

**PAKISTAN TOBACCO
COMPANY**

7th March, 2006

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

Exchange Trust Complex
Agha Khan Road, Sector F-7/3
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Islamabad - 44000

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Dear Sir

Financial Results for the year ended 31st December, 2005

We have to inform you that the Board of Directors of our Company in their meeting held on 7th March, 2006 at 13.30 p.m. at our Head office recommended the following:

Cash Dividend

A final Cash Dividend for the year ended 31st December, 2005 at Rupee 2.50 per share i.e 25 %.

The above entitlement will be paid to the shareholders whose names will appear in the Register of Members on 10th April, 2006.

The financial results of the Company are as follows:-

	2005	2004
	(Rs.000s)	
Gross turnover	30,615,062	25,452,634
Sales tax	<u>4,103,324</u>	<u>3,413,146</u>
Turnover-net of sales tax	26,511,738	22,039,488
Cost of sales	<u>21,982,134</u>	<u>18,556,667</u>
GROSS PROFIT	4,529,604	3,482,821
Marketing and distribution expenses	<u>1,578,656</u>	<u>1,442,356</u>
Administration Expenses	<u>573,285</u>	<u>595,637</u>
	<u>2,151,941</u>	<u>2,037,993</u>
OPERATING PROFIT	2,377,663	1,444,828
Other income	34,417	14,580
Other expenses	<u>284,665</u>	<u>366,637</u>
	<u>2,127,415</u>	<u>1,092,581</u>
Finance cost	<u>45,351</u>	<u>36,542</u>
PROFIT BEFORE TAXATION	2,082,064	1,056,039
Tax charge	<u>760,145</u>	<u>390,812</u>
PROFIT AFTER TAXATION	1,321,919	665,227
Earnings per share	Rs.5.17	Rs. 2.60

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