

April 21, 2015

The General Manager
Lahore Stock Exchange Limited
Stock Exchange Road
Lahore



Subject: Financial Results for the Quarter Ended March 31, 2015

Dear Sir,

We have to inform you that the Board of Directors of our Company in their meeting held on Tuesday, April 21, 2015 at 04:00 pm at Descon Headquarters, 18-km, Ferozpur Road, Lahore have recommended the following financial results of the Company:

| | Quarter Ended | | Nine Months Ended | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| | March 31, 2015 | March 31, 2014 | March 31, 2015 | March 31, 2014 |
| | Rupees '000' | | Rupees '000' | |
| Sales - net | 434,891 | 534,489 | 1,371,337 | 1,659,982 |
| Cost of sales | (420,412) | (488,497) | (1,275,577) | (1,505,891) |
| Gross Profit | 14,479 | 45,992 | 95,760 | 154,091 |
| Operating expenses: | | | | |
| - Distribution and selling expenses | (13,528) | (20,119) | (50,494) | (54,256) |
| - Administrative expenses | (10,406) | (10,332) | (33,483) | (34,088) |
| - Research and development expenses | - | (44) | (185) | (2,867) |
| | (23,934) | (30,495) | (84,162) | (91,211) |
| Operating (Loss)/Profit | (9,455) | 15,496 | 11,598 | 62,880 |
| Finance cost | (20,912) | (29,888) | (77,440) | (82,852) |
| Other operating expenses | (2,226) | (1,797) | (12,807) | (5,788) |
| Other operating income | 15,541 | 1,311 | 21,420 | 10,615 |
| | (7,597) | (30,374) | (68,827) | (78,025) |
| Loss before share of associate and taxation | (17,052) | (14,878) | (57,229) | (15,145) |
| Share of net loss of associated undertaking | (933) | (98) | (12,006) | (6,511) |
| Loss before taxation | (17,986) | (14,976) | (69,236) | (21,656) |
| Taxation | (4,318) | (5,078) | (6,806) | (15,759) |
| Loss after taxation | (22,304) | (20,054) | (76,042) | (37,415) |
| Loss per share - basic and diluted (Rupees) | (0.11) | (0.10) | (0.38) | (0.19) |

We will be sending you 100 copies of printed accounts for distribution amongst the members of the Exchange in due course of time.

Thanking you for your as usual cooperation.

Yours faithfully,
For Descon Chemicals Limited

ABDUL SOHAIL
COMPANY SECRETARY