



CHERAT PACKAGING LIMITED

MODERN MOTORS HOUSE, BEAUMONT ROAD, KARACHI-75530, PAKISTAN.
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Ghulam Faruque
Group

CPPL/ASF/073

April 25, 2016

- i) The General Manager
Pakistan Stock Exchange Limited
Fax: 111-573-329
- ii) Securities & Exchange Commission of Pakistan
7th Floor, NIC Building
63-Jinnah Avenue, Blue Area
Islamabad.
Fax no. 051-9100440 - 9218595

Dear Sir,

FINANCIAL RESULTS FOR THE PERIOD ENDED MARCH 31, 2016

We have to inform you that the Board of Directors of the Company in its meeting held on Monday, April 25, 2016 at 3:00 p.m. at the Head Office of the Company at Modern Motors House, Beaumont Road, Karachi, has recommended the following:

- i) CASH DIVIDEND : NIL
- ii) BONUS SHARES : NIL
- iii) RIGHT SHARES : NIL
- iv) MATERIAL INFORMATION

In view of the strong demand for cement and the papersacks produced by the company resulting in high capacity utilization, Cherat Packaging has decided to enhance its production capacity by installing a fifth papersack plant. The company has decided to acquire the plant from M/s. Windmoller & Holscher having a total capacity of approximately 135 million bags per annum. In addition to producing papersacks for the cement industry, the company will also be able to produce other varieties of smaller bags for non-cement related products with this line. The plant, will be installed at the existing site in Gadoon Amazai, Khyber Pakhtunkhwa Province. Addition of this plant will take the total production capacity of the company to 400 million papersacks per annum. The total cost of the project is approximately Rs. 900 million. The new papersack line is expected to be commissioned by October 2017.

The financial results of the Company for the period ended March 31, 2016 are annexed herewith.

We will be sending you copies of printed accounts for distribution amongst the TRE Certificate Holders of the Exchange.

Yours sincerely,
For Cherat Packaging Limited


ASLAM FARUQUE
DIRECTOR

Encl.: As stated above



CHERAT PACKAGING LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE PERIOD ENDED MARCH 31, 2016

| | Period ended | | Quarter ended | |
|----------------------------|-------------------|---------------------------------|-------------------|--------------------------------|
| | March 31, 2016 | March 31, 2015 | March 31, 2016 | March 31, 2015 |
| ----- (Rupees '000) ----- | | | | |
| Turnover – net | 5,200,520 | 4,512,245 | 1,808,469 | 1,490,992 |
| Cost of sales | (4,011,488) | (3,647,637) | (1,389,044) | (1,173,215) |
| Gross profit | <u>1,189,032</u> | <u>864,608</u> | <u>419,425</u> | <u>317,777</u> |
| Distribution costs | (58,044) | (52,743) | (23,264) | (18,628) |
| Administrative expenses | (35,460) | (30,634) | (11,245) | (10,455) |
| Other expenses | (75,345) | (40,686) | (26,979) | (16,435) |
| | <u>(168,849)</u> | <u>(124,063)</u> | <u>(61,488)</u> | <u>(45,518)</u> |
| Other income | 25,613 | 5,114 | 9,265 | 2,080 |
| Operating profit | <u>1,045,796</u> | <u>745,659</u> | <u>367,202</u> | <u>274,339</u> |
| Finance costs | (61,861) | (177,449) | (12,725) | (53,813) |
| Profit before taxation | <u>983,935</u> | <u>568,210</u> | <u>354,477</u> | <u>220,526</u> |
| Taxation | | | | |
| Current | (259,638) | (2,195) | (110,681) | 27,962 |
| Deferred | (33,362) | (140,982) | 782 | (83,724) |
| | <u>(293,000)</u> | <u>(143,177)</u> | <u>(109,899)</u> | <u>(55,762)</u> |
| Profit after taxation | <u>690,935</u> | <u>425,033</u> | <u>244,578</u> | <u>164,764</u> |
| Earnings per share – basic | <u>Rs. 23.87</u> | <u>(Restated) Rs. 14.93</u> | <u>Rs. 8.45</u> | <u>(Restated) Rs. 5.79</u> |

Aslam Faruque
Director

