

October 26, 2017

The General Manager  
Pakistan Stock Exchange Ltd  
Stock Exchange Building  
Stock Exchange Road  
Karachi  
Fax: (021) 111-573-329

**FINANCIAL RESULTS FOR THE 3<sup>rd</sup> QUARTER AND NINE MONTHS  
ENDED SEPTEMBER 30, 2017 - CONSOLIDATED AND STAND ALONE**

Dear Sir,

We would like to inform you that the Board of Directors of our Company, Engro Corporation Limited, in their meeting held on Thursday, October 26, 2017 at 8<sup>th</sup> Floor, The Harbour Front Building, Block 4, Clifton, Karachi, have approved the financial results for the nine months ended September 30, 2017 and recommended the following:

- Interim Cash Dividend for the quarter ended September 30, 2017 @ Rs 7.00 per share i.e. 70%. This is in addition to Interim Dividend already paid at Rs 12.00 per share i.e. 120%
- Bonus / Right Shares – Nil.

The unaudited financial results of the Company (consolidated and standalone) for the nine months ended September 30, 2017 are attached.

The above entitlement will be paid to the shareholders whose names will appear in the Register of Members on Friday, December 22, 2017.

The share transfer books of the Company will be closed from Friday, December 22, 2017 to Friday, December 29, 2017 (both days inclusive). Transfer received in order at the office of our registrars, M/s FAMCO Associates (Private) Limited, 8-F, next to Hotel Faran, Nursery, Block 6, P.E.C.H.S Shahrah-e-Faisal, Karachi at the close of business (5.00 pm) on Thursday, December 21, 2017 will be treated in time for the purpose of above interim cash dividend to the transferees.

Very truly yours

  
Faiz Chapra  
GM – Legal & Company Secretary

Encl.: As above

**ENGRO CORPORATION LIMITED**  
**CONSOLIDATED CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UNAUDITED)**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017**

(Amounts in thousand except for earnings per share)

	<b>Jul - Sep 2017</b>	<b>Jul - Sep 2016</b>	<b>Jan - Sep 2017</b>	<b>Jan - Sep 2016</b>
Net sales ( <i>refer note 1</i> )	34,189,934	41,065,515	86,431,266	107,834,006
Cost of sales	(24,916,999)	(32,192,736)	(62,483,033)	(81,501,983)
Gross profit	9,272,935	8,872,779	23,948,233	26,332,023
Selling and distribution expenses	(1,832,009)	(2,798,934)	(5,295,825)	(7,508,528)
Administrative expenses	(997,886)	(969,440)	(2,644,726)	(3,052,982)
	6,443,040	5,104,405	16,007,682	15,770,513
Other income	2,013,117	2,811,801	7,630,991	5,576,860
Other operating expenses including WPPF and WWF	(543,137)	(409,513)	(1,299,827)	(1,271,624)
Finance Cost	(1,047,192)	(1,433,980)	(3,627,033)	(4,492,037)
Share of income from joint venture & associates	445,813	364,590	1,127,081	953,736
Profit before taxation	7,311,641	6,437,303	19,838,894	16,537,448
Taxation ( <i>refer note 2</i> )	(2,383,332)	(2,026,778)	(8,193,293)	(5,215,327)
<b>Profit after taxation (<i>refer note 1</i>)</b>	<b>4,928,309</b>	<b>4,410,525</b>	<b>11,645,601</b>	<b>11,322,121</b>
Less: Profit attributable to Non- Controlling Interest	1,789,508	1,346,440	4,729,680	2,739,288
<b>Profit attributable to Owners of Holding Company</b>	<b>3,138,801</b>	<b>3,064,085</b>	<b>6,915,921</b>	<b>8,582,833</b>
<b>Earnings per share attributable to Owners of Holding Company</b>				
- <b>basic</b>	<b>5.99</b>	<b>5.85</b>	<b>13.20</b>	<b>16.39</b>
- <b>diluted</b>	<b>5.99</b>	<b>5.84</b>	<b>13.20</b>	<b>16.27</b>

**Note 1:** Engro Foods became an associated company with effect from December 19, 2016. Accordingly, its revenues are not consolidated for the period Jan – Sep 2017, whereas comparative period includes such revenues. Similarly, Profit after Taxation (PAT) for Jan – Sep 2017 includes share of profit of Engro Foods under equity method of accounting, whereas comparative period PAT includes Engro Foods profit of Rs. 2,594,784.

**Note 2:** This includes a provision for 'Super Tax' levied through Finance Act, 2017 retrospectively on the income for the financial year ended December 31, 2016. The Company has challenged the levy of this tax and believes that there is a reasonable case in Company's favour. However, based on prudence, the Company has made provision for Super Tax in its books of accounts.

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**ENGRO CORPORATION LIMITED**  
**CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UNAUDITED)**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017**

(Amounts in thousand except for earnings per share)

	Jul - Sep 2017	Jul - Sep 2016	Jan - Sep 2017	Jan - Sep 2016
Dividend and royalty income	2,290,141	1,997,703	8,118,641	5,840,209
Administrative expenses	(403,541)	(208,862)	(909,838)	(759,773)
Other income	1,047,808	490,490	3,200,237	17,121,073
Other operating expenses	(2,530)	(480)	(5,510)	(1,767)
Finance Cost	(47,116)	(136,638)	(324,471)	(418,206)
Profit before taxation	2,884,762	2,142,213	10,079,059	21,781,536
Taxation ( <i>refer note below</i> )	(487,614)	(382,335)	(3,576,882)	(682,186)
<b>Profit after taxation</b>	<b>2,397,148</b>	<b>1,759,878</b>	<b>6,502,177</b>	<b>21,099,350</b>
<b>Earnings per share - basic and diluted</b>	<b>4.58</b>	<b>3.36</b>	<b>12.41</b>	<b>40.28</b>
Add: Un-appropriated profit brought forward			61,307,059	13,585,382
Less: Final cash dividend for the year ended December 31, 2015 @ Rs. 7.00 per share			-	(3,666,494)
Less: First interim cash dividend for the year ended December 31, 2016 @ Rs. 5.00 per share			-	(2,618,924)
Less: Second interim cash dividend for the year ended December 31, 2016 @ Rs. 7.00 per share			-	(3,666,495)
Less: Final cash dividend for the year ended December 31, 2016 @ Rs. 4.00 per share			(2,095,140)	-
Less: First interim cash dividend for the year ending December 31, 2017 @ Rs. 5.00 per share			(2,618,924)	-
Less: Second interim cash dividend for the year ending December 31, 2017 @ Rs. 7.00 per share			(3,666,494)	-
Profit available for appropriation			59,428,678	24,732,819

**Note:** This includes a provision for 'Super Tax' levied through Finance Act, 2017 retrospectively on the income for the financial year ended December 31, 2016. The Company has challenged the levy of this tax and believes that there is a reasonable case in Company's favour. However, based on prudence, the Company has made provision for Super Tax in its books of accounts.

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