

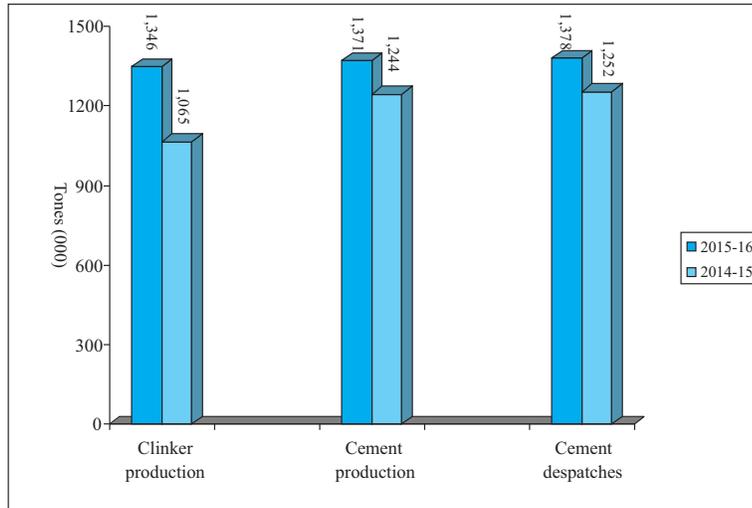
- Board of Directors is pleased to present its review report along with condensed interim financial information of the Company for the half year ended on 31st December 2015.
- Industry Overview.** The cement industry achieved a growth of 6% during six months of current financial year with volumetric sales of 18.22 million tons as compared to 17.12 million tons during the same period last year. Local sales volume of the industry during six months of current financial year registered a growth of 16% with volumetric sales of 15.20 million tons as compared to 13.06 million tons in same period last year. Whereas export sales registered a decline of 26% with volumetric sales of 3.02 million tons as compared to 4.06 million tons in same period of last year.
- Company Overview.** Overall sales volume of company increased by 10% during six months of current financial year with volumetric sales of 1.38 million tons as compared to 1.25 million tons during the same period last year. Capacity utilization achieved by company is 80% as compared to 73% in same period last year. Local sales volume of FCCL during six months of this financial year registered a growth of 17% with volumetric sales of 1.20 million tons as compared to 1.02 million tons in same period last year. Export sales registered a decline of 21% with volumetric sales of 0.18 million tons as compared to 0.23 million tons in same period of last year.
- Comparison of Key Financial Results.** Key Financial Results for the period ended 31st December 2015 with same period of last year are tabulated below:-

Particulars	6 Months	
	2015-16	2014-15
Sales Revenue	9,950,378	8,991,413
Gross Profit	4,577,210	3,167,930
Profit Before tax	3,861,270	2,467,570
Net Profit after tax	2,776,711	1,668,159
Earnings per Share(Basic)	2.09	1.25
Earnings per Share(Diluted)	2.01	1.21

*Rs. in thousand except EPS

- Business Performance.** The production statistics of Company for six months ended 31st December 2015 as compared to same period last year are as under:-

Particulars	Six Months 2015-16(tons)	Six Months 2014-15(tons)	Change
Clinker production	1,345,654	1,065,085	26%
Cement production	1,371,106	1,244,317	10%
Cement dispatches	1,377,805	1,252,266	10%



6. **Financial Performance**

- During the period under review, overall sales revenue of the company increased by 10.67% because of higher dispatches in the domestic market.
- Resultantly, company achieved a gross profit rate of 46% for the period under review as compared to 35% achieved during same period last year.
- The company achieved a net profit ratio of 28% during the period under review as compared to 19% in the same period last year.
- The earnings per share were Rs. 2.09 during the period as compared to Rs. 1.25 in the same period last year.

7. **Future outlook.** Cement demand within the country has picked up momentum thus resulting in overall growth of 6.38% in cement dispatches during first half of the current financial year. We are hopeful that this momentum will continue in second half of 2016 as well. However, exports to Afghanistan will continue to decline due to the country's internal political and security situation. The company will try to explore other export markets in order to make up for this short fall.

8. **Acknowledgement.** Directors express their appreciation for the continued support of all stakeholders and financial institutions, as well as to company's workers, staff and executives for their devotion and hard work. With the blessings of Allah Almighty, Board is of the opinion that FCCL will continue its remarkable performance during the remainder half of the current financial year.

Dated 16 February 2016
Rawalpindi

Lt Gen Khalid Nawaz Khan (Retd)
Chairman