



FAUJI CEMENT COMPANY LIMITED

DIRECTORS' REVIEW

1. The Board of Directors is pleased to present un-audited accounts of the Company for the quarter ended 30 September 2010 along with Directors' review thereon.

2. During the quarter under review, the Company's capacity utilization remained at 82% as compared to 83% in the corresponding quarter of the last year. Exports stood at 112,777 tons as compared to 56,320 tons of cement in the same quarter last year depicting an increase of 100%. Local dispatches stood at 126,696 tons as compared to 185,955 tons during the corresponding quarter of last year depicting a decrease of 32 %.

3. As a result of slightly low dispatches and increased cost of production profitability of Company stood at Rs.106 Million compared with last year same quarter's profit of Rs.148 Million. In order to demonstrate our corporate social responsibility towards the flood affected people of the country, FCCL contributed an amount of Rs. 18.2 million in the form of relief goods and donation.

4. The Board is of the opinion that the receipt of aid from multilateral donors and financing from international financial institutions for the reconstruction of flood affected areas will lead to better business environment and profitability in the days to come.

A handwritten signature in black ink, appearing to be 'Hamid Rab Nawaz'.

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