

THE SEARLE COMPANY LIMITED
First Floor, N.I.C.L Building
Abbasi Shaheed Road,
P.O. Box 5696, Karachi-75530
Tel: 35674321 (8 lines)
Telegram: SEARIN Karachi
FAX: (92-21) 35687693, 35674593

Karachi-Plant
F-319, S.I.T.E., Karachi
Tel: 32578001 (7 lines)
Fax: (92-21) 32564667

Lahore-Plant
32-Km Multan Road, Lahore
Tel: (92-42) 36169990, 36169992
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Dated: September 29, 2016

Ref: C/PSX/FR/20160929-

Mr. Akbar Ali
Assistant Manager - TMAD
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi - 74000

SEARLE

Dear Sir,

Certificate on residual free reserves for the issue of bonus shares

Please find enclosed herewith auditors' certificate on residual free reserve for the issue of Bonus Shares in the ratio of fourteen share for every hundred shares held out of the profits of the Company for the year ended June 30, 2016.

Kindly acknowledge the receipt.

Yours truly,



Sajid Hussain
Manager Legal & Corporate Affairs



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FREE RESERVES CERTIFICATE

This is to certify that the free reserves of **The Searle Company Limited** (the Company) as at **June 30, 2016** are **Rs. 2,167,445,000** which are not less than **15%** of the enhanced capital amounting to **Rs. 1,399,376,000**.

Calculation of free reserves is as under:

Particulars	Free Reserves	Capital
	Rupees in '000	
Issued, subscribed and paid up share capital (before issue of bonus shares)		1,227,523
Free Reserves		
General reserve	280,251	
Unappropriated profit	5,041,469	
Intangibles	(69,885)	
Commitments	(603,000)	
Contingencies	(1,695,775)	
Cash dividend declared	(613,762)	
Reserves before issuance of bonus shares	2,339,298	
Reserve for issue of bonus shares	(171,853)	171,853
Free reserves and capital (after issue of bonus shares)	2,167,445	1,399,376
Free reserves as a percentage of increased capital	155%	

This certificate has been issued on the specific request of the management of the Company under clause (iii) of Rule 6 read together with the clause (i) and (ii) of Rule 6 of The Companies (Issue of Capital) Rules, 1996.

Yours truly,

September 28, 2016
Karachi