



ITTEHAD CHEMICALS LIMITED

ICL/PSX-1112/18

February 24, 2018

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

SUBJECT: FINANCIAL RESULTS FOR THE HALF YEAR ENDED DECEMBER 31, 2017

Dear Sir

We have to inform you that the Board of Directors of the Company in their Meeting held on February 24, 2018 at 03:00 p.m. at the Registered Office of the Company, 39-Emress Road, Lahore, has determined the following:

A. CASH DIVIDEND/ BONUS SHARES/ RIGHT SHARES

Nil

B. FINANCIAL RESULTS

The financial results of the Company are attached as per Annexure "A"

C. ANY OTHER PRICE SENSITIVE INFORMATION

LABSA PLANT / IEM PLANT-III BMR (Phase-II)

ICL is maintaining its focus on technological advancement to improve operational efficiencies. The IEM-III is expected to be commercially operational by 4QFY18 and will help in further improvement in margins. Being the 2nd phase of IEM Plant III BMR, the Board has approved installation of one Electrolyzer for Caustic Soda having Capacity 12,500 M.Ton per annum.

The company has embarked upon exploring various avenues in order to diversify its business. The Board of Directors has approved Linear Alkyl Benzene Sulphonic Acid (LABSA) Project. Total Project Cost of LABSA Plant and 2nd phase of IEM Plant III is estimated Rupees Five Hundred Million (Rupees 500 Million). The Financial Close of the project has been achieved successfully. The project is likely to be commissioned during third quarter of FY 2019. This would further improve the profitability of the company.



**ITTEHAD
GROUP**

www.ittehadchemicals.com

Registered/Head Office: 39, Emress Road, Lahore, Pakistan. Tel: + 92 42 3630 6586-88

Fax: + 92 42 3636 5697 (A/Cs) 3636 7023 (Marketing) & 3636 5625 (Purchase)

Karachi Office: Town House No. 43-H/II, Street 43, Block 6, P.E.C.H.S., Karachi, Pakistan. Tel: + 92 21 3452 7314-15 Fax: + 92 21 3452 7321

Factory: G.T. Road, Kala Shah Kaku, District Sheikhpura, Pakistan. Tel: + 92 42 3795 0222-25 Fax: + 92 42 3795 0206



CERTIFICATE # 01013788



ITTEHAD CHEMICALS LIMITED

We will be sending you 200 copies of printed accounts of the Company for distribution amongst the members of the Exchange.

Thanking You

Yours truly

For Ittehad Chemicals Limited

Abdul Mansoor Khan
Company Secretary

Cc: The Surveillance Supervision and Enforcement Department, Securities and Exchange Commission of Pakistan, NIC Building, Jinnah Avenue, Blue Area, Islamabad



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ITTEHAD CHEMICALS LIMITED
 CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - (UNAUDITED)
 FOR THE HALF YEAR ENDED DECEMBER 31, 2017

	Half year ended December 31,		Quarter ended December 31,	
	2017	2016	2017	2016
	----- (Rupees in thousand) -----			
Sales - net	2,790,531	2,337,941	1,525,054	1,306,779
Cost of sales	<u>(2,243,225)</u>	<u>(1,948,147)</u>	<u>(1,166,483)</u>	<u>(1,095,081)</u>
Gross profit	547,306	389,794	358,571	211,698
Selling and distribution expenses	<u>(160,332)</u>	<u>(129,778)</u>	<u>(93,075)</u>	<u>(69,612)</u>
General and administrative expenses	<u>(83,412)</u>	<u>(83,516)</u>	<u>(42,174)</u>	<u>(42,585)</u>
Other operating expenses	<u>(44,781)</u>	<u>(5,506)</u>	<u>(34,264)</u>	<u>(3,163)</u>
Other operating income	<u>29,366</u>	<u>8,146</u>	<u>24,464</u>	<u>5,198</u>
	<u>(259,159)</u>	<u>(210,654)</u>	<u>(145,049)</u>	<u>(110,162)</u>
Operating profit	288,147	179,140	213,522	101,536
Financial charges	<u>(79,889)</u>	<u>(89,675)</u>	<u>(39,012)</u>	<u>(48,704)</u>
Profit before taxation	208,258	89,465	174,510	52,832
Taxation	<u>(47,051)</u>	<u>39,996</u>	<u>(36,666)</u>	<u>14,566</u>
Profit after taxation	<u>161,207</u>	<u>129,461</u>	<u>137,844</u>	<u>67,398</u>
Earnings per share - basic and diluted (Rupees)	<u>2.09</u>	<u>1.68</u>	<u>1.79</u>	<u>0.88</u>