

KOHAT CEMENT COMPANY LIMITED

Through PUCAR and Courier

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

October 25, 2017

Subject: Financial Results for the Quarter Ended September 30, 2017

Dear Sir;

We have to inform you that the Board of Directors of our Company in its meeting held on **October 25, 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' review report are attached herewith.

We will be sending you 200 copies of printed Accounts for distribution amongst the TRE Certificate 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



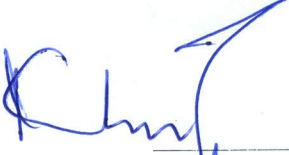
Kohat Cement Company Limited
Condensed Interim Profit and Loss Account (Un-audited)
For the quarter ended 30 September 2017

		July 1 to Sep 30 2017	July 1 to Sep 30 2016
	Note	Rupees	Rupees
Sales - net	12	3,417,430,370	3,193,907,277
Cost of goods sold	13	(2,065,370,367)	(1,659,509,823)
Gross profit		1,352,060,003	1,534,397,454
Selling and distribution expenses		(30,439,017)	(31,430,655)
Administrative and general expenses		(42,550,221)	(40,328,980)
Other operating income	14	88,324,418	103,100,957
Other operating charges	15	(101,828,275)	(105,292,100)
		(86,493,095)	(73,950,778)
Operating profit		1,265,566,908	1,460,446,676
Finance cost		(16,868,831)	(23,754,033)
Profit before taxation		1,248,698,077	1,436,692,643
Taxation	16	(345,565,492)	(444,929,558)
Profit after taxation		903,132,585	991,763,085
Earning per share (basic and diluted)		5.85	6.42

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

Lahore


 Chief Executive


 CFO


 Director

DIRECTORS' REVIEW

The Directors of your Company take pleasure in presenting the quarterly report together with the un-audited condensed interim financial statements for the 1st quarter ended September 30, 2017.

Production and Sales Volumes

Summary of production and sales is detailed below:

	Sep. 30, 2017 (M Tons)	Sep. 30, 2016 (M Tons)
Clinker Production	449,686	446,863
Cement Production	496,125	462,917
Local Sales	504,611	433,507
Export Sales	32,914	36,482
Total Sales	537,525	469,989

Financial Performance

Financial Performance of your Company for the quarter under review is summarized below:

	Sep. 30, 2017 (Rupees)	Sep. 30, 2016 (Rupees)
Net Sales Revenue	3,417,430,370	3,193,907,277
Gross profit	1,352,060,003	1,534,397,454
Admin and selling expenses	(72,989,238)	(71,759,635)
Other expenses	(101,828,275)	(105,292,100)
Other income	88,324,418	103,100,957
Finance costs	(16,868,831)	(23,754,033)
Taxation	(345,565,492)	(444,929,558)
Profit after taxation	903,132,585	991,763,085
Earnings per share (Rs.)	5.85	6.42

Surge in coal prices and decline in cement prices adversely affected the profits of the Company for the quarter under review despite achieving 14.37% growth in sales volumes.

The Company is current on its all debt obligations.

On Going Projects

Environment Protection Agency, KPK has accorded its approval for installation of additional Grey Cement Production Line of 7800 tpd at the existing Plant site. Further the project works are at design stage.

Cement Mill of 105 tph is being erected and commercial production is expected soon.



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KOHAT CEMENT COMPANY LIMITED

Future outlook

Infrastructure projects initiated by Government including China Pak Economic Corridor (CPEC) and PSDP are most likely to play a vital role in boosting the local market demand which shall result in healthy profits for the Company.

Acknowledgments

The Board of Directors of your Company recognizes all its stakeholders and employees for their untiring effort and hard work for achieving the benchmarks of the Company.

For and on behalf of the Board



Aizaz Mansoor Sheikh
Chief Executive



Nadeem Atta Sheikh
Director

Lahore: October 25, 2017



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