

October 21, 2016

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

Subject: FINANCIAL RESULTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

Dear Sir

We would like to inform you that the Board of Directors of our Company, Engro Powergen Qadirpur Limited, in their meeting held on October 21, 2016 at 4th Floor Harbor Front Building Block 4, Clifton Karachi, have reviewed and approved the un-audited financial results of the Company for the nine months ended September 30, 2016 and recommended the following:

- Interim Cash Dividend - Nil
- Bonus / Right Shares - Nil

The un-audited financial results of the Company for the nine months ended September 30, 2016 are enclosed.

Very sincerely



SCHAANE ANSARI
Company Secretary

Encl.: As Above



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ENGRO POWERGEN QADIRPUR LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2016

(Amounts in thousand except for earnings per share)

	Three months ended September 30, 2016	Three months ended September 30, 2015	Nine months ended September 30, 2016	Nine months ended September 30, 2015
	Rupees			
Sales	3,391,581	3,239,852	8,106,199	9,920,947
Cost of sales	(2,971,500)	(2,634,059)	(6,275,205)	(8,084,867)
Gross profit (Refer note below)	<u>420,081</u>	<u>605,793</u>	<u>1,830,994</u>	<u>1,836,080</u>
Administrative expenses	(51,475)	(47,985)	(136,515)	(122,947)
Other expenses	(1,763)	(656)	(2,831)	(2,090)
Other income	-	-	99,305	1,314
Profit from operations	<u>366,843</u>	<u>557,152</u>	<u>1,790,953</u>	<u>1,712,357</u>
Finance cost	(84,914)	(109,248)	(263,696)	(313,850)
Workers' profits participation fund and Workers' welfare fund	-	-	-	-
Profit before taxation	<u>281,929</u>	<u>447,904</u>	<u>1,527,257</u>	<u>1,398,507</u>
Taxation	-	(1)	(351)	(9)
Profit for the period (Refer note below)	<u>281,929</u>	<u>447,903</u>	<u>1,526,906</u>	<u>1,398,498</u>
Unappropriated profit brought forward	4,922,261	3,477,991	4,001,084	3,013,096
1st Interim dividend for the year ended Decemeber 31, 2015 @ Rs. 1.50 per share	-	-	-	(485,700)
2nd Interim dividend for the year ended Decemeber 31, 2015 @ Rs. 1.00 per share	-	(323,800)	-	(323,800)
Final dividend for the year ended December 31, 2015 @ Rs. 1.00 per share	-	-	(323,800)	-
1st interim dividend for the year ending December 31, 2016 @ Rs. 1.5 per share	(485,700)	-	(485,700)	-
Unappropriated profit	<u>4,718,490</u>	<u>3,602,094</u>	<u>4,718,490</u>	<u>3,602,094</u>
Earnings per share - basic and diluted	<u>0.87</u>	<u>1.38</u>	<u>4.72</u>	<u>4.32</u>

Note

As explained in Directors' report and condensed interim financial information for the half year ended June 30, 2016, the Company had been assigned a higher average Period Weighting Factor (PWF) of 1.2 on its Capacity Purchase Payments for first half of financial year 2016 as compared to same period last year in which average PWF was 1.0. This arrangement had generated a favorable timing difference of Rs. 330 MN which was reflected in the Company's gross profit for the first half. This favourable difference was to be reversed in the remaining part of the year which carries an average PWF of 0.8 compared with average PWF of 1.0 for same period last year. Resultantly, the Company's gross profit due to this factor is lower by Rs. 288 MN in the third quarter of 2016. As per the Power Purchase Agreement, average PWF for a complete year has to be at 1.0. Hence, this does not impact the profitability of the Company on a full year basis.