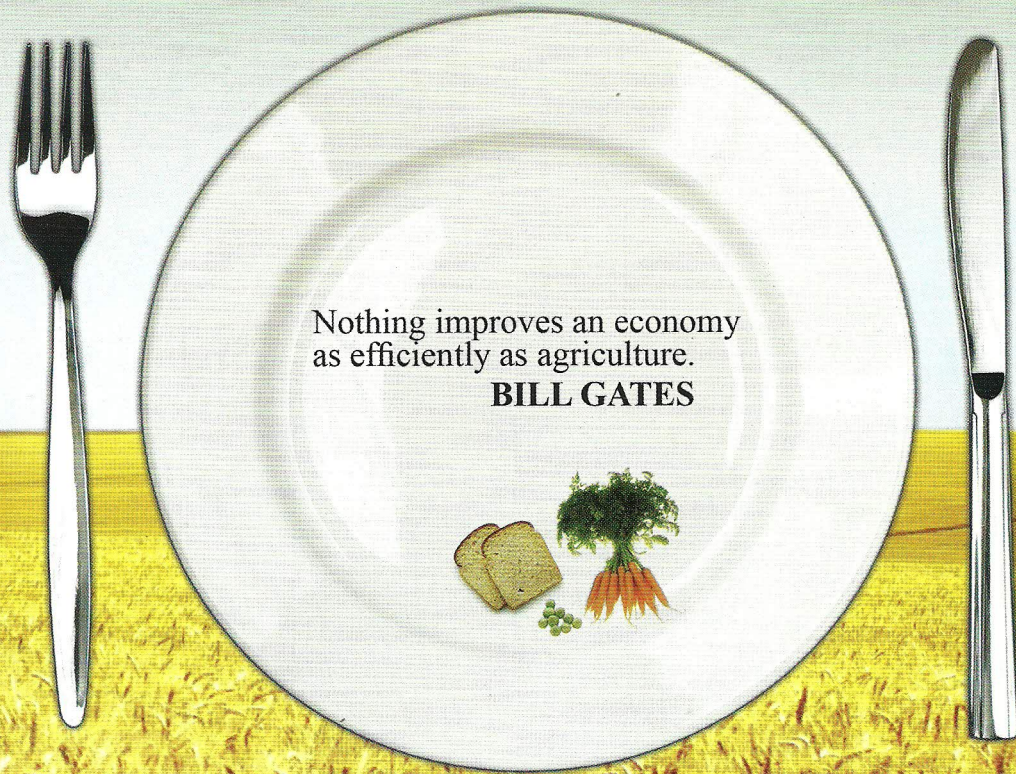


Second Quarterly Report
30 June 2015
(un audited)

As ye SOW...

Agriculture sector hungers for attention



Nothing improves an economy
as efficiently as agriculture.
BILL GATES



to make AGTL a symbol of success

Mission

- *With AGTL's name being synonymous with stability, profitability, brand strength and customer loyalty, AGTL's mission is to retain market leadership as the lowest cost producer of the highest quality products – the most enduring competitive edge being the quality of our tractors.*
- *With corporate virtue, AGTL's mission is to be a text book case example of good Corporate Governance and through Corporate Social Responsibility create mutually beneficial relationships between the Company, Stakeholders and the Community.*

Corporate focus

- *To achieve evolution through continuous change – the deliverables being: to pursue "LEAN MANAGEMENT" to eliminate all activities which don't add value; to eliminate waste; to reduce costs; to focus on all target markets; customer focus and to continuously add customer care centres to give fillip to mechanization of farming in the country.*

AL-GHAZI TRACTORS LTD

CORPORATE INFORMATION

Board of Directors

Mr. Charles Leonard Hunt
Mohammad Shahid Hussain
Mr. Mohammad Ali Qaiyum
Mr. Kashif Lawai
Mr. Majd-ul-Ahsan Syed
Ms. Giovanna Barbieri
Mr. Michele Lombardi
Mr. Damiano Cretarola
Ms. Sobika Zubair

Chairman
Chief Executive Officer & Managing Director
Independent Director
Director
Director
Director
Director
Director
Company Secretary

Bankers

Askari Bank Limited
Habib Bank Limited
Meezan Bank Limited
Faysal Bank Limited
Bank AL-Habib Limited

Legal Advisors

Saiduddin & Co.
Karachi.

Registrar

FAMCO Associates (Private) Limited
8-F, Next to Hotel Faran, Nursery
Block 6, P.E.C.H.S, Karachi

Auditors

A.F.Ferguson & Co.
Chartered Accountants
Karachi

Tax Advisors

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants Karachi.

Registered Office

AL-Ghazi Tractors Ltd
TRACTOR HOUSE
Plot No. 102-B, National Highway
Phase-1, DHA
Karachi.
Email: agtl@alghazitractors.com
Web: www.alghazitractors.com

Board Committees

Audit Committee

Mr. Mohammad Ali Qaiyum	Chairman
Mr. Majd-ul-Ahsan Syed	Member
Mr. Damiano Cretarola	Member

Human Resource & Remuneration Committee

Mr. Charles Leonard Hunt	Chairman
Mr. Majd-ul-Ahsan Syed	Member
Ms. Giovanna Barbieri	Member



CHAIRMAN'S REVIEW

High performance has been delivered by the company, with record high profit for any first half of the year. The Stock has hit an all-time high – Rs. 548.9 for its five rupee share – which is a market capitalization of 107 times plus. The catalyst that pushed the stock prices so high were obvious: the stock was exciting, backed by quality business with attractive cash flow and return on capital, and a positive momentum for future outlook.

9365 tractors were delivered by the company during the first half of the year 2015, compared with 4705 delivered during the same period last year – an increase of 99%.

With resilient good management practices and good governance which are central to AGTL's approach to business, the company has earned a record high pre-tax profit of Rs. 1.701 billion, compared with Rs. 855.9 million earned during the same period last year.

Driven by a mission to get more performance out of less expenses, the GP registered a respectable 25.8%, reflecting a strong financial performance and a robust balance sheet.

Considering the strong financial base and an anticipated upturn in business, the Board of Directors considered it desirable to announce an interim cash dividend of 600% while at the same time focusing on social endeavors to pay Rs. 526.3 million as corporate tax plus the one-time levy of Super Tax which has recently been imposed by the government with retrospective effect for Rehabilitation of Temporary Displaced persons. This will amount to Rs. 61.6 million, which together add up to Rs. 587.9 million as payments to the government. The after-tax profits thus stands at Rs. 1.114 billion.

Pakistan today reflects improved economic growth prospectus. A pattern is emerging where key indicators in the economy – reserves, growth, inflation – all show an improvement. In an effort to boost growth, the Punjab government in its fiscal, 2015-2016, has announced to provide subsidy on supply of 25000 tractors. This market bell weather will inject new momentum to drive future growth – in fact a gateway to high growth. The coming months when the scheme would be launched will become the epicenter of market anxiety with applications being called, lucky draws, lucky coupons – thus a gauge of new orders increasing solidly. The incentive schemes of the Punjab government are by and large transparent, unlike the Sindh Scheme, which according to some reports is now being investigated. Excited by the opportunity of the forthcoming scheme to provide subsidy on 25000 tractors, we are indeed focused on this sweet spot opportunity and will welcome the manufacturing plant activity rising.

Without mixing optimism with pessimism in a neat business cocktail, there are also some concerns which merit appraisal and consideration:

- Agricultural sector requires prudent action over reckless abandon. Agriculture needs supportive policy measures.

Farmers, for once, are becoming politically active. Quiet villages are now showing smoldering frustration, with farmers, for the first time, taking repeatedly to the roads for protests. This does not bode well for the agrarian economy. This noise and chaos over rising costs of inputs and falling prices of their produce has seen farmers burning crops in agitation and marching to the capital.

Most of the input market is credit based and in the hands of extortionists who charge heavy mark-up adding to the cost of inputs, spoiled further by extortionists who also exploit the selling prices. This has resulted in a deep slump in agricultural income of the farmers. Some reason why agricultural growth has hobbled to less than 3% for the last three years. This is a mirror on the wall for a country whose economy is agrarian.

With stubbornly high inflation having moderated in recent months, thus giving the State Bank more leeway to lower interest rates – which though will effect AGTL's income – it is expedient that ZTBL and other banks should also pass on the benefits of the lower interest rates to the individual borrower by cutting their lending rates which are rather very high.

- The Federal government in its fiscal 2015-16 has increased allocation of agricultural credit from Rs. 500 billion to Rs. 600 billion. Yet production loans that is credit for tractors has been decreasing. Even if bad loans in ZTBL are eye wateringly high, recovery on tractor loaning has always been high. There is a need for the government to allocate a portion of the Rs. 600 billion exclusively for tractor – the bulwark of agriculture as well as a support and sustainer of the very large automotive industry associated with manufacture and supply of 90% of the local components.

- The recent IMF report throws the severity of Pakistan's water crisis into sharp relief. Not being an upper riparian, Pakistan is voraciously misusing its water resources while water tables are plummeting precipitously. This portends catastrophic consequence for water-stressed Pakistan. Public leaders and government officials keep issuing dire statements on Pakistan becoming a water-starved wasteland, yet there is absence of immediate action.

There is an urgent need to invest in water conserving technologies and infrastructure. It is of serious concern that while the World Bank has made generous funding for water conservation purposes, the funding for High Efficiency Irrigation Systems are bogged in officialdom and get waterlogged. This requires immediate attention. With farmer strapped for cash, subsidy amount needs to be increased; the limit of catering to just 15 acres needs to be lifted; priority of extending subsidy should be to light soil and tube well irrigated areas as against areas which have abundant water; the process of verification and approvals needs to be made customer friendly.

The objective was to install HEIS systems on 120,000 acres of land within five year beginning in 2011-2012. The project lags far behind the projections.

AGTL with its water-conserving technologies is well placed to accelerate the pace of launching HEIS projects all over the country – a program that conserves water and increases yields.

• Flash floods have once again raged their fury – though not as intense as the floods of the past years, these will take their toll and inflict damage to the economy of the country.

Al-Ghazi is a story of sustained excellence which has been made possible by the superior quality of its devoted workforce. AGTL has agile employees at every level of the company. Our confidence is thus fueled by our fundamental strengths – the quality of our workers, the supply system, the distribution networks and customer care centers. Our native optimism keeps us buoyed up. We will thus keep the pedal down to keep on the momentum at full speed.

We are sure that by driving excellence in every space, we will continue to deliver excellence.

The company's half yearly financial statements have been subject of a limited scope review by the statutory auditors. These results have been recommended for approval by the Audit Committee of the Board and will be placed on the company's website at www.alghazitractors.com

For and on behalf of
the Board



Charles Leonard Hunt
Chairman

Karachi
August 04, 2015



**AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF
INTERIM FINANCIAL INFORMATION**

Introduction

We have reviewed the accompanying condensed interim balance sheet of Al-Ghazi Tractors Limited as at June 30, 2015 and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof for the half year then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim profit and loss account for the quarters ended June 30, 2015 and 2014 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2015.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for the half year ended June 30, 2015 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Chartered Accountants
Karachi

Dated: August 4, 2015

Engagement Partner: Syed Fahim ul Hasan

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

Lahore: 23-C, Aziz Avenue, Canal Bank, Gulberg V, P.O. Box 39, Lahore-54660, Pakistan; Tel: +92 (42) 35715864-71; Fax: +92 (42) 35715872
Islamabad: PLA Building, 3rd Floor, 49 Blue Area, Fazl-ul-Haq Road, P.O. Box 3021, Islamabad-44000, Pakistan; Tel: +92 (51) 2273457-60; Fax: +92 (51) 2277924
Kabul: Apartment No. 3, 3rd Floor, Dost Tower, Haji Yaqub Square, Sher-e-Nau, Kabul, Afghanistan; Tel: +93 (779) 315320, +93 (799) 315320

AL-GHAZI TRACTORS LIMITED

CONDENSED INTERIM BALANCE SHEET AS AT JUNE 30, 2015

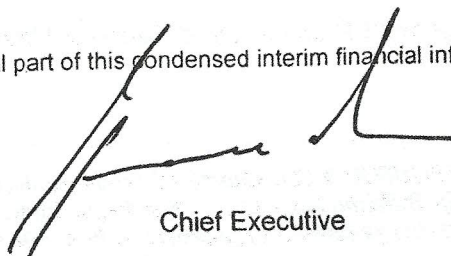
	Note	(Unaudited) June 30, 2015	(Audited) December 31, 2014
Rupees '000			
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	5	527,947	466,751
Long-term investment		40,800	42,800
Long-term loans		229	342
Long-term deposits		2,139	1,789
		<u>571,115</u>	<u>511,682</u>
CURRENT ASSETS			
Stores and spares		31,472	35,962
Stock-in-trade		1,814,906	2,160,349
Trade debts		438,614	13,796
Loans and advances		156,841	78,796
Short-term deposits and prepayments		8,656	32,219
Accrued mark - up		117,741	33,986
Other receivables		18,568	6,149
Refunds due from the Government		1,054,581	1,281,074
Investments		12,000	1,909,970
Cash and bank balances		5,792,077	3,924,709
		<u>9,445,456</u>	<u>9,477,010</u>
TOTAL ASSETS		<u><u>10,016,571</u></u>	<u><u>9,988,692</u></u>
SHARE CAPITAL AND RESERVES			
Share capital		289,821	289,821
Reserves		8,505,740	8,261,674
		<u>8,795,561</u>	<u>8,551,495</u>
NON-CURRENT LIABILITIES			
Deferred staff benefits - compensated absences		30,992	32,106
Staff retirement benefit		-	29,929
Deferred taxation		18,698	25,870
		<u>49,690</u>	<u>87,905</u>
CURRENT LIABILITIES			
Taxation		4,671	1,476
Trade and other payables		1,166,649	1,347,816
TOTAL LIABILITIES		<u>1,221,010</u>	<u>1,437,197</u>
COMMITMENTS			
TOTAL EQUITY AND LIABILITIES	6	<u><u>10,016,571</u></u>	<u><u>9,988,692</u></u>

Aff

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.



Chairman



Chief Executive

AL-GHAZI TRACTORS LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE HALF YEAR
ENDED JUNE 30, 2015 (UNAUDITED)

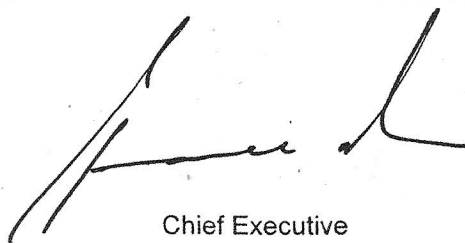
	Note	Quarter ended		Half year ended	
		June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
← Rupees '000 →					
Sales	8	3,264,871	2,063,525	6,708,177	3,314,712
Cost of goods sold	9	(2,434,460)	(1,504,955)	(4,977,713)	(2,442,907)
Gross profit		830,411	558,570	1,730,464	871,805
Distribution cost		(23,966)	(22,372)	(45,043)	(50,149)
Administrative expenses		(73,606)	(58,718)	(129,917)	(106,533)
		732,839	477,480	1,555,504	715,123
Other income		128,521	101,103	272,726	204,541
Other operating expenses		(59,401)	(39,913)	(126,102)	(63,437)
		801,959	538,670	1,702,128	856,227
Finance cost		(457)	(132)	(662)	(292)
Profit before taxation		801,502	538,538	1,701,466	855,935
Taxation					
Current		(249,413)	(161,682)	(533,464)	(244,255)
Prior Year		(61,645)	-	(61,645)	-
Deferred		7,172	4,270	7,172	4,270
		(303,886)	(157,412)	(587,937)	(239,985)
Profit after taxation		497,616	381,126	1,113,529	615,950
Earnings per share	7	Rs 8.58	Rs 6.58	Rs 19.21	Rs 10.63

AGC

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.



Chairman



Chief Executive

AL-GHAZI TRACTORS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED JUNE 30, 2015 (UNAUDITED)

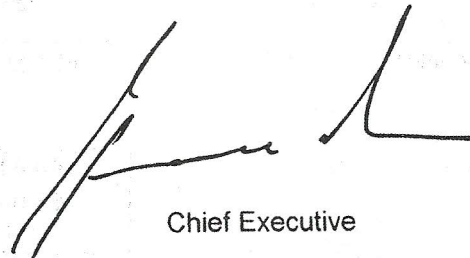
	2015	2014
	Rupees '000	
Profit after taxation	1,113,529	615,950
Other comprehensive income:		
Items that will not be reclassified to Profit or Loss	-	-
Items that may be subsequently reclassified to Profit or Loss	-	-
Total comprehensive income for the year	<u>1,113,529</u>	<u>615,950</u>

Aff

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.



Chairman



Chief Executive

AL-GHAZI TRACTORS LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE HALF YEAR
ENDED JUNE 30, 2015 (UNAUDITED)

	Note	June 30, 2015	June 30, 2014
Rupees '000			
CASH FLOW FROM OPERATIONS			
Cash generated from / (used in) operations	10	1,372,358	(144,315)
Income tax paid		(591,914)	(214,029)
Decrease in long-term deposits		(350)	-
(Decrease) / Increase in deferred staff benefits - compensated absences		(1,114)	2,858
Decrease in deferred staff benefits - Staff retirement benefits		(29,929)	-
Net cash generated from / (used in) operating activities		<u>749,051</u>	<u>(355,486)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(82,820)	(37,575)
Proceeds from disposal of fixed assets		209	1,622
Proceeds from disposal of investments		1,966,392	1,452,001
Placement in term deposits - net		(95,000)	(900,000)
Return on bank deposits		101,395	62,231
Decrease in long-term loans		113	6,063
Net cash from investing activities		<u>1,890,289</u>	<u>584,342</u>
CASH FLOW FROM FINANCING ACTIVITY			
Dividend paid		(866,972)	(642,493)
Net increase / (decrease) in cash and cash equivalents		<u>1,772,368</u>	<u>(413,637)</u>
Cash and cash equivalents at beginning of the period		1,419,709	1,903,497
Cash and cash equivalents at end of the period		<u><u>3,192,077</u></u>	<u><u>1,489,860</u></u>

AFC

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.


Chairman


Chief Executive

AL-GHAZI TRACTORS LIMITED

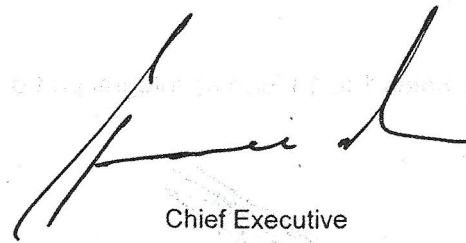
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED JUNE 30, 2015 (UNAUDITED)

	Share capital	General reserve	Unappropriated profit	Total
	← Rupees '000 →			
Balance as at January 1, 2015	289,821	1,000,000	7,261,674	8,551,495
Final dividend @ Rs 15 per share for the year ended December 31, 2014	-	-	(869,463)	(869,463)
Profit for the half year ended June 30, 2015	-	-	1,113,529	1,113,529
Other comprehensive income for the half year ended June 30, 2015	-	-	-	-
	-	-	1,113,529	1,113,529
Balance as at June 30, 2015	289,821	1,000,000	7,505,740	8,795,561
Balance as at January 1, 2014	214,682	1,000,000	7,004,277	8,218,959
Final dividend @ Rs 15 per share for the year ended December 31, 2013	-	-	(644,047)	(644,047)
Issue of 35 bonus shares for every 100 shares held	75,139	-	(75,139)	-
Profit for the half year ended June 30, 2014	-	-	615,950	615,950
Other comprehensive income for the half year ended June 30, 2014	-	-	-	-
	-	-	615,950	615,950
Balance as at June 30, 2014	289,821	1,000,000	6,901,041	8,190,862

Aff

The annexed notes 1 to 13 form an integral part of this condensed interim financial information.


Chairman


Chief Executive

AL-GHAZI TRACTORS LIMITED

SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2015 (UNAUDITED)

1. THE COMPANY AND ITS OPERATIONS

Al-Ghazi Tractors Limited (the company) was incorporated in Pakistan under the Companies Act, 1913 (now the Companies Ordinance, 1984) as a public limited company in June 1983 and is quoted on Karachi and Lahore Stock Exchanges. The address of registered office of the company is '11th Floor, NIC Building, Abbasi Shaheed Road, Karachi'. The Company is principally engaged in the manufacture and sale of agricultural tractors, implements, spare parts and providing irrigation solutions for agriculture.

2. BASIS OF PREPARATION

This condensed interim financial information of the Company for the half year ended June 30, 2015 has been prepared in accordance with the requirements of the International Accounting Standard 34, "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information is being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and the Listing Regulations of Karachi and Lahore Stock Exchanges.

2.1. Changes in accounting standards, interpretations and pronouncements

a) Standards, interpretations and amendments to published approved accounting standards that are effective and relevant

Following amendments to existing standards and interpretations have been published and are mandatory for accounting periods beginning on or after January 1, 2015 and are considered to be relevant to the Company's operations.

IFRS 12, 'Disclosures of interests in other entities' includes the disclosure requirements for all forms of interests in other entities, including joint arrangement, associates, structured entities and other off balance sheet vehicles. The standard does not have any impact on the financial statements of the Company.

IFRS 13, 'Fair value measurement', aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirement for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. The standard will not affect the determination of fair value and its related disclosures in the financial statements of the Company.

b) Standards, interpretations and amendments to published approved accounting standards that are effective but not relevant

The new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after January 1, 2015 are considered not to be relevant for Company's financial statements and hence have not been detailed here.

AGF

3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements as at and for the year ended December 31, 2014.

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Judgements and estimates made by the management in the preparation of this condensed interim financial information are the same as those that were applied to financial statements as at and for the year ended December 31, 2014.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended December 31, 2014.

5. FIXED ASSETS

Additions and disposals of assets during the period are as follows:

	Additions (at cost)		Disposals (at net book value)	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
	← Rupees '000 →			
Building	3,932	-	-	-
Electrical equipment	263	-	-	-
Plant and machinery	-	250	-	-
Furnitures and fixtures	338	329	209	240
Computer hardware	685	1,368	-	-
Vehicles	7,434	3,432	-	-
Factory equipments and tools	44	3,312	-	-
Additions to capital work in progress	70,124	28,884	-	-
	82,820	37,575	209	240

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6. Commitments for capital expenditure outstanding as at June 30, 2015 amounted to Rs. 0.64 million (2014: Rs. 5.24 million).

	June 30, 2015	June 30, 2014
	Rupees '000	
7. EARNINGS PER SHARE		
Profit after taxation attributable to ordinary shareholders	<u>1,113,529</u>	<u>615,950</u>
Weighted average number of shares in issue during the period	<u>57,964</u>	<u>57,964</u>
Earnings per share - Rupees	<u>19.21</u>	<u>10.63</u>

There were no convertible dilutive potential ordinary shares in issue as at June 30, 2015 and 2014.

	June 30, 2015	June 30, 2014
	Rupees '000	
8. SALES		
Tractors	7,418,314	3,811,588
Trading goods and others	61,239	60,052
	<u>7,479,553</u>	<u>3,871,640</u>
Less: Commission and discounts	94,240	43,504
Sales tax	677,136	513,424
	<u>6,708,177</u>	<u>3,314,712</u>
9. COST OF GOODS SOLD		
Cost of goods manufactured	4,744,592	2,736,362
Opening stock of finished goods	318,342	8,866
Closing stock of finished goods	(125,360)	(345,641)
Cost of manufactured goods sold	<u>4,937,574</u>	<u>2,399,587</u>
Cost of trading goods and others sold	40,139	43,320
	<u>4,977,713</u>	<u>2,442,907</u>

Aff

	June 30, 2015	June 30, 2014
	Rupees '000	
10. CASH GENERATED FROM OPERATIONS		
Profit before taxation	1,701,466	855,935
Add / (Less): Adjustments for non-cash charges and other items		
Depreciation / amortisation	21,415	20,688
Profit on disposal of fixed assets	-	(1,382)
Gain on investments at fair value through profit and loss account	(66,422)	(129,319)
Return on bank deposits	(185,150)	(67,251)
	<u>1,471,309</u>	<u>678,671</u>
Effect on cash flow due to working capital changes		
Decrease / (Increase) in current assets		
Stores and spares	4,490	(6,215)
Stock-in-trade	345,443	(221,679)
Trade debts	(424,818)	(224,550)
Loans and advances	(78,045)	(4,365)
Short-term deposits and prepayments	23,563	(5,416)
Other receivables	(12,419)	11,336
Refunds due from the Government - sales tax and special excise duty	226,493	42,359
	<u>84,707</u>	<u>(408,530)</u>
Decrease in current liabilities		
Trade and other payables	(183,658)	(414,456)
	<u>(98,951)</u>	<u>(822,986)</u>
	<u><u>1,372,358</u></u>	<u><u>(144,315)</u></u>

Aff

11. TRANSACTIONS WITH RELATED PARTIES

Significant transactions between the Company and the related parties during the period are as follows:

Relationship	Nature of transactions	June 30,	June 30,
		2015	2014
		Rupees '000	
i. Holding company	Dividends paid	391,400	322,141
ii. Other related parties	Dividends paid	337,800	278,026
	Royalty paid	98,840	-
	Contribution to Al-Ghazi Tractors Staff Provident Fund	4,091	3,367
	Contribution to Al-Ghazi Tractors Employees' Gratuity Fund	4,956	3,025
iii. Key management personnel	Salaries and other employee benefits	73,531	73,300
	Retirement benefits	3,238	3,508

12. DIVIDEND


The Board of Directors in its meeting held on August 4, 2015 declared an interim cash dividend of Rs. 30 per share (2014: Rs. Nil) amounting to Rs. 1,738.93 million (2014: Rs. Nil).

Final Dividend for the year ended December 31, 2014 amounting to Rs. 15 per share was paid during the half year ended June 30, 2015.

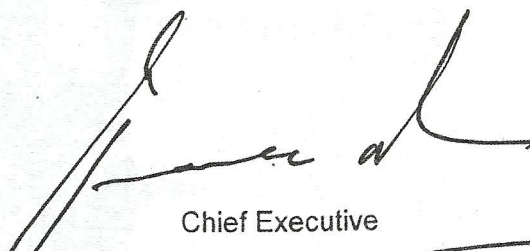
13. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on 04, August 2015 by the Board of Directors.

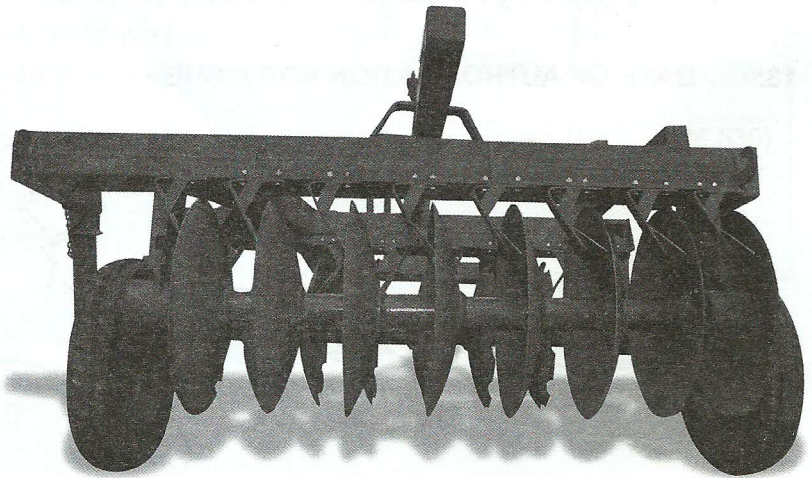
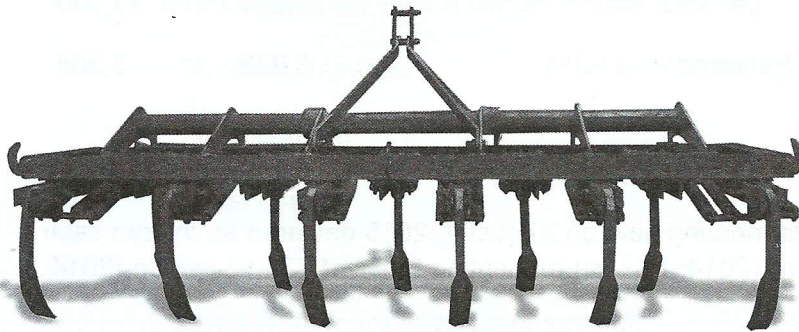
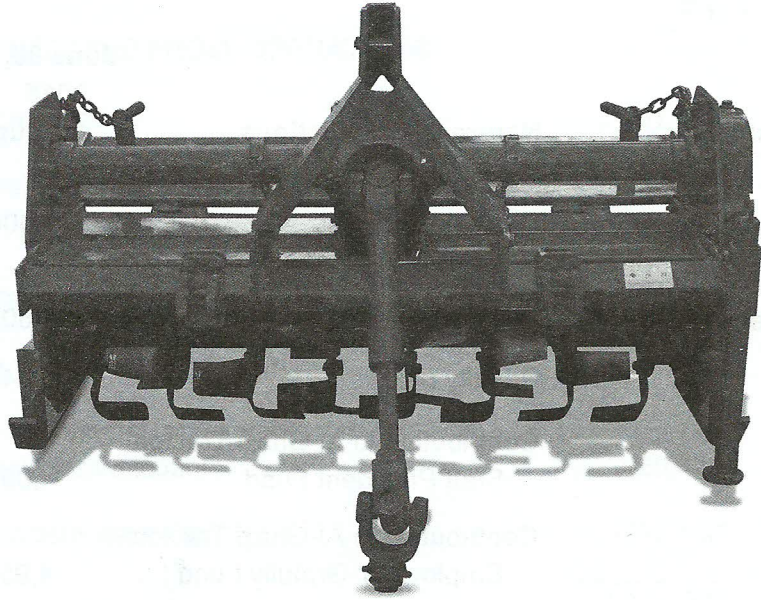
Aff



Chairman



Chief Executive



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REGIONAL OFFICES

Marketing Centre, Lahore
10 Km, Sheikhpura Road,
Tel: 042-37912226, 37924676-7

Marketing Regional Office, Multan
20 Industrial Estates,
Tel: 061-6514057-9

Marketing Regional Office, Sukkur
House No. 8/A Hamdard Housing Society Airport Road.
Tel: 071-5633920,5002852

Marketing Regional Office, Islamabad
Flat no.7, 2nd Floor, Plaza City Arcade I-8, Markaz.
Tel: 051-4862524-25



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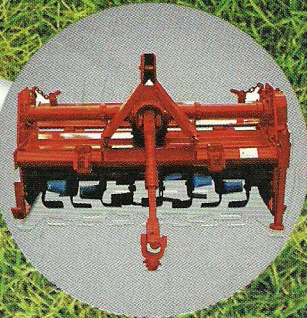




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