

MURREE BREWERY COMPANY LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER, 2012

The Directors take pleasure in presenting their report alongwith un-audited financial statements for the first quarter of the year to 30th June, 2013

A brief review of the Company's performance for the period against the corresponding period of the last year is as follows:-

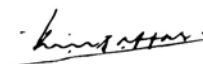
- Gross sales at Rs. 1,206 million increased by 15.19%.
- Gross profit at Rs. 290 million increased by 37.44%.
- Operating profit at Rs. 184 million increased by 60%.
- Profit after taxation at Rs. 112 million increased by 47.37%.
- Earning per share Rs. 5.87 against Rs.3.98 (increased of 47.48%).

The main reason for increase in sale and gross / net profit is due to increases in both Liquor & Tops Divisions. In the previous period there was an excise duty issue with the Government of Punjab in the Liquor division and lower sugar price and discount on Tetrapak paper has reduced Cost of Sales in Tops Division.

Attention of the Shareholders is also invited to the Directors' report for the year ended 30th June, 2012 despatched on 8th October, 2012, which provides a detailed review of the Company's operations.

The Board would like to express its appreciation for the commitment, devotion and hard work of employees, support of our customers, stakeholders and Government departments in our operations.

Rawalpindi
Date: 30th October, 2012


Chairman