

KOHAT CEMENT COMPANY LIMITED

Through PUCAR and Courier

The General Manager
Pakistan Stock Exchange,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

February 22, 2017

Subject: Financial Results for the Quarter Ended December 31, 2016

Dear Sir,

We have to inform you that the Board of Directors of our Company in its meeting held on **February 22, 2017 at 11:00 A.M.**, at **Head Office, 37-P, Gulberg-II, Lahore**, recommended the following:

- (i) **CASH DIVIDEND**
2nd Interim cash dividend for the 2nd Quarter ended December 31, 2016 at **Rs. 8/-** per share i.e. 80%. This is in addition to 1st Interim cash dividend already paid at **Rs. 4/-** per share i.e. 40%.
- (ii) **BONUS SHARES** : **NIL**
- (iii) **RIGHT SHARES** : **NIL**
- (iv) **ANY OTHER ENTITLEMENT/CORPORATE ACTION** : **NIL**
- (v) **ANY OTHER PRICE-SENSITIVE INFORMATION** : **NIL**

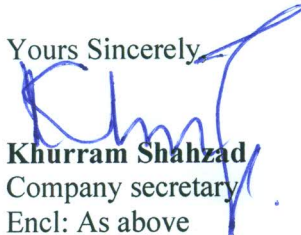
The financial results of the Company along with directors' report are attached herewith.

The above entitlement will be paid to the shareholders whose names will appear in the Register of the Members on **March 08, 2017**.

The register of the members and the share transfer books of the Company will be closed from **March 09, 2017 to March 16, 2017** (both days inclusive). Transfers received in order at the share department of Company, Hameed Majeed Associates (Pvt.) Limited, H.M. House, 7-Bank Square, Lahore, up to the close of business day on **March 08, 2017** will be treated in time for the purpose of above entitlement to the transferees.

We will be sending you **200** copies of printed accounts for distribution amongst the TRE Certificates Holders of the Exchange.

Yours Sincerely,


Khurram Shahzad
Company secretary
Encl: As above



Head Office: 37-P, Gulberg II, Lahore - Pakistan.
UAN: +92-42-11-111-KCCL, (5225) Fax: +92-42-3575-4084, 3587-4990
Web: www.kohatcement.com



KOHAT CEMENT COMPANY LIMITED

DIRECTORS' REVIEW

The Board of Directors of your Company is pleased to present the Interim Financial Statements of your company for the 2nd Quarter and half year ended 31st December 2016 duly reviewed by the external auditors.

Production and Sales Volumes

Summary of production and sales is detailed below:

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	October-December		July-December	
	2016	2015	2016	2015
Clinker Production	489,736	475,290	936,599	910,726
Cement Production	576,713	544,031	1,039,630	1,027,380
Local Sales	554,651	510,213	988,159	934,366
Export Sales	44,789	50,612	81,271	103,421
Total Sales	599,440	560,825	1,069,430	1,037,787

Financial Performance

Financial Performance of your Company for the second quarter and half year under review is summarized below:

Rupees

	2nd Quarter (Oct. to Dec)		Half year (July-Dec)	
	2016	2015	2016	2015
Net Sales Revenue	3,970,217,901	3,815,793,184	7,164,125,178	7,058,011,067
Gross profit	1,829,721,370	1,644,019,690	3,364,118,824	3,092,854,123
Admin and selling expenses	(82,652,788)	(70,702,170)	(154,412,423)	(143,846,993)
Other expenses	(125,596,494)	(116,311,947)	(230,888,594)	(220,912,610)
Other income	99,446,937	157,949,337	202,547,894	263,998,142
Finance costs	(22,843,048)	(9,362,771)	(46,597,081)	(18,750,535)
Taxation	(499,762,057)	(449,902,144)	(944,691,615)	(871,921,085)
Profit after taxation	1,198,313,920	1,155,689,995	2,190,077,005	2,101,421,042
Earnings per share (Rs.)	7.76	7.48	14.17	13.60

Healthy profits for the 1st quarter continued in the 2nd quarter due to cheap electricity generation from Waste Heat Recovery Power Plant (WHRPP), which is one of the major constituent of production cost.

The Company is current on its all debt obligations.

On Going Projects

New Cement Mill of 105 tph of your Company is expected to be operational by December 2017.

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Future outlook

Infrastructure Projects of the Current Government including China Pak Economic Corridor (CPEC), PSDP and private sector construction projects shall have vital role in robust increase in the profits of the Company.

Acknowledgments

The Board of Directors of your Company expresses warm gratitude to all the employees and stakeholders who participated in maintaining the present financial strength of the Company.

For and on behalf of the Board

Aizaz Mansoor Sheikh
Chief Executive

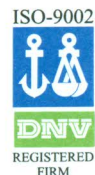
Lahore: February 22, 2017



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Kohat Cement Company Limited
 Condensed Interim Profit and Loss Account (Un-audited)
 For the half year and quarter ended 31 December 2016

		2016	2015	2016	2015
		01 July to 31 December	01 July to 31 December	01 October to 31 December	01 October to 31 December
	Note	----- Rupees -----			
Sales - net	13	7,164,125,178	7,058,011,067	3,970,217,901	3,815,793,184
Cost of goods sold	14	(3,800,006,354)	(3,965,156,944)	(2,140,496,531)	(2,171,773,494)
Gross profit		3,364,118,824	3,092,854,123	1,829,721,370	1,644,019,690
Selling and distribution expenses		(71,478,319)	(77,624,373)	(40,047,664)	(37,866,511)
Administrative and general expenses		(82,934,104)	(66,222,620)	(42,605,124)	(32,835,659)
Other operating income	15	202,547,894	263,998,142	99,446,937	157,949,337
Other operating charges	16	(230,888,594)	(220,912,610)	(125,596,494)	(116,311,947)
		(182,753,123)	(100,761,461)	(108,802,345)	(29,064,780)
Operating profit		3,181,365,701	2,992,092,662	1,720,919,025	1,614,954,910
Finance cost		(46,597,081)	(18,750,535)	(22,843,048)	(9,362,771)
Profit before taxation		3,134,768,620	2,973,342,127	1,698,075,977	1,605,592,139
Taxation	17	(944,691,615)	(871,921,085)	(499,762,057)	(449,902,144)
Profit after taxation		2,190,077,005	2,101,421,042	1,198,313,920	1,155,689,995
Earning per share (basic and diluted)		14.17	13.60	7.76	7.48

The annexed notes from 1 to 22 form an integral part of this condensed interim financial information.

Lahore


 Chief Executive


 Director

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