

**PAKISTAN TOBACCO
COMPANY**

FAX

6th March, 2007

Evacuee Trust Complex
Agha Khan Road, Sector F-5/1
P.O. Box 2549
Islamabad - 44000

The General Manager
Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building
Stock Exchange Road
Karachi

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Dear Sir

Financial Results for the year ended 31st December, 2006

We have to inform you that the Board of Directors of our Company in their meeting held on 6th March, 2007 at 9.30 a.m. at our Head Office, Evacuee Trust Complex, Islamabad recommended the following:

Cash Dividend

A final Cash Dividend for the year ended 31st December, 2006 at Rupees 4.40 per share i.e. 44 %. This is in addition to Interim Dividend already paid at Rs.3/- per share i.e. 30%.

The financial results of the Company are as follows:-

	2006	2005
	(Rs.000s)	
Gross turnover	35,715,451	30,615,062
Sales tax	<u>4,833,285</u>	<u>4,103,324</u>
Turnover-net of sales tax	30,882,166	26,511,738
Cost of sales	<u>25,348,646</u>	<u>21,982,134</u>
GROSS PROFIT	5,533,520	4,529,604
Marketing and distribution expenses	1,824,048	1,578,656
Administrative expenses	661,271	573,285
OPERATING PROFIT	<u>2,485,319</u>	<u>2,151,941</u>
Other income	3,048,201	2,377,663
Other expenses	68,088	34,417
	<u>204,556</u>	<u>284,665</u>
	2,911,733	2,127,415
Finance cost	<u>51,060</u>	<u>45,351</u>
PROFIT BEFORE TAXATION	2,860,673	2,082,064
Tax charge	<u>955,685</u>	<u>760,145</u>
PROFIT AFTER TAXATION	1,904,988	1,321,919
Earnings per share (Rupees)	7.46	5.17

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