

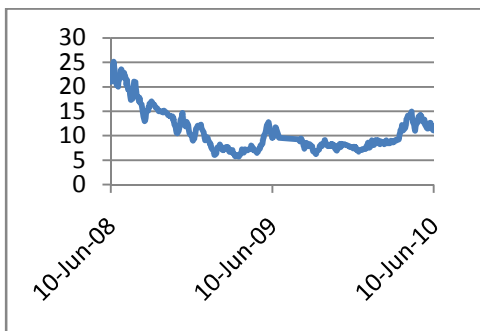


Nahco Aviance Plc.

Equity Research

Ticker	NAHCO
Sector	Airline Services
Date of Incorporation	December 09, 1979
Date of Listing	November 27, 2006
Year End	December
No Of Ordinary Shares	1,230,468,750
Capitalisation (N)	13,535,156,250.00
% of Market Cap.	
52-Week High (N)	14.85
52-Week Low (N)	6.15
YTD Return (%)	11.11%
Beta Value	
Current EPS (N)	0.32
Current PE (x)	34.18

Nahco –Share Price Trend



Nigerian Aviation Handling Company PLC is a foremost aviation company providing aviation ground services for domestic and international airlines operating in Nigeria. The company's business activities revolve around offering of following services : passenger and baggage handling services; cargo handling services through its customs bonded warehouse and mail handling through postal authorities; and ramp and other ground handling services, including handling general traffic, flight dispatch, and aircraft cleaning through the provision of ground support equipment . The company achieves its objective by employing modern technology and well equipped professionals.

Management

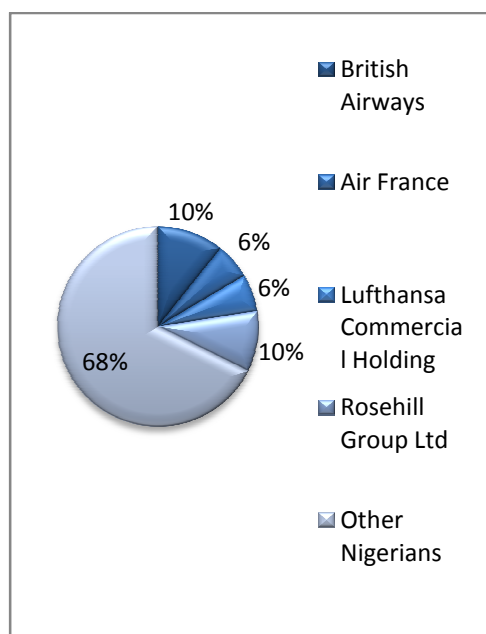
Nahco's Executive Management team is led by Mr. Bates Sarki Sule, Managing Director and Chief Executive officer. Mr. Sarki has over 25 years of experience in Nigerian Aviation Industry, including senior roles at Muritala Mohammed International Airport (MMIA) The Board is chaired by Sen. (Dr) Ike Nwachukwu .

Financial Analysis

The company's audited 2009 FY result shows that the company's turnover (TO) increased by 36.94% to N6.07bn compared with N4.43 billion in 2008 Financial Year end. Profit Before Tax (PBT) increased by 55.92% between 2008 and 2009 from N1.22bn to N1.89billion. However, the company's performance was moderated by quarter 1, 2010 performance as Turnover growth increased marginally by 5% as it posted a turnover of N1.52 billion against N1.45bn recorded in the corresponding period in year 2008. Also the Profit After Tax Growth declined by 6% (YOY) as N0.396 billion compared with N0.419billion reported in corresponding period in 2008 FY. For the year the company paid a dividend of N0.70 (25k interim and 45k final dividend) and bonus of 1 for 4.

Valuation / Analyst Recommendation

nahco aviance shareholding Structure



In valuing this company we have used a Discounted Cash flow valuation model and two relative valuation approaches to assess Nahco's fair value

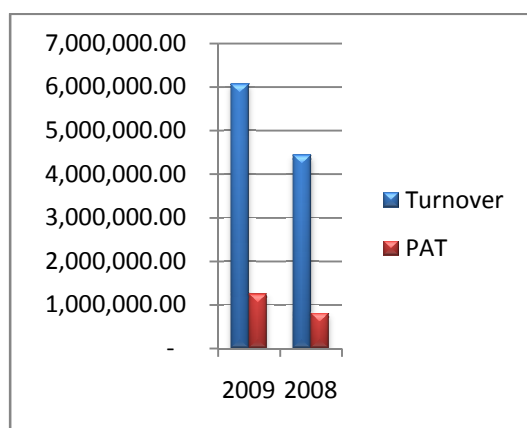
- DCF
- Price to Earnings (P/E)
- Price to Book Value (P/BV)

A weighted average of the valuation technique mentioned above yielded a fair value of N14.42 per share for Nahco's common stock. This represents an upward of 28.75% from the current trading price.

Earnings & Bonus History

	2009	2008	2007	2006	2005
EPS (K)	101	81	78	144	106
Dividend (K)	70	55	30	30	30
Bonus Issue	1 for 4	-	-	3 for 2	-
Vol. of Shares(m)	1,230.50	984	750	300	300

Turnover and PAT (FY '09)



Quarter 1, 2010 Summary

	Q 1 '10 (Nm)	Q1 '09 N'm)	%Change
Turnover	1,518.00	1,447.00	4.91%
Profit Before Tax	582.35	617.08	-5.63%
Taxation	-186.35	-197.47	-5.63%
Profit After Tax	396	419.61	-5.63%
Balance Sheet Information			
Fixed Assets	3,926.00	3,449.00	13.83%
Stocks	58.00	35.00	65.71%
Trade Debtors	1,291	1083	19.21%
Cash and Bank Balances	1987	2,194.00	-9.43%
Trade Creditors	842.00	925.00	-8.97%
Other Credit Balances	432.35	399.90	8.11%
Working Capital	1,847.00	1,927.00	-4.15%
Net Assets	5,072.00	4,676.00	8.47%

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