance turn around time.
10.Good research gives product competitive advantage

PROJECTIONS.

The stock is suitable for investment on long term basis (minimum of one year)
The reasons being:
1. Good expansion programme is expected to result in good return on investment.
2. Good product, high demand, and good market share for the company.
3. Good management, the possibility for profit level to increase is high
4. Price to book ratio of 2.82 shows that the stock is overpriced. However, consistent increase in earnings may strenghten the price.
5. There is therefore high possibility for reasonable capital appreciation as the company turn out good quarterly results.
6. The presence of Larfarge Cement Division in 13 countries will enhance mkt penetration. This will impact +vely on the bottom line .