

By Courier / Fax

31st January 2006

DHS-

1. The General Manager
Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building, Stock Exchange Road
Karachi-74000
Fax Nos. (021) 2415763 / 2437560
2. The Secretary
Lahore Stock Exchange (Guarantee) Limited
19, Khayaban-e-Aiwan-e-Iqbal
Lahore-54000
Fax Nos. (042) 6368484 / 6368485

Sub: FINANCIAL RESULTS FOR THE YEAR ENDED 31st DECEMBER 2005

Dear Sir,

We wish to inform you that the Board of Directors of Dawood Hercules Chemicals Limited in its Meeting held on 30th January 2006 has approved the Audited Accounts of the Company for the year ended 31st December 2005. Summary of the financial results is annexed. The Board has also taken the following decisions with regard to the payment of final cash dividend, issuance of bonus shares and Annual General Meeting (AGM).

Final Cash Dividend

The Board of Directors has recommended the payment of final cash dividend @ **Rs.2.50** per share i.e. **25 %** for the year ended 31st December 2005. If approved in the AGM, the shareholders whose names appear in the Register of the Company on 25th February 2006 will be entitled to this dividend.

Bonus Shares

The Board of Directors has also recommended payment of **15% Bonus** i.e. **3=(Three) Bonus Share** for every **20=(Twenty)** shares held. Bonus shares, if approved by the shareholders in the AGM, will be issued to those shareholders whose names appear in the Register of Members on 25th February 2006. These Bonus Shares, however, will not be eligible for the final cash dividend of 25% for the year ended 31st December, 2005.

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