



MILLAT TRACTORS LIMITED

Sheikhupura Road,
P.O. Box No. 12023 Shahdara, Lahore (Pakistan)
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Ref. MTL/CA/Stock/107
Sept 21, 2006

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The General Manager,
Karachi Stock Exchange (G) Ltd.,
Karachi.

Subject: **FINANCIAL RESULTS FOR THE YEAR ENDED JUNE 30, 2006**

Dear Sir,

We have to inform you that the Board of Directors of our Company in their meeting held on Thursday, Sept 21, 2006 at 9.30 a.m. at the Company's Corporate Office, 83-A-E/I, Main boulevard, Gulberg III, Lahore recommended the following:

(i) **CASH DIVIDEND**

A final Cash Dividend for the year ended June 30, 2006 @ Rs.10 per share i.e. 100%. This is in addition to interim dividend already paid @ Rs. 10.00 per share i.e. 100%.

(ii) **BONUS ISSUE**

It has also been recommended by the Board of Directors to issue bonus shares in the proportion of one bonus share for every five ordinary shares held i.e. 20 %.

The financial results of the Company are as follows:

	[Rupees in thousand]	
	2006	2005
Sales - Net	8,737,362	8,326,231
Cost of sales	8,570,033	7,398,872
Trading profit	1,167,349	927,359
Selling, administration & general expenses	228,389	214,708
Operating profit	938,960	712,651
Other income	265,062	62,667
	1,204,022	775,318
Financial charges	3,054	2,552
Other charges	126,371	72,568
	129,425	75,120
Profit before taxation	1,074,597	700,198
Provision for taxation	344,020	246,336
Profit after taxation	730,577	453,862
Earnings per share (Rs.)	46.78	29.06

The Annual General Meeting of the Company will be held on Friday, October 27, 2006 at 11.00 a.m. at the Registered Office of the Company, Sheikhupura Road, Shahdara, Lahore.

The above entitlement, if approved by the shareholders will be paid to the shareholders whose names will appear in the register of the Members on October 16, 2006.

The Share Transfer Books of the Company will be closed from Oct. 17, 2006 to Oct. 27, 2006 (both days inclusive).

We will be sending you 300 copies of printed accounts for distribution amongst the members of the Exchange 21 days before the date of Annual General Meeting.

Thanking you

Yours faithfully,
for MILLAT TRACTORS LIMITED

Muhammad Saleem
MUHAMMAD SALEEM)
COMPANY SECRETARY

KARACHI STOCK EXCHANGE
CORPORATE ANNOUNCEMENT

Date: 21/9/2006

Received at: 11.57 Initial: [Signature]

Assessment at: 11.53 Initial: [Signature]