

KOHAT CEMENT COMPANY LIMITED

Through PUCAR and Courier

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

April 26, 2017

Subject: Financial Results for the Quarter Ended March 31, 2017

Dear Sir,

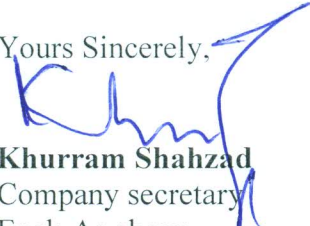
We have to inform you that the Board of Directors of our Company in its meeting held on **April 26, 2017 at 11:00 A.M.**, at **Head Office, 37-P, Gulberg-II, Lahore**, recommended the following:

- | | | | |
|-------|---|---|-----|
| (i) | <u>CASH DIVIDEND</u> | : | NIL |
| (ii) | <u>BONUS SHARES</u> | : | NIL |
| (iii) | <u>RIGHT SHARES</u> | : | NIL |
| (iv) | <u>ANY OTHER ENTITLEMENT/CORPORATE ACTION</u> | : | NIL |
| (v) | <u>ANY OTHER PRICE-SENSITIVE INFORMATION</u> | : | NIL |

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

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

Condensed Interim Profit and Loss Account (Un-audited)

For the quarter and nine months ended 31 March 2017

		2017	2016	2017	2016
		01 July to 31 March	01 July to 31 March	01 January to 31 March	01 January to 31 March
	<i>Note</i>	----- Rupees -----			
Sales - net	13	10,657,622,935	10,780,184,562	3,493,497,757	3,722,173,495
Cost of goods sold	14	(5,841,923,266)	(5,857,521,344)	(2,041,916,912)	(1,892,364,400)
Gross profit		4,815,699,669	4,922,663,218	1,451,580,845	1,829,809,095
Selling and distribution expenses		(102,416,793)	(121,142,104)	(30,938,474)	(43,517,731)
Administrative and general expenses		(120,840,097)	(98,485,238)	(37,905,993)	(32,262,618)
Other operating income	15	302,555,133	377,817,478	100,007,239	113,819,336
Other operating charges	16	(336,987,002)	(350,634,641)	(106,098,408)	(129,722,031)
		(257,688,759)	(192,444,505)	(74,935,636)	(91,683,044)
Operating profit		4,558,010,910	4,730,218,713	1,376,645,209	1,738,126,051
Finance cost		(66,910,270)	(25,481,156)	(20,313,189)	(6,730,621)
Profit before taxation		4,491,100,640	4,704,737,557	1,356,332,020	1,731,395,430
Taxation	17	(1,369,753,847)	(1,377,810,876)	(425,062,232)	(505,889,791)
Profit after taxation		3,121,346,793	3,326,926,681	931,269,788	1,225,505,639
Earning per share (basic and diluted)		20.20	21.53	6.03	7.93

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

Lahore


Chief Executive


Director

KOHAT CEMENT COMPANY LIMITED

DIRECTORS' REVIEW

The Board of Directors of your Company is pleased to present the Un-audited Interim Financial Statements of your company for the 3rd Quarter and nine months ended 31st March 2017.

Production and Sales Volumes

Summary of production and sales is detailed below:

M TONS

	January-March		July-March	
	2017	2016	2017	2016
Clinker Production	501,482	517,901	1,438,081	1,428,627
Cement Production	564,280	572,374	1,603,910	1,599,754
Local Sales	514,550	503,692	1,502,709	1,438,059
Export Sales	22,036	60,855	103,307	164,276
Total Sales	536,586	564,547	1,606,016	1,602,335

Financial Performance

Financial Performance of your Company for the third quarter and nine months is summarized below:

Rupees

	3rd Quarter (Jan to Mar)		Nine Months (July-Mar)	
	2017	2016	2017	2016
Net Sales Revenue	3,493,497,757	3,722,173,495	10,657,622,935	10,780,184,562
Gross profit	1,451,580,845	1,829,809,095	4,815,699,669	4,922,663,218
Admin and selling expenses	(68,844,467)	(75,780,349)	(223,256,890)	(219,627,342)
Other expenses	(106,098,408)	(129,722,031)	(336,987,002)	(350,634,641)
Other income	100,007,239	113,819,336	302,555,133	377,817,478
Finance costs	(20,313,189)	(6,730,621)	(66,910,270)	(25,481,156)
Taxation	(425,062,232)	(505,889,791)	(1,369,753,847)	(1,377,810,876)
Profit after taxation	931,269,788	1,225,505,639	3,121,346,793	3,326,926,681
Earnings per share (Rs.)	6.03	7.93	20.20	21.53

Increased coal prices and decline in cement sale prices in third quarter negatively affected the profits of the Company.

The Company is current on its all debt obligations.

On Going Projects

Cement Mill of 105 tph is under erection and commercial production is expected soon.

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Future outlook

The ongoing investments in Infrastructure Projects by the Government and China Pak Economic Corridor (CPEC) activities shall positively impact the demand for Construction Materials in future. As our plant is fully equipped and modernized, our Company will be able to take full advantage of the economic momentum in the coming years.

Acknowledgments

The Board of Directors of your Company expresses its deep gratitude to all stakeholders and business associates for their co-operation and support and look forward to their continued support in future. We thank all employees for their contribution to their Company's performance.

For and on behalf of the Board

Aizaz Mansoor Sheikh
Chief Executive

Lahore: April 26, 2017



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