LCL/MFL/ANNO/2015-16/

September 8, 2015

The General Manager
Karachi Stock Exchange Limited
Karachi

The Secretary
Lahore Stock Exchange Limited
Lahore

The Managing Director
Islamabad Stock Exchange Limited
Islamabad

The Deputy Chief
Securities & Exchange Commission of Pakistan
Islamabad

The Joint Registrar
of Companies, Company Registration Office
Peshawar

The London Stock Exchange
10 Paternoster Square,
London

Dear Sir(s)

FINANCIAL RESULTS FOR THE YEAR ENDED - JUNE 30, 2015

We have to inform you that the Board of Directors of the Company in their Meeting held on Tuesday, September 8, 2015 at 11:30 a.m., at 6-A, Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street, Karachi-75350 recommended the following:

(I)	**Cash Dividend**	**90%**
(ii)	**Bonus Shares**	Nil
(iii)	**Right Shares**	Nil
(iv)	**Any other Entitlement / Corporate Action**	Nil
(v)	**Any other Price-Sensitive information**	Nil

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P / 2

The financial results of the Company consisting of balance sheet, profit and loss account and directors' report are annexed.

The 22nd Annual General Meeting of the Company will be held on Saturday, **October 31, 2015** at 10:30 a.m., at the registered office of the Company situated at factory premises Pezu, District Lakki Marwat, Khyber Pukhtunkhwa.

The Share Transfer Books of the Company will remain closed from Saturday, October 17, 2015 to Saturday, October 31, 2015 (both days inclusive). Transfers received at our Share Registrar/Transfer Agent M/s. Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', S.M.C.H.S. Main Shahrah-e-Faisal, Karachi-74400 at the close of business on Friday, October 16, 2015 will be treated in time for the purpose of above entitlement to the transferees.

Yours truly,
For: LUCKY CEMENT LIMITED

MUHAMMAD FAISAL
Executive Director and
Chief Strategy, Finance & Investment Officer

Balance Sheet
As at June 30, 2015

	2015	2014
	(Rupees in'000')	
ASSETS		
NON-CURRENT ASSETS		
Fixed assets		
Property, plant and equipment	35,018,819	31,937,211
Intangible assets	41,921	27,652
	35,060,740	31,964,863
Long-term investments	10,925,020	8,157,550
Long-term loans and advances	78,981	72,445
Long-term deposits	3,175	3,175
	46,067,916	40,198,033
CURRENT ASSETS		
Stores and spares	4,995,423	6,078,915
Stock-in-trade	1,580,745	1,638,984
Trade debts	2,042,199	2,077,714
Loans and advances	253,350	161,625
Trade deposits and short-term prepayments	50,688	57,699
Accrued mark-up	79,257	71,512
Other receivables	1,032,853	455,540
Tax refunds due from the Government	538,812	538,812
Cash and bank balances	16,444,622	8,590,797
	27,017,949	19,671,598
TOTAL ASSETS	73,085,865	59,869,631
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Share capital	3,233,750	3,233,750
Reserves	56,025,020	46,558,433
	59,258,770	49,792,183
NON-CURRENT LIABILITIES		
Long-term deposits	69,246	67,971
Deferred liabilities	6,327,146	5,453,512
	6,396,392	5,521,483
CURRENT LIABILITIES		
Trade and other payables	6,382,372	4,167,970
Taxation - net	1,048,331	257,446
Accrued mark-up	-	3,051
Current portion of long-term finance	-	127,498
	7,430,703	4,555,965
CONTINGENCIES AND COMMITMENTS		
TOTAL EQUITY AND LIABILITIES	73,085,865	59,869,631

Profit and Loss Account
For the year ended June 30, 2015

	2015	2014
	(Rupees in'000')	
Gross sales	**53,919,310**	51,412,926
Less: Sales tax and federal excise duty	**8,487,245**	7,708,848
Rebates and commission	**670,758**	620,909
	9,158,003	8,329,757
Net sales	**44,761,307**	43,083,169
Cost of sales	**(24,578,219)**	(24,393,064)
Gross profit	**20,183,088**	18,690,105
Distribution costs	**(3,127,018)**	(3,382,156)
Administrative expenses	**(917,635)**	(760,269)
Finance costs	**(25,750)**	(34,225)
Other expenses	**(1,442,341)**	(1,035,032)
Other income	**1,241,450**	977,942
Profit before taxation	**15,911,794**	14,456,365
Taxation		
- current	**(2,942,130)**	(2,890,619)
- deferred	**(538,066)**	(221,343)
	(3,480,196)	(3,111,962)
Profit after taxation	**12,431,598**	11,344,403
Other comprehensive income :		
Other comprehensive income not to be reclassified to profit and loss account in subsequent periods		
Loss on remeasurements of post retirement benefit obligations	**(71,594)**	(912)
Deferred taxation	**16,958**	249
	(54,636)	(663)
Total comprehensive income for the year	**12,376,962**	11,343,740
	(Rupees)	
Earnings per share - basic and diluted	**38.44**	35.08

Consolidated Balance Sheet
As at June 30, 2015

	2015	2014
	(Rupees in'000')	
ASSETS		
NON-CURRENT ASSETS		
Fixed assets		
Property, plant and equipment	49,900,183	44,063,423
Intangible assets	7,360,811	7,741,210
	57,260,994	51,804,633
Long-term investments	10,007,198	1,714,879
Long-term loans and advances	405,496	1,711,839
Long-term deposits and prepayments	33,952	31,018
	67,707,640	55,262,369
CURRENT ASSETS		
Stores, spares and consumables	5,921,887	6,952,502
Stock-in-trade	6,524,154	6,246,200
Trade debts	3,473,293	2,961,424
Loans and advances	578,609	354,625
Trade deposits and short-term prepayments	464,392	278,010
Accrued mark-up	79,257	81,483
Other receivables	2,023,466	2,114,473
Tax refunds due from the Government	538,812	538,812
Taxation - net	997,518	1,502,916
Cash and bank balances	18,155,599	11,723,248
	38,756,987	32,753,693
TOTAL ASSETS	106,464,627	88,016,062
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Share capital	3,233,750	3,233,750
Reserves	58,190,818	47,145,858
Attributable to the owners of the Holding Company	61,424,568	50,379,608
Non-controlling interests	7,071,234	6,204,663
Total equity	68,495,802	56,584,271
NON-CURRENT LIABILITIES		
Long-term finance	8,854,165	9,983,078
Long-term deposits	69,246	67,971
Deferred liabilities	9,430,707	8,655,713
	18,354,118	18,706,762
CURRENT LIABILITIES		
Trade and other payables	15,819,145	10,900,436
Accrued mark-up	165,210	223,656
Short-term borrowings and running finance	1,833,247	437,368
Current portion of long-term finance	1,797,105	1,163,569
	19,614,707	12,725,029
CONTINGENCIES AND COMMITMENTS		
TOTAL EQUITY AND LIABILITIES	106,464,627	88,016,062

Consolidated Profit and Loss Account
For the year ended June 30, 2015

	2015	2014
	(Rupees in'000')	
Turnover	**96,474,922**	94,098,358
Less: Sales tax and excise duty	**11,209,856**	10,288,921
Rebates and commission	**3,147,264**	2,661,218
	14,357,120	12,950,139
	82,117,802	81,148,219
Cost of turnover	**(56,430,360)**	(58,021,048)
Gross profit	**25,687,442**	23,127,171
Distribution cost	**(4,653,188)**	(4,638,361)
Administrative expenses	**(1,984,165)**	(1,700,316)
Finance cost	**(1,016,406)**	(1,074,705)
Other expenses	**(1,667,303)**	(1,207,059)
Other income	**1,341,310**	1,285,256
	17,707,690	15,791,986
Share of gain / (loss) in equity-accounted investments	**718,039**	(18,583)
Profit before taxation	**18,425,729**	15,773,403
Taxation	**(3,770,485)**	(3,199,639)
Profit after taxation	**14,655,244**	12,573,764
Attributable to:		
Owners of the Holding Company	**13,757,976**	11,892,359
Non-controlling interests	**897,268**	681,405
	14,655,244	12,573,764
Other comprehensive income:		
Items not to be reclassified to profit and loss account in subsequent periods :		
Gain on remeasurements of post retirement benefit obligations	**95,850**	52,002
Deferred taxation	**(32,853)**	(17,213)
	62,997	34,789
Items to be reclassified to profit and loss account in subsequent periods :		
Foreign exchange differences on translation of foreign operations	**65,408**	(63,554)
Total comprehensive income for the year	**14,783,649**	12,544,999
Attributable to:		
Owners of the Holding Company	**13,834,692**	11,848,180
Non-controlling interests	**948,957**	696,819
	14,783,649	12,544,999
	(Rupees)	
Earnings per share - basic and diluted	**42.54**	36.78

Directors' Report:

The Directors of your Company have pleasure in presenting to you the results of your Company which include both, the stand-alone and consolidated audited financial statements for the fiscal year ended June 30, 2015.

Overview:

Cement industry in Pakistan grew by 3.3% to 35.40 million tons during the fiscal year ended June 30, 2015 compared to 34.28 million tons of last year. While local sales volume registered a growth of 7.9% to report the historic high volumes of 28.21 million tons during fiscal year 2014-15 compared to 26.15 million tons of last year, export sales volume registered a decline of 11.6% to 7.19 million tons during the year under review compared to 8.14 million tons of last year.

Your company was able to maintain its overall market share in the industry at 19.2% during the current fiscal year.

Your Company achieved an overall growth of 2.7% to 6.79 million tons during the fiscal year 2014-15 compared to 6.62 million tons sold last year. Local sales volume registered a growth of 7.0% to 4.42 million tons during the fiscal year 2014-15 compared to 4.13 million tons of last year, whereas export volumes declined by 4.5% to 2.37 million tons during the fiscal year 2014-15 compared to 2.49 million tons of last year.

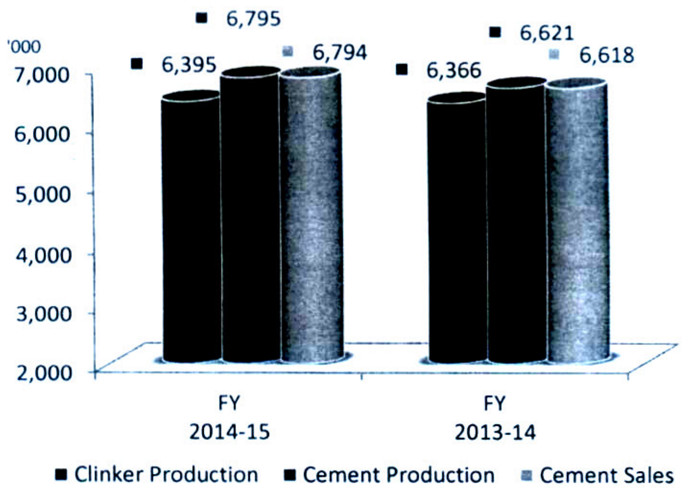
Business Performance:

(a) Production & Sales Volume Performance

The production and sales statistics of your Company for the fiscal year 2014-15 compared to last year are as follows:

Particulars	FY 2014-15	FY 2013-14	Increase/ (Decrease)
	----------- Tons in '000 -------------		%
Clinker Production	6,395	6,366	**0.5%**
Cement Production	6,795	6,621	**2.6%**
Cement Sales	6,794	6,618	**2.7%**

The production and sales volume data is graphically presented as under:



A comparison of the dispatches of the industry and your Company for the fiscal year 2014-15 compared to last year is presented below:

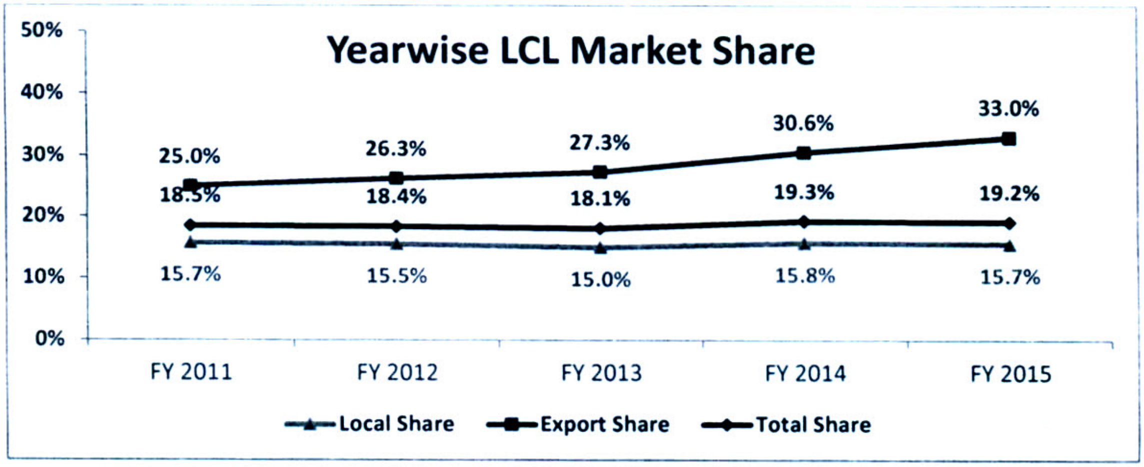
Particulars	FY 2014-15	FY 2013-14	Growth / (Decline)	
	---------- Tons in '000 ----------			%
Cement Industry				
Local Sales	**28,206**	**26,145**	**2,061**	**7.9%**
Export Sales				
Cement				
- Bagged	6,904	7,818	(914)	(11.7%)
- Loose	291	318	(27)	(8.5%)
Total Exports	**7,195**	**8,137**	**(941)**	**(11.6%)**
Grand Total	**35,401**	**34,282**	**1,120**	**3.3%**
Lucky Cement				
Local Sales	**4,421**	**4,132**	**289**	**7.0%**
Export Sales				
Cement				
- Bagged	2,082	2,168	(86)	(4.0%)
- Loose	291	318	(27)	(8.5%)
Total Exports	**2,373**	**2,486**	**(113)**	**(4.5%)**
Grand Total	**6,794**	**6,618**	**176**	**2.7%**

Industry Source: APCMA website

Market Share

LCL - Market Share (%)	FY 2014-15	FY 2013-14	Growth / (Decline)
Local Sales	15.7%	15.8%	-0.8%
Export Sales			
Cement			
- Bagged	30.2%	27.7%	8.7%
- Loose	100.0%	100.0%	0.0%
Total Export	33.0%	30.6%	8.0%
Grand Total	19.2%	19.3%	-0.6%

A comparative year-wise analysis of market share of your company is as under:



(b) Financial Performance

The financial performance of your Company for the fiscal year 2014-15 compared to the last year is presented below:

*** Rupees in Million except EPS**

FY 2014-15

- Revenue: 44,761
- GP: 20,183
- OP: 16,138
- EBITDA: 18,428
- NP: 12,432
- EPS: 38.44/share

FY 2013-14

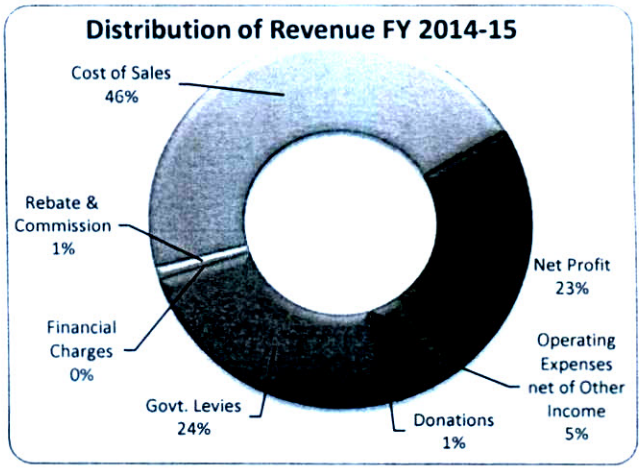
- Revenue: 43,083
- GP: 18,690
- OP: 14,548
- EBITDA: 16,621
- NP: 11,344
- EPS: 35.08/share

% Change

- Revenue: 3.9%
- GP: 8.0%
- OP: 10.9%
- EBITDA: 10.9%
- NP: 9.6%
- EPS: 9.6%

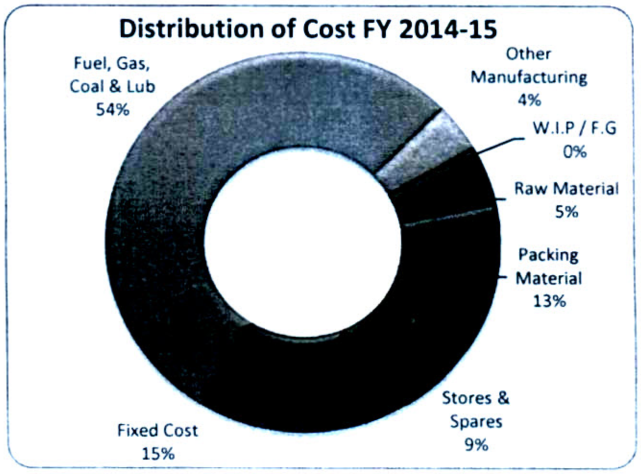
Revenues

During the fiscal year under review, your Company achieved an overall net sales revenue growth of 3.90% as compared to last year, which was contributed by 2.70% increase in volume and 1.20% increase in net retention.



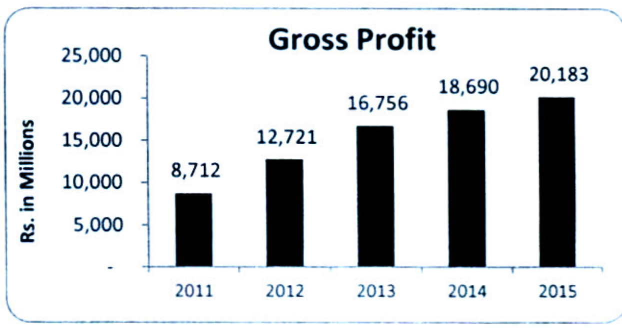
Cost of Production

Per ton cost of sales of your Company during the year under review decreased by 1.9% compared to the last year. The decrease was mainly attributable to decrease in coal and other fuel prices as well as the effect of the implementation of Vertical Grinding Mills and WHR in Karachi Plant.



Gross Profit

Your Company was able to achieve a gross profit margin of 45.1% for the year under review compared to 43.4% reported last year.

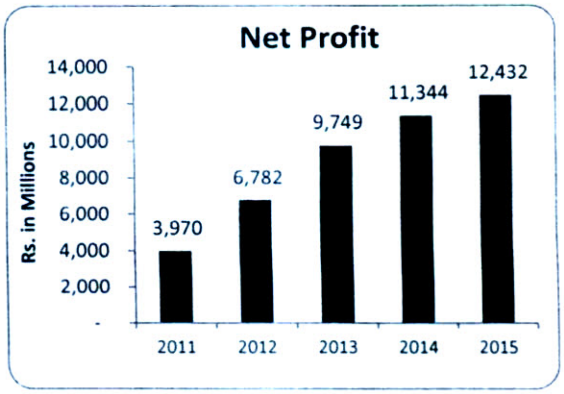


Taxation

Your Company provided for an amount of Rs. 2.9 billion on account of income taxes as compared to Rs. 2.89 billion provided during last year. Deferred Tax provision of Rs. 538 Million has been made in the accounts during the year, making the cummulative deferred tax liability of Rs. 5.32 Billion as on June 30, 2015.

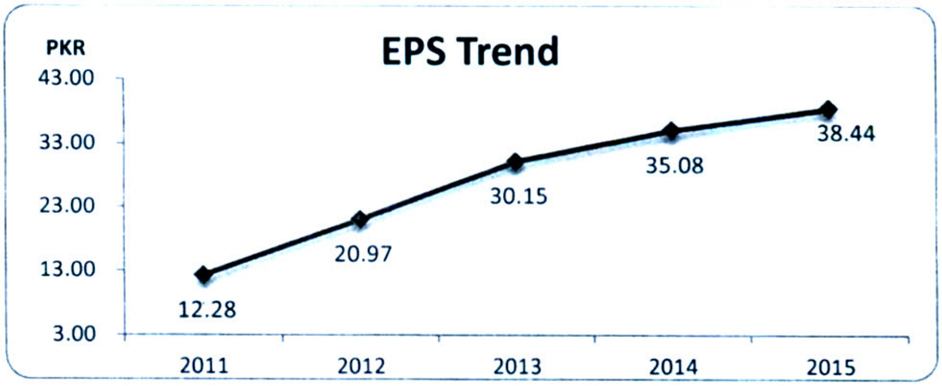
Profitability

Your Company was able to improve its before tax profitability by 10.07% to Rs.15,912 million during the year under review compared to Rs.14,456 million reported last year. Similarly, after tax profit improved by 9.59% to Rs.12,432 million for the year under review compared to Rs. 11,344 million reported last year.



Earnings per share

The earnings per share of your Company for the year ended June 30, 2015 was Rs.38.44 as compared to Rs.35.08 reported last year.



Cash Flow Strategy

Your Company has an effective Cash Flow Management System in place whereby cash inflows and outflows are projected and monitored on a regular basis. Working capital requirements are managed mainly through internal cash generation.

During the year under review, an amount of Rs.21.23 billion was generated from operations of the Company which was mainly allocated to long term investments amounting to Rs.2.77 billion, distribution of dividends amounting to Rs.2.89 billion and capital expenditures amounting to Rs.5.43 billion.

The Board is satisfied that due to effective financial management system in place, there are no short or long term financial constraints in the foreseeable near future. The available surplus liquidity has therefore been effectively channelized to generate further revenues.

Projects – New and Ongoing:

Waste Heat Recovery (WHR) Plant at Captive Power Plant

5 MW WHR at PEZU Plant is expected to be completed by the end of October, 2015.

Electricity Supply to PESCO

Tariff petition has been filed with National Electric Power Regulatory Authority (NEPRA) which is awaiting determination. Once tariff is determined by NEPRA, an agreement for the supply of 15 MW electricity shall be signed with PESCO.

Investments:

Investment in 1 x 660MW, supercritical, coal based power project

The Private Power and Infrastructure Board (PPIB) issued Letter of Support (LOS) to Lucky Electric Power Company Limited (LEPCL) on 8 June 2015. The Target to achieve financial close is the end of May 2016.

The consolidated financial statements of the Company for the year ended 30 June 2015 include the net assets of LEPCL which is a 100% indirect wholly owned subsidiary of the Company.

Joint Venture Investment in Cement Plant in DR Congo

The construction work at the project site is in progress to achieve planned Commercial Operations Date (COD) of October 2016.

The effect of 50% share of the net assets of the DR Congo plant have been reflected in the consolidated financial statements of the Company for year ended 30 June 2015.

Equity Investment in Associated Company in 50 MW Wind Farm

The EPC Contractors have been mobilized at site and started full scale construction activities. The project is expected to be completed by the end of May 2016.

Code of Corporate Governance

The Directors of your Company are aware of their responsibilities under the Code of Corporate Governance incorporated in the Listing Rules of the Stock Exchanges in the country under instructions from the Securities & Exchange Commission of Pakistan. Your Company has taken all necessary steps to ensure Good Corporate Governance and full compliance of the Code.

As part of compliance of the code, we confirm the following:

- The financial statements, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.

- Proper books of account of the Company have been maintained.

- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

- International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed and explained.

- The system of internal control is sound in design and has been effectively implemented and monitored.

- There are no significant doubts upon the company's ability to continue as a going concern.

- There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.

- As required by the Code of Corporate Governance, we have included the following information in this report:

    - Statement of pattern of shareholding (has been given separately).
    - Statement of shares held by associated undertakings and related persons (has been given separately).
    - Statement of the Board meetings held during the year and attendance by each director.
    - Key operating and financial statistics for last six years (have been given separately).

Attendance of Directors at Board Meetings:

During the year under review five board meetings were held and attendance of each director is as under:

BOARD OF DIRECTORS - 5 MEETINGS		
S.No.	**NAME OF DIRECTORS**	**No. Of Meetings Attended**
1	Mr. Muhammed Yunus Tabba (Chairman)	5
2	Mr. Muhammad Ali Tabba	5
3	Mr. Muhammad Sohail Tabba	2
4	Mr. Jawed Yunus Tabba	5
5	Mrs. Rahila Aleem	5
6	Mrs. Zulekha Tabba Maskatiya	4
7	Mr. Muhammad Abid Ganatra	5
8	Mr. Tariq Iqbal Khan	4

Following other meetings of the Committees of the Board were also held and the following is the summary of the attendance of Directors in those meetings:

AUDIT COMMITTEE - 4 MEETINGS		
S.No.	**NAME OF DIRECTORS**	**No. Of Meetings Attended**
1	Mr. Tariq Iqbal Khan (Chairman)	4
2	Mr. Muhammad Ali Tabba	4
3	Mr. Muhammad Sohail Tabba	2
4	Mr. Jawed Yunus Tabba	4
5	Mrs. Zulekha Tabba Maskatiya	3
6	Mr. Muhammad Abid Ganatra	4

HR COMMITTEE - 1 MEETING		
S.No.	**NAME OF DIRECTORS**	**No. Of Meetings Attended**
1	Mrs. Rahila Aleem (Chairperson)	1
2	Mr. Muhammad Ali Tabba	1
3	Mr. Muhammad Sohail Tabba	-
4	Mr. Jawed Yunus Tabba	1
5	Mrs. Zulekha Tabba Maskatiya	-

Tax Refunds Due from the Government:

This refers to the emphasis of a matter paragraph by the auditors in the audit report and as referred to in note 15 to the audited financial statements of the company for the year ended 30th June 2015, FBR filed representation, before the President of Pakistan against the recommendations of the FTO which were in the favor of the company, under section 32 of Federal Tax Ombudsman Ordinance, 2000. However, President of Pakistan through its order has endorsed the recommendations of FTO. Subsequent to the year end, FBR filed a writ petition before the Peshawar High Court challenging the decision of the FTO. The Peshawar High Court suspended the operations of the orders of FTO and President of Pakistan on July 14, 2015 till further orders. The Company is in the process of challenging the stay granted by the Honorable Peshawar High Court through filing a writ petition.

Corporate Social Responsibility:

Your Company firmly believes in the value-creation for the society it operates in. Therefore, in order to achieve sustainable success your Company has aligned its business operations with the Corporate Social Responsibility road map and continues to make interventions in the areas of education, health and environment.

Under the ambit of providing access to quality education to the deserving, your company offered merit based scholarships to a number of deserving students during the current year . Your company also provided support for the provision of recreational & sports center for healthy schooling activities for female students at an underprivileged school. Playing its part in promoting literacy amongst the masses, your company celebrated International Literacy Day by donating curriculum and literature books to underprivileged schools in Karachi and Pezu during the current year.

Your Company has taken numerous measures in its operations and production to sustain the environment. This year, your company celebrated World Environment Day on June 5th 2015 through awareness building sessions amongst employees, and tree plantation drives at the Karachi and Pezu Plant. Further streamlining its commitment to Corporate Social Responsibility, your company conducted a 'Dive Against Debris' for the second year in a row with the aim to clean marine debris and do our part to 'clean the ocean'. In essence, your Company aims to reduce carbon footprint of its business operations and acknowledges its role for the greater benefit of the community and people.

Sustaining its core value of social development, your Company has devotedly participated in numerous health projects across Pakistan. This includes patronage to Aziz Tabba Foundation, a welfare entity dedicated to raising the standards of health, education, and economic wellbeing of humanity by operating a leading cardiac hospital and a leading kidney center in the country.

Contribution to National Exchequer

Your company contributed Rs.13 billion (2014: Rs. 12 billion) into the Government Treasury on account of Income taxes, excise duty, sales tax and other levies. Moreover, precious foreign exchange to the tune of USD 138.28 million was also generated by your Company for the Country from export of cement during the year under review.

Forward Looking Statement

Your company remains optimistic about the volumetric growth in the upcoming financial year. Your company's strong and debt-free financial position and free cash flow generating ability would help investing in the projects and avenues which would continue to bring in further efficiencies and increase shareholder value. Anticipated improvement in local demand on the back of infrastructure projects especially on account of China Pakistan Economic Corridor (CPEC) and stable coal and fuel prices in the international market will be the major contributors for the increase in profitability of your company in the upcoming financial year.

Dividend

Taking into account the current capital and equity investment plans; the board has proposed the final dividend of Rs.9/- per share for the financial year ended June 30, 2015.

This approach remains in line with our commitment to consistently return sustainable value to shareholders. Movement in un-appropriated profit is as follows:

Lucky Cement Limited – Stand-alone Results	Rs. in '000
Net Profit for the Year	
Un-appropriated profit at the beginning of the year	-
Profit available for appropriation	12,431,598
	12,431,598
Appropriations	
Proposed dividend for the Financial Year 2014-15 @ Rs.9	(2,910,375)
Proposed transfer to General Reserves	(9,521,223)
Un-appropriated profit at the end of the year	-
Basic and diluted earnings per share - Rs.	**38.44**

Auditors

The financial statements of the company for the current year 2014-15 were audited by Messrs. Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants. The auditors will retire at the end of the Annual General Meeting. Being eligible, they have offered themselves for re-appointment. The Board has recommended the appointment of Messrs. Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants as auditors for the ensuing year, as suggested by the Audit Committee, subject to approval of the members in the forthcoming Annual General Meeting.

Acknowledgement:

The Directors of the Company take this opportunity to express their sincere gratitude to all the stakeholders for their continued encouragement and support.

We would like to place on record our sincere appreciation for the commitment, dedication and hard work put in by every member of the Lucky family.

And also our shareholders, who have always shown their confidence and faith in the Company.

On behalf of the Board

MUHAMMAD YUNUS TABBA
Chairman / Director
Karachi: September 8, 2015.