



PAKISTAN ENGINEERING COMPANY Ltd.

A company of State Engineering Corporation
Ministry of Industries, Production & Special Initiatives,
Government of Pakistan

No. CORP / KSE / 8028

October 20, 2007

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

The Secretary
Lahore Stock Exchange (Guarantee) Ltd., Lahore.

The Managing Director
Islamabad Stock Exchange (Guarantee) Ltd., Islamabad.

Sub: FINANCIAL RESULTS FOR THE YEAR ENDED JUNE 30, 2007

Dear Sir,

We have to inform you that the Board of Directors in their Meeting held on October 20, 2007 at 11:00 hours at PECO Head Office, Lahore recommended the following:

i) CASH DIVIDEND:

A final Cash Dividend for the year ended 30.06.2007 at Rs. 6.50 per share i.e. 65%. This is in addition to Interim Dividend already paid at Rs. 2.50 per share i.e. 25%.

ii) FINANCIAL RESULTS:

The financial results of the Company for the year ended June 30, 2007 are as follows:

	<u>30.06.2007</u>	<u>30.06.2006</u>
	(Rs. In 000)	
Sales (Net)	983,499	834,706
Cost of Goods Sold	760,336	617,264
Gross Profit	223,163	217,442
Operating Expenses		
General & Admn Expenses	35,759	29,827
Selling & Distribution Expenses	22,371	8,876
Total	58,130	38,703
Operating Profit	165,033	178,739
Financial Charges	8,591	17,994
Other Income	63,304	6,815
Other Charges	10,838	47,909
Workers Profit Participation Fund	7,280	5,983
Profit before Tax	201,628	113,668

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