

February 14, 2014

**The General Manager**  
Karachi Stock Exchange (Guarantee) Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi-74000



**Subject: Financial Results for the Quarter Ended December 31, 2013**

Dear Sir,

We have to inform you that the Board of Directors of our Company in their meeting held on Friday, February 14, 2014 at 2.30 pm, at Descon Headquarters, 18-KM Ferozpur Road, Lahore have recommended the following financial results:

	Half Year Ended December 31,		Quarter Ended December 31,	
	2013	2012	2013	2012
	----- ( Un-audited ) -----			
	Rupees '000		Rupees '000	
Sales - net	1,125,493	1,204,065	547,602	605,688
Cost of sales	(1,014,409)	(1,095,756)	(493,731)	(544,994)
<b>Gross profit</b>	111,084	108,309	53,871	60,694
Operating expenses:				
Distribution costs	(34,137)	(31,493)	(16,038)	(15,210)
Administrative expenses	(26,740)	(19,851)	(16,380)	(9,449)
Research and development expenses	(2,823)	(926)	(1,270)	(509)
	(63,700)	(52,270)	(33,688)	(25,168)
<b>Operating Profit</b>	47,384	56,039	20,183	35,526
Other operating charges	(3,991)	(17,120)	(1,733)	(8,868)
Finance cost	(52,964)	(59,236)	(27,317)	(29,442)
Other income	9,304	5,942	5,492	1,188
Share of net (loss) / profit of associated undertaking	(6,413)	(3,813)	(959)	2,058
<b>(Loss) / Profit before Taxation</b>	(6,680)	(18,188)	(4,334)	462
<b>Taxation</b>	(10,681)	(276)	(4,902)	2,716
<b>Net (Loss) / profit for the period</b>	(17,361)	(18,464)	(9,236)	3,178
<b>(Loss) / Earning per Share-Basic (Rupees)</b>	(0.09)	(0.09)	(0.05)	0.02

We will be sending you 300 copies of printed half year financial statements for distribution amongst the members of the Exchange.

Yours faithfully,  
For Descon Chemicals Limited

**ABDUL SOHAIL**  
COMPANY SECRETARY