REGENCY ASSETS MANAGEMENT LIMITED
Member of The Nigerian Stock Exchange

CORPORATE ANALYSIS AND PROJECTIONS

MAY & BAKER NIGERIA PLC
FUNDAMENTAL ANALYSIS

FINANCIAL RESULT ANALYSIS
Year End DEC. 31

	2009	2008	2007	2006	2005
Turnover N'm	4,604	5,440	3,860	2,253	1,887
PAT (N'm)	232	418	208	211	102
Share Capital (N'm)	350	350	350	350	109
SH. Funds (N'm)	2,706	2,754	2,616	2,617	817
Reserves(N'm)	714	762	624	626	480
NET ASSETS	2,706	2,754	2,616	2,617	817
EPS (N=)	0.33	0.60	0.30	0.30	0.47
DPS(N=)	-	0.40	0.40	0.30	0.30
Price (year end)	3.86	5.70	13.43	8.00	5.36
P/ER	11.65	9.55	45.20	26.54	11.46
No of Shares	700	700	700	700	218
BOOK VALUE	3.87	3.93	3.74	3.74	3.75
Price to book ratio	1.00	1.45	3.59	2.14	1.43
Bonus Issue	2 for 5				

QUARTERLY RESULT ANALYSIS 2010

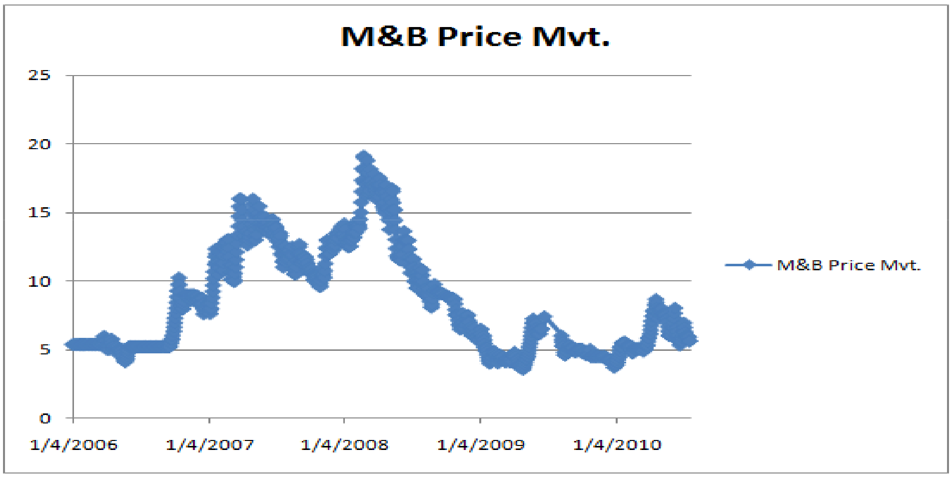
	Q1		Q2		Q3	
	Curr.	Last Year	Curr	Last/Year	Curr	Last/Y
Turnover (N'b)						
PAT (N'b)						
Int. Div.(N'000)						
NET ASSETS						

SHAREHOLDING STRUCTURE

Lt. Gen T.Y Danjuma	25.16%
Joseph Odumodu	6.40%
David Dankaro	5.83%
Nigerian Citizen	62.61%
	100.00%

TECHNICAL ANALYSIS

Price as at 21/07/2010	EPS	P/E Ratio	Book Val. Per Share	Price to Book Ratio	ROCE	52 weeks High	52 weeks Low	Margin in %		
5.61	N=0.33	17.00	3.87	1.45	8.58	N=8.67	N 3.86	124.60%		



SWOT ANALYSIS

STRENGTHS	WEAKNESS
1.Foreign Technical Partner	1.High term loan.
2.Good brand name.	2.High cost of production
3.Good return on invt.via div. and bonus	
4. Good diversification strategy	
5. Good expansion programme	
OPPORTUNITIES	**THREAT**
1.Good market share	
2. Growth in capital ,market.	2.Harsh economic policies

INVESTMENT CONSIDERATION

1.Manufacturing, marketing and distribution of pharma-ceutical, diagnostic, reagent consumer products. others are food products and human vaccines
2.New ultra modern factory at Otta will boost earnings
3. Good dividend and bonus policy.
4.P&L & B/S fluctuate during the 5 yr period .
5. Lower PAT in 2009 due higher charges and oper. cost.
6. Diversification strategy to food sector will broaden income.
7. Food contribution +se from 18% to 32% from yr 08 to 09.
7. Good distribution network
8. Presence of Foreign technology transfer & Manufacturing Agreement will boost income and return on invt.
9.Good management. The coy has stood the test of time.
10.Good research gives product competitive advantage

PROJECTIONS.

The stock is suitable for investment on long and short term basis.
The reasons being:
1. Good expansion programme. The new factory is expected to increase prod. capacity which may result in better return on investment.
2. The diversification strategy is consistently increasing income. We eexpect higher value for the current year.
3. Good market perception, the possibility for market share and profit level to increase is high
4. Price to book ratio of 1.45 shows that the stock is undervalued at current market price of N5.61.
5. This year high and low values of N8.67 and N3.86 shows good margin with the current price of N5.61
6. There is therefore high possibility for reasonable capital appreciation as the company turn out good quarterly results.
7. The Technical Agreement will give product and management competetive advantage which will impact +vely on the bottom line.
8. We therefore project a price of N10.00 within the next six months ending December 31, 2010.