



**PAKISTAN TOBACCO
COMPANY**

9th August, 2005

Managing Director
Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Evacuee Trust Complex
Agha Khan Road, Sector F-5/4
P.O. Box 2549
Islamabad - 44000

Dear Sir,

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Financial Results for the second quarter, ended 30th June, 2005

We have to inform you that the Board of Directors of our Company in their meeting held on 9th August, 2005 at 12:00 p.m. at Islamabad, recommended the following:

CASH DIVIDEND

The Board of the Company was pleased to declare an interim dividend of Rs. 2.50 per share i.e. 25% in respect of the financial year ending December 31st 2005.

The above entitlement will be paid to the shareholders whose names will appear in the Register of Members on 7th September 2005.

The financial results of the Company are as follows:

	Three months ended		Six months ended	
	June 30, 2005	June 30, 2004	June 30, 2005	June 30, 2004
TURNOVER	8424787	6813378	15966699	12914733
Cost of sales	7146844	5929957	13506908	11259790
GROSS PROFIT	1277943	883421	2459791	1654943
Marketing expenses	315623	342500	689124	664509
Administration expenses	153454	189642	277655	287275
	469077	532142	966779	951784
OPERATING PROFIT	808866	351279	1493012	703159
Other operating income	16763	4157	36568	4861
Other operating expenses	58097	34071	106689	49549
	767532	321365	1422891	658471
Finance cost	8200	9085	14665	21302
PROFIT BEFORE TAXATION	759332	312280	1408226	637169
Taxation - Current	274581	6713	507942	18748
- Deferred	(11200)	95386	(13937)	209473
	263381	102099	494005	228221
PROFIT AFTER TAXATION	495951	210181	914221	408948
Earnings per share (Rs)	1.94	0.82	3.58	1.6