



FAUJI CEMENT COMPANY LIMITED

DIRECTORS' REVIEW

1. The Board of Directors is pleased to present their review report along with the un-audited accounts of the Company for the quarter ended 31 March 2009.
2. Overall demand for cement reduced during the third quarter of current fiscal year 2008-09. Total cement despatches during this quarter stood at 7.478 Million tons as compared to 7.951 Million tons over the corresponding quarter of the last year. Cement exports registered a growth of 28.41% and domestic demand depicted a decrease of 18.76%. Capacity utilization of the cement industry stood at 72.16% of total installed capacity.
3. As in the past, the Company performed better than the industry average and achieved capacity utilization of 106.65% as compared to 101.56% in the corresponding period of the last year. Local despatches stood at 241,745 tons as compared to 215,119 tons during the corresponding period of the last year depicting an increase of 12.38%. On the other hand, FCCL exported 69,077 tons as compared to 80,789 tons in the same period of the last year depicting a decrease of 14.50%.
4. Fauji Cement continued to command premium brand. As a result, the net profit of the Company for the quarter witnessed an increase from 41 Million to 187 Million.
5. In anticipation of increase in demand for the domestic as well as the international market due to onset of summer season and continued efforts by the Company for economizing operation, the Company will Inshallah be in a position to further improve its profitability.

Rawalpindi
21 April 2009

Lt Gen Hamid Rab Nawaz, HI (M) (Retd)
Chairman