

STATEMENT OF VALUE ADDITION

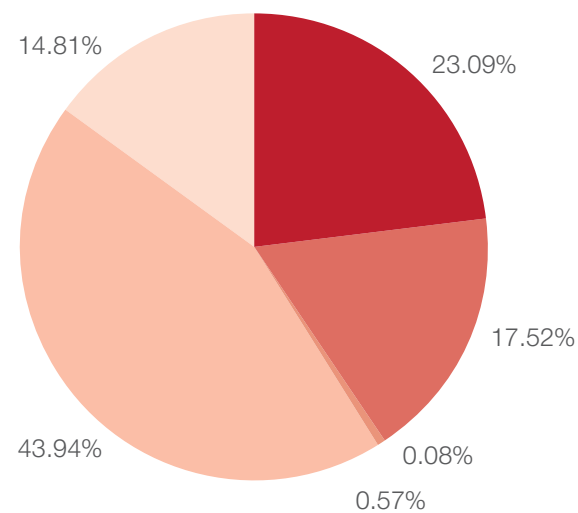
WEALTH GENERATED

	2017		2016	
	Rs. 000	%	Rs. 000	%
Gross Revenue	19,688,530	86.41%	17,639,235	93.79%
Other Income	3,095,347	13.59%	1,167,489	6.21%
	22,783,877	100.00%	18,806,724	100.00%
Bought in Material, Services and Other Expenses	11,979,614	52.58%	10,739,377	57.10%
	10,804,263	47.42%	8,067,347	42.90%

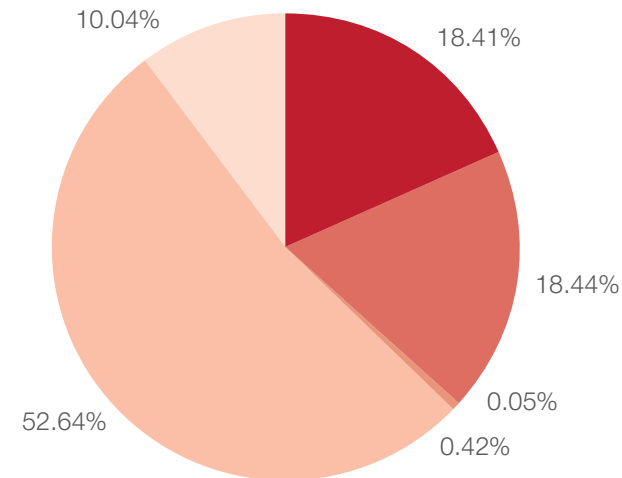
WEALTH DISTRIBUTED

	2017		2016	
	Rs. 000	%	Rs. 000	%
Employees				
Salaries, Wages & Other Benefits and WPPF	1,892,433	17.52%	1,487,753	18.44%
Society				
Donations towards Education, Health and Environment	61,141	0.57%	33,521	0.42%
Providers of Finance				
Finance Costs	8,511	0.08%	3,820	0.05%
Government				
Contribution to National Exchequer	4,747,173	43.94%	4,246,844	52.64%
Shareholders				
Dividend	1,600,341	14.81%	810,300	10.04%
Retained within the Business for Future Growth	2,494,664	23.09%	1,485,109	18.41%
	10,804,263		8,067,347	-

Wealth Distribution - 2017



Wealth Distribution - 2016

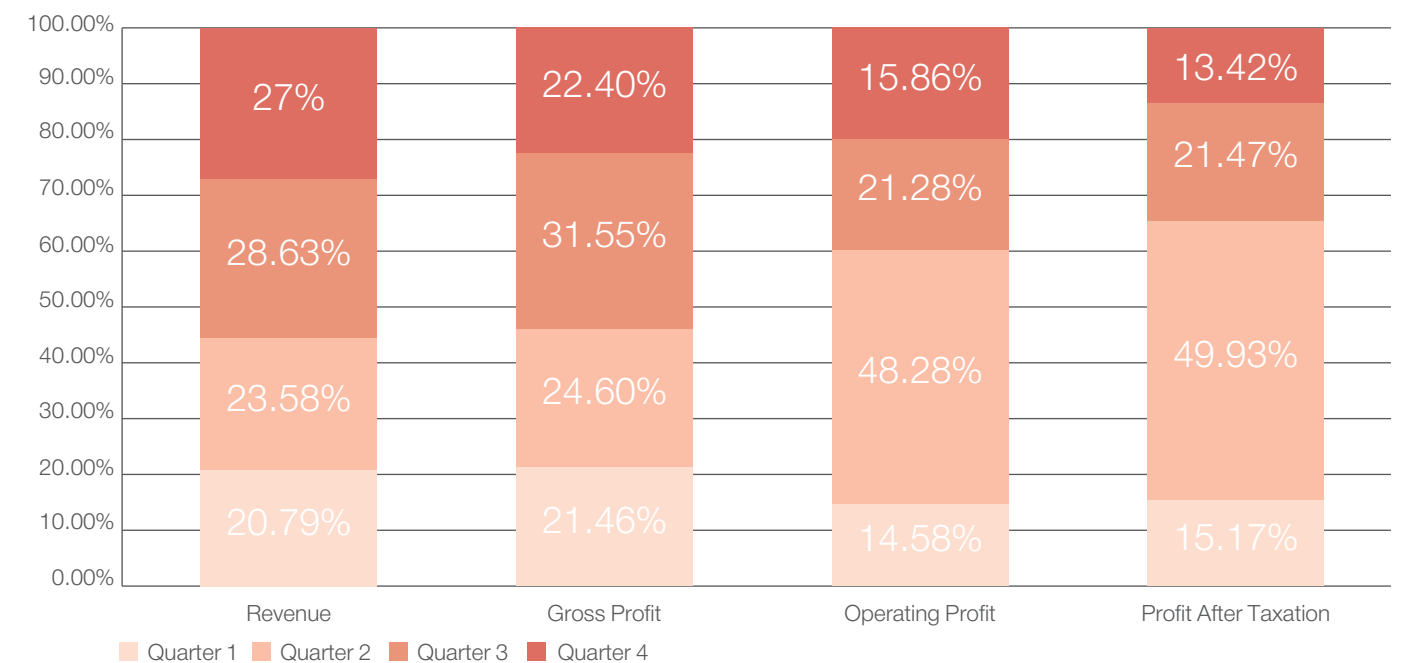


■ Employees
 ■ Society
 ■ Providers of Finance
■ Government
 ■ Shareholders
 ■ Profit Retained

QUARTERLY ANALYSIS

Variance Analysis of Results Reported in Interim Reports with Annual Financial Statements

	Quarter ended Sep 30, 2016		Quarter ended Dec 31, 2016		Quarter ended Mar 31, 2017		Quarter ended Jun 30, 2017	
	Rupees '000	%	Rupees '000	%	Rupees '000	%	Rupees '000	%
Revenue - net	3,559,943		4,038,290		4,902,627		4,623,513	
Gross Profit	779,522	21.9%	893,649	22.1%	1,146,122	23.4%	813,732	17.6%
Operating Profit	795,346	22.3%	2,633,910	65.2%	1,160,737	23.7%	865,513	18.7%
Profit After Taxation	602,316	16.9%	1,980,181	49.0%	851,488	17.4%	532,299	11.5%
Earnings Per Share (Rs.)	7.43		24.44		10.51		6.57	



Revenue:

Owing to market demand and cyclical nature of the business, revenue continued to be on the higher side and grew each quarter except quarter 4. It showed an average increase of Rs. 354.5 million, 10% each quarter.

Gross Profit (GP):

Gross profit increased during the year with a dip in the fourth quarter. It ranged from 17.6% to 23.4%, mainly due to sales volume of the Engineering segment.

Operating Profit (OP):

Operating profit increased significantly in the second quarter due to exercise of put option on shares of MHCCP, resulting in a total gain of Rs. 1.836 billion. The proceeds from the disposal were invested in TDRs, T-Bills and Mutual Fund Units which resulted in higher operating profits in both the third and the fourth quarter.

Profit After Taxation (PAT):

Profit after tax in the fourth quarter was lower than that of the other three quarters due to fall in operating profit.

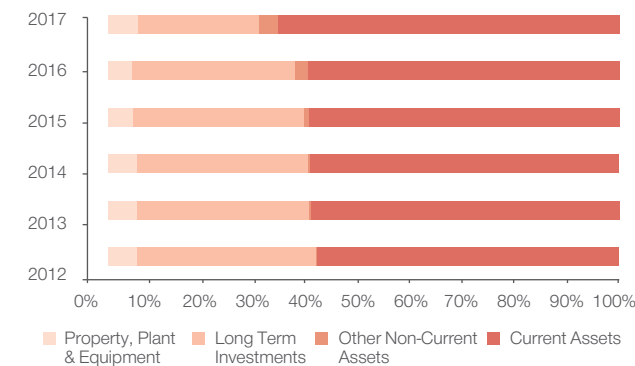
FINANCIAL PERFORMANCE SIX YEARS AT A GLANCE

	2017	2016	2015	2014	2013	2012
Summary of Balance Sheet						
Property, Plant and Equipment	1,019	651	599	609	612	591
Intangible Assets	10	9	8	-	-	-
Investment Property	1	1	1	1	1	1
Long Term Investments	4,144	4,342	4,065	3,654	3,521	3,502
Long Term Loans	411	60	5	5	4	-
Long Term Deposits	14	8	8	6	6	6
Long Term Prepayments	-	-	-	4	8	11
Deferred Tax Asset	187	298	84	46	22	-
Net Current Assets	9,649	6,860	6,003	5,096	4,867	3,916
	15,435	12,229	10,774	9,421	9,042	8,027
Non-Current Liabilities						
Long Term Deposits	2	2	2	2	-	-
Long Term Loans	-	-	-	-	-	3
Deferred Tax Liability	2	2	2	2	-	3
	2	2	2	2	-	3
Net Assets Employed						
	15,433	12,227	10,772	9,419	9,042	8,024
Financed by						
Issued, Subscribed and Paid-up Capital	405	405	405	405	405	368
Reserves	15,028	11,822	10,367	9,014	8,637	7,656
Shareholders' Equity						
	15,433	12,227	10,772	9,419	9,042	8,024
Summary of Profit & Loss						
Sales	17,124	15,266	15,549	11,626	12,766	13,679
Gross Profit	3,633	3,369	2,944	1,810	2,341	2,686
Profit Before Taxation	5,447	2,979	2,945	1,776	2,227	2,396
Profit After Taxation	3,966	2,179	2,149	1,361	1,624	1,657
Summary of Cash Flows						
Cash Flows from Operating Activities	1,664	759	1,951	220	1,270	1,379
Cash Flows from Investing Activities	66	398	303	1,387	(308)	(185)
Cash Flows from Financing Activities	(802)	(705)	(793)	(998)	(1,059)	(407)
Cash and Cash Equivalents at Year End	4,970	4,043	3,591	2,129	1,520	1,617

GRAPHICAL PRESENTATION SIX YEARS AT A GLANCE

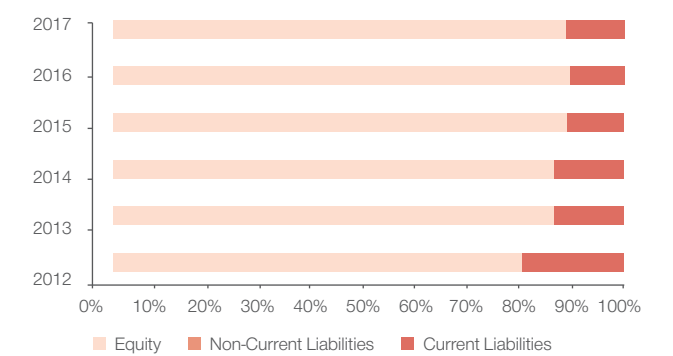
Balance Sheet Analysis

Assets (%)



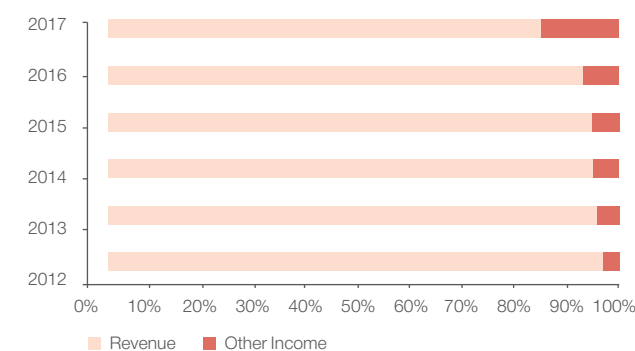
Balance Sheet Analysis

Equity & Liabilities (%)



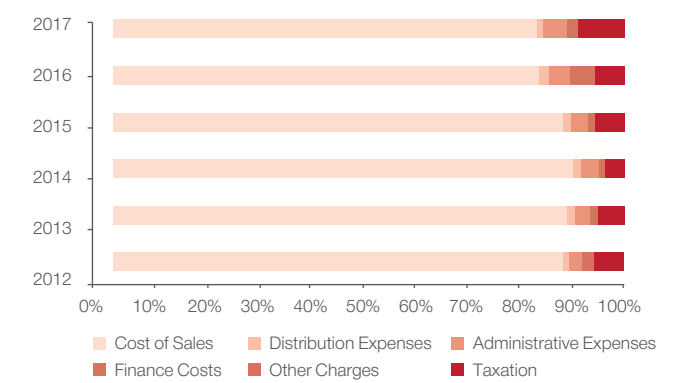
Profit & Loss Analysis

Income (%)

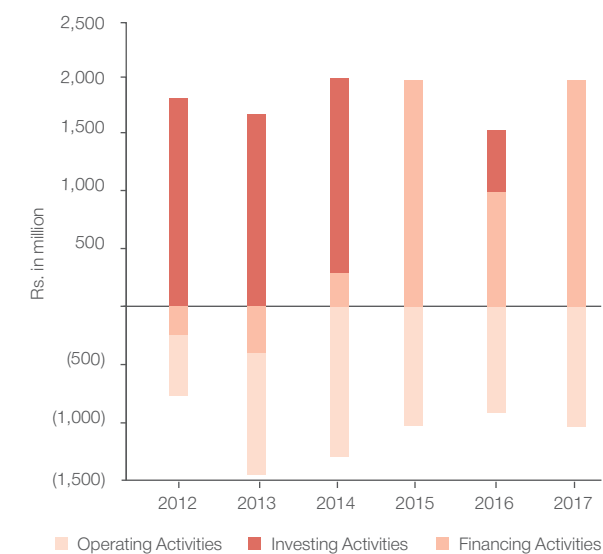


Profit & Loss Analysis

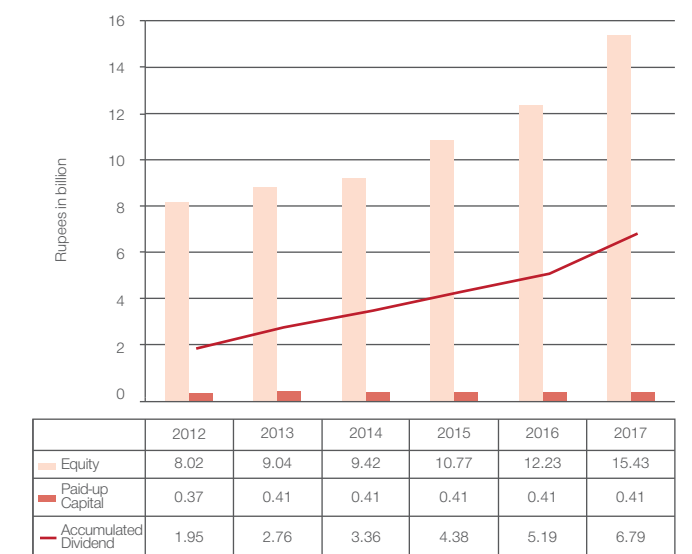
Expenses (%)



Cash Flow Analysis



Equity, Paid-Up Capital & Accumulated Dividend



HORIZONTAL ANALYSIS

	2017		2016		2015		2014		2013		2012	
	Rs in million	17 Vs. 16 %	Rs in million	16 Vs. 15 %	Rs in million	15 Vs. 14 %	Rs in million	14 Vs. 13 %	Rs in million	13 Vs. 12 %	Rs in million	12 Vs. 11 %
BALANCE SHEET												
EQUITY AND LIABILITIES												
Equity	15,433	26.2%	12,228	13.5%	10,772	14.4%	9,419	4.2%	9,042	12.7%	8,024	21.3%
Non-Current Liabilities	2.00	0.0%	2.00	0.0%	2	0.0%	2	0.0%	-	-100.0%	3	-99.4%
Current Liabilities	1,992	36.8%	1,456	7.4%	1,356	-8.9%	1,489	2.7%	1,450	-27.5%	2,000	10.2%
Total Equity & Liabilities	17,427	27.3%	13,686	12.8%	12,130	11.2%	10,910	4.0%	10,492	4.6%	10,027	12.1%
ASSETS												
Non-Current Assets	5,786	7.8%	5,370	12.5%	4,771	10.3%	4,326	3.6%	4,175	1.5%	4,111	1.0%
Current Assets	11,641	40.0%	8,316	13.0%	7,359	11.8%	6,584	4.2%	6,317	6.8%	5,916	21.4%
Total Assets	17,427	27.3%	13,686	12.8%	12,130	11.2%	10,910	4.0%	10,492	4.6%	10,027	12.1%
PROFIT AND LOSS ACCOUNT												
Turnover - net	17,124	12.2%	15,266	-1.8%	15,549	33.7%	11,626	-8.9%	12,766	-6.7%	13,679	19.1%
Cost of Sales	13,491	13.4%	11,897	-5.6%	12,605	28.4%	9,816	-5.8%	10,425	-5.2%	10,993	16.3%
Gross Profit	3,633	7.8%	3,369	14.4%	2,944	62.7%	1,810	-22.7%	2,341	-12.8%	2,686	32.0%
Distribution Costs	186	-25.4%	249	25.6%	199	25.6%	158	-10.2%	176	50.0%	117	10.4%
Administrative Expenses	742	29.5%	573	20.3%	476	29.4%	368	7.8%	341	0.1%	341	24.3%
Other Income	(3,096)	165.1%	(1,168)	30.1%	(898)	43.7%	(625)	6.3%	(588)	29.3%	(455)	93.8%
Other Charges	345	-52.9%	732	236.7%	217	69.8%	128	-25.9%	173	3.1%	167	39.1%
Operating Profit	5,456	82.9%	2,983	1.1%	2,950	65.6%	1,781	-20.5%	2,239	-11.0%	2,515	42.1%
Finance Costs	9	135.6%	4	-19.6%	5	3.0%	5	-63.3%	13	-89.4%	119	-19.6%
Profit Before Taxation	5,447	82.8%	2,979	1.2%	2,945	65.8%	1,776	-20.2%	2,226	-7.1%	2,396	47.8%
Taxation	1,481	85.1%	800	0.5%	796	92.1%	414	-31.2%	602	-18.5%	739	39.1%
Profit After Taxation	3,966	82.0%	2,179	1.4%	2,149	57.8%	1,362	-16.1%	1,624	-2.0%	1,657	52.0%

VERTICAL ANALYSIS

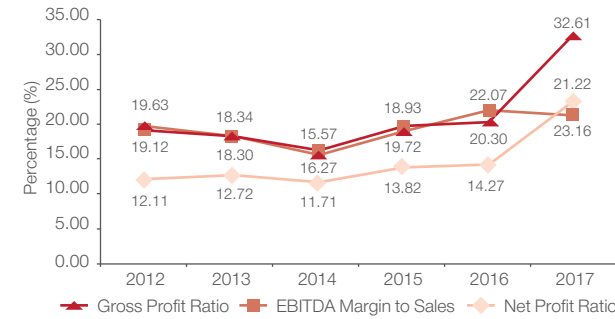
	2017		2016		2015		2014		2013		2012	
	Rs in million	%	Rs in million	%	Rs in million	%	Rs in million	%	Rs in million	%	Rs in million	%
BALANCE SHEET												
EQUITY AND LIABILITIES												
Equity	15,433	88.6%	12,228	89.3%	10,772	88.8%	9,419	86.3%	9,042	86.2%	8,024	80.0%
Non-Current Liabilities	2	0.0%	2	0.0%	2	0.0%	2	0.0%	-	0.0%	3	0.0%
Current Liabilities	1,992	11.4%	1,456	10.6%	1,356	11.2%	1,487	13.6%	1,450	13.8%	2,000	19.9%
Total Equity & Liabilities	17,427	100.0%	13,686	100.0%	12,130	100.0%	10,908	100.0%	10,492	100.0%	10,027	100.0%
ASSETS												
Non-Current Assets	5,786	33.2%	5,370	39.2%	4,771	39.3%	4,324	39.6%	4,175	39.8%	4,111	41.0%
Current Assets	11,641	66.8%	8,316	60.8%	7,359	60.7%	6,584	60.4%	6,317	60.2%	5,916	59.0%
Total Assets	17,427	100.0%	13,686	100.0%	12,130	100.0%	10,908	100.0%	10,492	100.0%	10,027	100.0%
PROFIT AND LOSS ACCOUNT												
Turnover - net	17,124	100.0%	15,266	100.0%	15,549	100.0%	11,626	100.0%	12,766	100.0%	13,679	100.0%
Cost of Sales	13,491	78.8%	11,897	77.9%	12,605	81.1%	9,816	84.4%	10,425	81.7%	10,993	80.4%
Gross Profit	3,633	21.2%	3,369	22.1%	2,944	18.9%	1,810	15.6%	2,341	18.3%	2,686	19.6%
Distribution Costs	186	1.1%	249	1.6%	199	1.3%	158	1.4%	176	1.4%	117	0.9%
Administrative Expenses	742	4.3%	573	3.8%	476	3.1%	368	3.2%	341	2.7%	341	2.5%
Other Income	(3,096)	-18.1%	(1,167)	-7.6%	(898)	-5.8%	(625)	-5.4%	(588)	-4.6%	(455)	-3.3%
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Finance Costs	9	0.1%	4	0.0%	5	0.0%	5	0.0%	13	0.1%	119	0.9%
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Taxation	1,481	8.6%	800	5.2%	796	5.1%	414	3.6%	602	4.7%	739	5.4%
Profit After Taxation	3,966	23.2%	2,179	14.3%	2,149	13.8%	1,361	11.7%	1,624	12.7%	1,657	12.1%

SIX YEARS' RATIO ANALYSIS

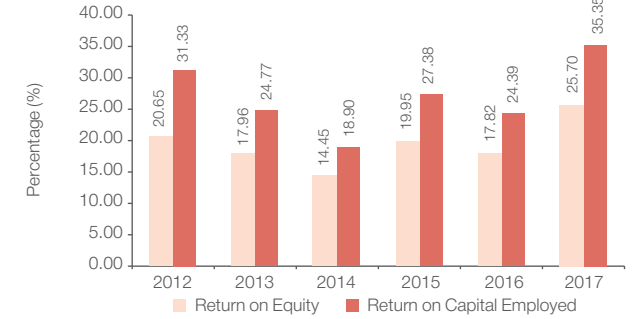
		2017	2016	2015	2014	2013	2012
Profitability Ratios							
Gross Profit	%	21.22	22.07	18.93	15.57	18.34	19.63
EBITDA Margin to Sales	%	32.61	20.30	19.72	16.27	18.30	19.12
Net Profit Margin	%	23.16	14.27	13.82	11.71	12.72	12.11
Return on Equity	%	25.70	17.82	19.95	14.45	17.96	20.65
Return on Capital Employed	%	35.35	24.39	27.38	18.90	24.77	31.33
Operating Leverage Ratio	%	6.59	(0.60)	1.84	2.13	1.60	2.08
Liquidity Ratios							
Current Ratio	times	5.84	5.71	5.43	4.43	4.36	2.96
Quick Ratio	times	4.33	3.75	3.67	2.29	2.61	1.46
Cash to Current Liabilities	times	2.49	2.78	2.65	1.43	1.05	0.81
Cash Flow from Operations to Sales	times	0.10	0.05	0.13	0.07	0.16	0.16
Activity/Turnover							
Inventory Turnover	times	4.75	4.70	4.68	3.54	3.89	3.86
Inventory Turnover	days	76.81	77.61	77.99	103.15	93.81	94.49
Inventory Turnover - Finished Goods	times	27.89	33.36	35.54	30.42	36.13	31.37
Inventory Turnover - Finished Goods	days	13.09	10.94	10.27	12.00	10.10	11.64
Inventory Turnover - Raw Material	times	5.27	5.29	4.86	3.64	3.85	4.12
Inventory Turnover - Raw Material	days	69.23	68.96	75.07	100.31	94.73	88.51
Debtors Turnover	times	19.25	16.62	17.85	14.03	15.67	21.62
Average Collection Period	days	18.96	21.96	20.45	26.02	23.30	16.89
Creditors Turnover	times	50.12	49.29	38.15	31.60	25.35	31.14
Payable Turnover	days	7.43	7.53	8.93	12.24	14.13	11.51
Operating Cycle	days	88.34	92.04	89.50	116.92	102.97	99.86
Total Assets Turnover	times	0.98	1.12	1.28	1.07	1.22	1.36
Fixed Assets Turnover	times	16.64	23.12	25.60	19.10	20.84	23.16
Investment/Market Ratios							
Earnings Per Share	Rs.	48.95	26.89	26.52	16.80	20.05	20.44
Price Earnings Ratio	times	12.38	10.53	10.76	12.34	6.36	4.14
Cash Dividend Per Share	Rs.	19.75	10.00	12.50	7.50	10.00	7.00
Bonus Shares	%	-	-	-	-	-	10.00
Bonus Shares	Rs.	-	-	-	-	-	0.50
Dividend Yield	%	3.26	3.53	4.38	3.62	7.84	7.53
Dividend Payout	%	40.35	37.19	47.13	44.64	49.89	36.68
Dividend Cover	times	2.48	2.69	2.12	2.24	2.00	2.92
Market Value Per Share - June 30	Rs.	606.03	283.02	285.43	207.39	127.49	93.00
Market Value Per Share - High	Rs.	697.12	321.99	329.62	218.00	141.01	108.00
Market Value Per Share - Low	Rs.	317.81	230.98	187.33	107.15	92.01	75.25
Market Capitalization	Rs. 000	49,106,556	22,933,085	23,128,367	16,804,793	10,330,503	6,850,711
Breakup Value - Net Assets Per Share							
- Without Surplus on Revaluation on Fixed Assets	Rs.	190.46	150.90	132.94	116.24	111.59	108.93
- Including Surplus on Revaluation on Fixed Assets							
Not applicable							
Capital Structure Ratios							
Financial Leverage	%	12.92	11.92	12.61	15.81	16.04	24.96
Debt Equity Ratio	%	0.01	0.01	0.02	0.02	-	0.04
Interest Cover	times	640.99	780.85	621.18	386.13	178.11	21.16

GRAPHICAL PRESENTATION OF RATIOS

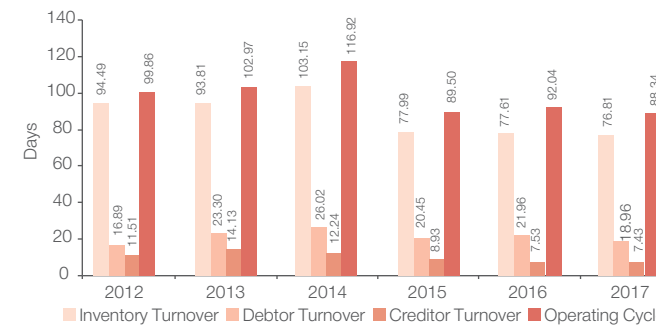
Profitability Ratios



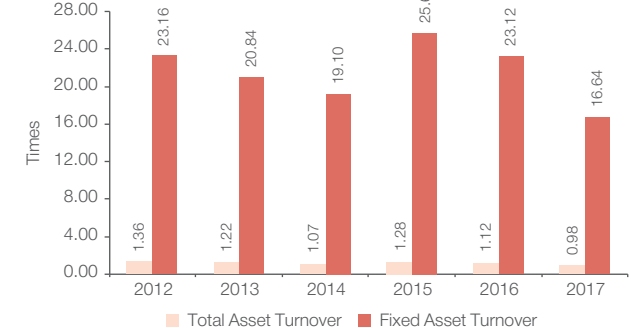
Profitability Ratios



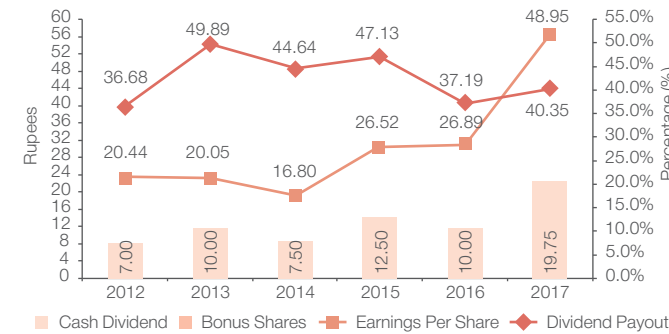
Activity / Turnover Ratios



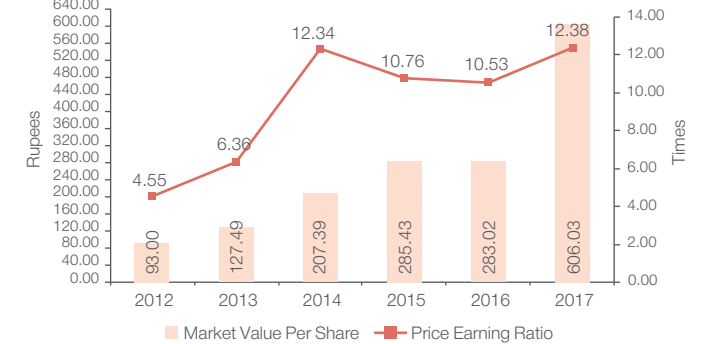
Activity / Turnover Ratios



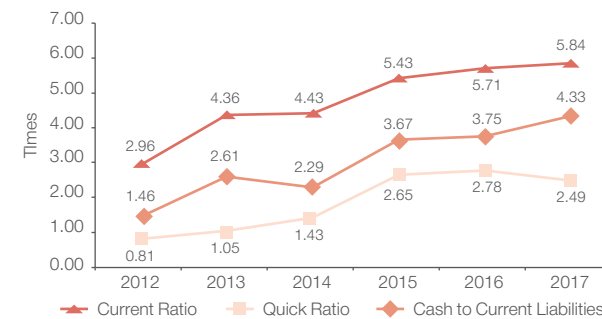
Investment / Market Ratios



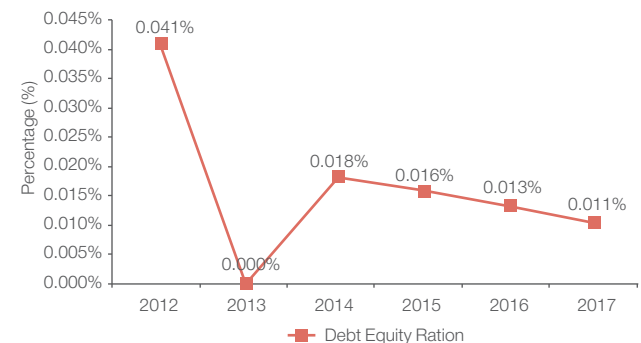
Investment / Market Ratios



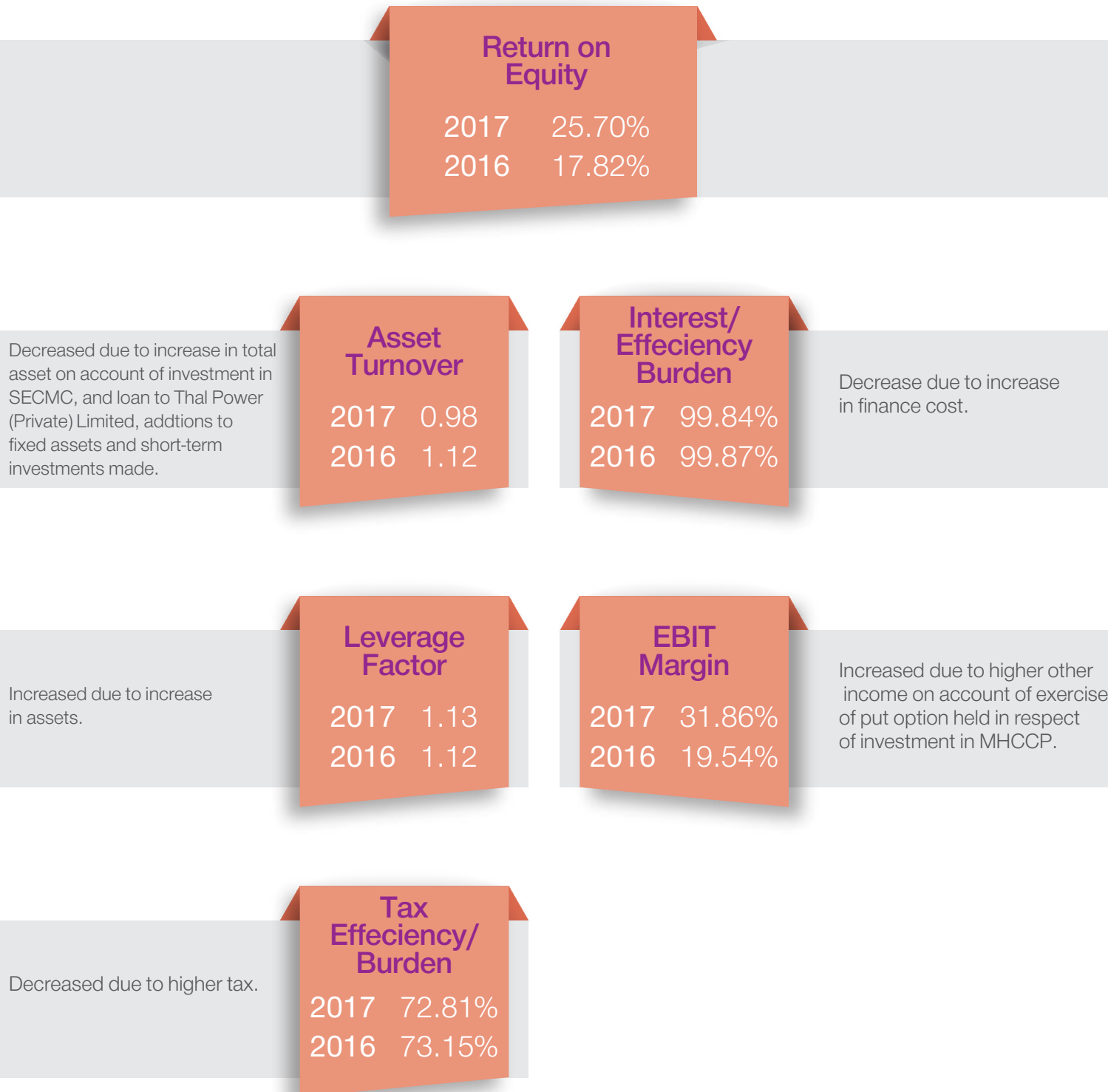
Liquidity Ratios



Capital Structure Ratio



DUPONT ANALYSIS-2017 VS 2016



AVERAGE MARKET PRICE PER SHARE

