# Directors' Report

It pleases us to present the financial statements (un-audited) for the period ended March 31, 2012.

The Company's turnover for the period ended March 31, 2012 was Rs. 68,782 Million (Rs. 48,777 Million in July 10 - March 11); and cost of sales were Rs. 60,640 Million (Rs. 40,525 Million in July 10 - March 11). Profit from operations was Rs. 13,997 Million (Rs. 14,293 Million in July 10 - March 11); and profit after tax was Rs. 4,356 Million (Rs. 5,254 Million in July 10 - March 11). The resultant earnings per share were Rs. 4.95 per share (Rs. 10 each) (Rs. 5.97 per share in July 10 - March 11).

As part of the debt swap by the Government, WAPDA, on February 21, 2012, made a payment of the sum of Rs. 35.4 Billion against overdue invoices. On March 31, 2012, the overdue receivables from WAPDA amounted to Rs. 38,936 Million. For details you may review Note 8 to the Financial Statements. The Company continues to pursue WAPDA and concerned Ministries in the Government of Pakistan for resolution of the matter.

During the Third Quarter, the Power Plant generated 1,231 GWh of electricity (year to date generation level 4,105 GWh) at a load factor of 42.2% (year to date load factor 46.4%) with an overall availability of 94.3% (year to date overall availability 87.1%). The fuel mix during the Third Quarter was 99.7% on Low Sulphur Furnace Oil (year to date LSFO fuel mix 96.9%); 0.3% on High Speed Diesel (year to date HSD fuel mix 0.8%); and no generation on Gas (year to date Gas fuel mix 2.3%).

Combustion Inspection of three (3) Gas Turbines were successfully carried out during the Third Quarter.

Dispatches of the interim cash dividend of Rs. 3.75 per share (Rs. 10 each) were completed on April 4, 2012 to shareholders whose names appeared on the Company's Register of Members on March 8, 2012.

On behalf of the Board

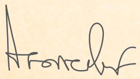
Aftab Mahmood Butt
(Chief Executive)

Lahore: April 17, 2012

# Condensed Interim Balance Sheet
as at March 31, 2012 (Un-audited)

| | Note | March 31, 2012 | June 30, 2011 |
|---|---|---|---|
| | | (Rupees in thousand) | |
| **EQUITY AND LIABILITIES** | | | |
| **CAPITAL AND RESERVES** | | | |
| Authorised capital | | | |
| 3,600,000,000 (June 30, 2011: 3,600,000,000) ordinary shares of Rs 10 each | | 36,000,000 | 36,000,000 |
| Issued, subscribed and paid up capital | | | |
| 880,253,228 (June 30, 2011: 880,253,228) ordinary shares of Rs 10 each | | 8,802,532 | 8,802,532 |
| Capital reserve | | 444,451 | 444,451 |
| Unappropriated profit | | 12,687,623 | 14,712,962 |
| | | 21,934,606 | 23,959,945 |
| **NON-CURRENT LIABILITIES** | | | |
| Long term finances | 4 | 5,054,486 | 4,209,628 |
| Liabilities against assets subject to finance lease | | 32,083 | 45,648 |
| Deferred liabilities | | 3,838,870 | 3,362,859 |
| | | 8,925,439 | 7,618,135 |
| **CURRENT LIABILITIES** | | | |
| Current portion of long term liabilities | | 1,312,763 | 857,502 |
| Finances under mark-up arrangements - secured | | 13,689,283 | 23,512,168 |
| Trade and other payables | 5 | 35,206,037 | 39,389,473 |
| | | 50,208,083 | 63,759,143 |
| **CONTINGENCIES AND COMMITMENTS** | 6 | | |
| | | 81,068,128 | 95,337,223 |

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.



Aftab Mehmood Butt
(Chief Executive)

| | Note | March 31, 2012 | June 30, 2011 |
|---|---|---|---|
| | | (Rupees in thousand) | |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 7 | 18,312,587 | 16,958,177 |
| Intangible assets | | 6,049 | 5,791 |
| Assets subject to finance lease | | 44,589 | 52,908 |
| Capital work-in-progress | | 96,210 | 362,005 |
| Long term loans and deposits | | 39,401 | 42,496 |
| | | 18,498,836 | 17,421,377 |
| CURRENT ASSETS | | | |
| Stores and spares | | 3,852,176 | 3,400,571 |
| Stock-in-trade | | 5,190,922 | 3,341,020 |
| Trade debts | 8 | 49,579,188 | 67,120,940 |
| Loans, advances, deposits, prepayments and other receivables | | 3,235,480 | 3,777,202 |
| Cash and bank balances | | 711,526 | 276,113 |
| | | 62,569,292 | 77,915,846 |
| | | 81,068,128 | 95,337,223 |

Malcolm P. Clampin
(Director)

# Condensed Interim Profit and Loss Account

for the quarter and nine months ended March 31, 2012 (Un-audited)

| | | Quarter ended | | Nine months ended | |
|---|---|---|---|---|---|
| | | March 31, 2012 | March 31, 2011 | March 31, 2012 | March 31, 2011 |
| | Note | (Rupees in thousand) | | (Rupees in thousand) | |
| Sales | | 22,361,437 | 18,740,141 | 68,781,505 | 48,777,155 |
| Cost of sales | 9 | (19,431,488) | (16,352,607) | (60,639,697) | (40,525,350) |
| Gross profit | | 2,929,949 | 2,387,534 | 8,141,808 | 8,251,805 |
| Administrative expenses | | (97,622) | (92,852) | (299,821) | (321,554) |
| Other operating expenses | | (600) | (16,150) | (600) | (16,150) |
| Other operating income | | 1,759,737 | 2,011,805 | 6,155,129 | 6,379,259 |
| Profit from operations | | 4,591,464 | 4,290,337 | 13,996,516 | 14,293,360 |
| Finance cost | | (2,213,327) | (2,128,765) | (7,821,928) | (6,292,972) |
| Profit before tax | | 2,378,137 | 2,161,572 | 6,174,588 | 8,000,388 |
| Taxation | | (724,945) | (757,969) | (1,818,091) | (2,746,506) |
| Profit for the period | | 1,653,192 | 1,403,603 | 4,356,497 | 5,253,882 |
| Earnings per share - basic and diluted | Rupees | 1.88 | 1.59 | 4.95 | 5.97 |

Appropriations have been reflected in the statement of changes in equity.

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Aftab Mehmood Butt
(Chief Executive)

Malcolm P. Clampin
(Director)

# Condensed Interim Statement of Comprehensive Income

for the quarter and nine months ended March 31, 2012 (Un-audited)

| | | Quarter ended | | Nine months ended | |
|---|---|---|---|---|---|
| | | March 31, 2012 | March 31, 2011 | March 31, 2012 | March 31, 2011 |
| | Note | (Rupees in thousand) | | (Rupees in thousand) | |
| Profit for the period | | 1,653,192 | 1,403,603 | 4,356,497 | 5,253,882 |
| Other comprehensive income | | - | - | - | - |
| Total comprehensive income for the period | | 1,653,192 | 1,403,603 | 4,356,497 | 5,253,882 |

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Aftab Mehmood Butt
(Chief Executive)

Malcolm P. Clampin
(Director)

# Condensed Interim Cash Flow Statement

for the nine months ended March 31, 2012 (Un-audited)

| | Note | Nine months ended March 31, 2012 | Nine months ended March 31, 2011 |
|---|---|---|---|
| | | (Rupees in thousand) | |
| **Cash flows from operating activities** | | | |
| Cash generated from operations | 11 | 19,784,166 | 6,183,474 |
| Finance cost paid | | (3,618,222) | (2,849,193) |
| Taxes paid | | (1,636,392) | (2,709,144) |
| Staff retirement benefits paid | | (25,732) | (20,998) |
| **Net cash from operating activities** | | 14,503,820 | 604,139 |
| **Cash flows from investing activities** | | | |
| Fixed capital expenditure | | (2,469,230) | (651,540) |
| Income on bank deposits received | | 1,001 | 1,826 |
| Net decrease / (increase) in long term loans and deposits | | 3,096 | (13,695) |
| Proceeds from sale of property, plant and equipment | | 808 | 3,525 |
| **Net cash used in investing activities** | | (2,464,325) | (659,884) |
| **Cash flows from financing activities** | | | |
| Repayment of liabilities against assets subject to finance lease | | (13,772) | (9,974) |
| Repayment of long term loans-unsecured | | (419,066) | (449,858) |
| Proceeds from long term loans-secured | | 1,716,305 | - |
| Dividend paid | | (3,064,664) | (2,408,481) |
| **Net cash used in financing activities** | | (1,781,197) | (2,868,313) |
| Net increase/(decrease) in cash and cash equivalents | | 10,258,298 | (2,924,058) |
| Cash and cash equivalents at beginning of the period | | (23,236,055) | (16,986,714) |
| Cash and cash equivalents at the end of the period | 12 | (12,977,757) | (19,910,772) |

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Aftab Mehmood Butt
(Chief Executive)

Malcolm P. Clampin
(Director)

## Condensed Interim Statement of Changes in Equity

for the nine months ended March 31, 2012 (Un-audited)

| | Share capital | Capital reserve | Un-appro-priated profit | Total |
|---|---|---|---|---|
| | | (Rupees in thousand) | | |
| Balance as on June 30, 2010 | 8,802,532 | 444,451 | 13,247,745 | 22,494,728 |
| Total comprehensive income for the period | - | - | 5,253,882 | 5,253,882 |
| Final dividend for the year ended June 30, 2010 - Rs 2.75 per share | - | - | (2,420,696) | (2,420,696) |
| Interim dividend - Rs 3.00 per share | - | - | (2,640,760) | (2,640,760) |
| Balance as on March 31, 2011 | 8,802,532 | 444,451 | 13,440,171 | 22,687,154 |
| Total comprehensive income for the period | - | - | 1,272,791 | 1,272,791 |
| Balance as on June 30, 2011 | 8,802,532 | 444,451 | 14,712,962 | 23,959,945 |
| Total comprehensive income for the period | | | 4,356,497 | 4,356,497 |
| Final dividend for the year ended June 30, 2011 - Rs 3.50 per share | | | (3,080,886) | (3,080,886) |
| Interim dividend - Rs 3.75 per share | | | (3,300,950) | (3,300,950) |
| Balance as on March 31, 2012 | 8,802,532 | 444,451 | 12,687,623 | 21,934,606 |

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Aftab Mehmood Butt
(Chief Executive)

Malcolm P. Clampin
(Director)

# Notes to and Forming Part of the Condensed Interim Financial Information
for the quarter and nine months ended March 31, 2012 (Un-audited)

## 1. Legal Status and nature of business

Kot Addu Power Company Limited ('The Company'), was incorporated in Pakistan on April 25, 1996 as a public limited company under the Companies Ordinance, 1984. The Company was listed on April 18, 2005 on the Karachi, Islamabad and Lahore Stock Exchanges. The principal activities of the Company are to own, operate and maintain a multi-fuel fired power station with fifteen generating units with a nameplate capacity of 1,600 MW in Kot Addu, District Muzaffargarh, Punjab, Pakistan.

## 2. Basis of preparation

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under The Companies Ordinance, 1984. In case where the requirements differ, the provisions of or directives issued under The Companies Ordinance, 1984 have been followed.

This condensed interim financial information does not include all the information required for annual financial statements and therefore should be read in conjunction with the annual financial statements for the year ended June 30, 2011.

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended June 30, 2011.

3. Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

## 4. Long term finances

Long term finances include un-secured loan payable to WAPDA (related party) amounting to Rs 3,828 million (June 30, 2011: Rs 4,248 million) of which Rs 770 million (June 30, 2011: Rs 838 million) is included in current portion of long term liabilities. It carries a mark up of 14% payable semi-annually.

## 5. Trade and other payables

Trade creditors include payable to Pakistan State Oil against supply of fuel on credit amounting to Rs 18,089 million (June 30, 2011: Rs 29,551 million)

## 6. Contingencies and commitments

### 6.1 Contingencies

(i) The management, on the strength of a favourable judgment by Sindh High Court, revised the income tax returns of the Company for tax years 2003 through 2007 to the effect that:

(a) depreciation and initial allowance earlier claimed in respect of assets in the original income tax returns for tax periods up to June 27, 2006 were not claimed being the date up to which Company was exempt from levy of income tax; and

(b) the respective taxable incomes of the tax periods subsequent to June 27, 2006 were reduced by significant amounts given to the position that in such tax periods, Company became entitled to an enhanced claim of depreciation and initial allowance attributable to an increased written down value of assets at commencement of such periods.

The overall impact of such revisions in income tax returns was a reversal of current and deferred tax provisions by Rs 1,621.164 million and Rs 1,105.092 million respectively. The relevant income tax authorities disputing Company's contentions mitigated the effect of revisions of returns by amending such revised returns and restoring the earlier position.

The Company filed an appeal before the Commissioner of Income Tax (Appeals) ['CIT(A)'] against the foregoing amended assessments, which was rejected by maintaining the tax department's position. Aggrieved with the decision, Company has filed appeal before Income Tax Appellate Tribunal ('ITAT') contesting such amendments which is pending adjudication.

The return for tax year 2008 was also filed on the basis of written down values of assets brought forward from tax year 2007, as computed in the revised return of income in accordance with position explained above. Such return has also been amended by tax authorities in line with the action taken in respect of revised returns for tax year 2003 through 2007 and has also been endorsed by CIT(A). The Company has preferred appeal before ITAT against the decision of CIT(A) in this respect also which is yet to be taken up for hearing.

In view of the fact that management considers that position adopted by Company is in accordance with relevant provisions of law, as interpreted by Sindh High Court, and that litigation would eventually be settled in Company's favour, the income tax liabilities determined by tax authorities have not been accounted for in these financial statements. Had such liabilities been recognized, the profit for the period would have been lower by Rs 2,727.94 million (June 30, 2011: Rs 2,705.081 million).

(ii) The Company had obtained legal advice in connection with the establishment of Workers' Profit Participation Fund under the Companies Profit (Workers' Participation) Act, 1968 (the Act). The legal advisor advised the Company that since it did not employ any person who fell under the definition of Worker as defined in the Act of 1968, the Company was not required to establish the Fund under the Act. As a consequence the Company was not required to make contributions to the Fund established pursuant to Workers' Welfare Fund Ordinance, 1971.

Furthermore, the question whether a company to which the Act and its scheme applies but which does not employ any Worker is nevertheless obliged to establish and pay contributions into the Fund under the Act and thereafter transfer the same to the Fund established under the WWF Ordinance, 1971 is sub judice before the Sindh High Court as the Supreme Court of Pakistan accepted the petition of another company and remanded the case to the Sindh High Court for fresh decision in accordance with its order.

If it is established that the scheme is applicable to the Company and the Company is liable to pay contribution to the Workers' Welfare Fund then these amounts would be recoverable from WAPDA as a pass through item under the provisions of Power Purchase Agreement.

Certain amendments were introduced in Finance Act 2006, to relax the conditions of payment of interest and penalty for companies defaulting in creating Fund under the Act. If it is established that Workers' Profit

Participation Fund (WPPF) is applicable to the Company and Company makes the principal payment on or before the date which is to be decided by the Federal Government, no such penalty may be imposed and the Company may not be liable to pay interest.

Furthermore, the Company has obtained opinion from its legal advisors who have confirmed that in case WPPF becomes payable as a consequence of the decision by the Sindh High Court, the Company will not be required to pay any interest, as interest is payable to workers only. It is an established fact that the Company did not have any worker as per the applicable definition up to June 30, 2006.

In case this liability materializes, the cumulative amount of contributions to WPPF would be Rs 3.463 billion (June 30, 2011: Rs 3.463 billion). However, it is not certain at the moment that any penalties will be levied on non-payment of WPPF as the relaxation provided under the Finance Act 2006 is still applicable.

In view of the foregoing, the Company did not make any provision for Workers' Profit Participation Fund and interest thereon in the financial statements up to June 30, 2006.

(iii) The Company has a 'Long Term Supply Agreement' (LTSA) with one of the Original Equipment Manufacturers (OEM) for the supply of spares to the Company. According to the terms of LTSA, the Company has availed discount amounting to Rs 1,286.942 million upto March 31, 2012 (June 30, 2011: Rs 954.442 million). This discount is contingent upon the Company procuring at least a specified amount of spares from the OEM during the tenure of LTSA. Inability of the Company to achieve the desired level of purchases would result in payment of compensation fee amounting to Rs 193.041 million (June 30, 2011: Rs 143.166 million) to the OEM out of the discount recognised upto March 31, 2012. The management of the Company feels that the minimum specified level of purchases will be achieved during the contractual period and no compensation fee would be payable to the OEM, consequently no provision for compensation fee as referred above has been made in this condensed interim financial information.

(iv) WAPDA may impose liquidated damages (after taking into account forced outage allowance stipulated under the terms of Power Purchase Agreement) on account of short supply of electricity by the Company, which was due to cash flow constraints of the Company as a result of default by WAPDA in making timely payments. Currently, liquidated damages cannot be estimated reliably, however, these are not expected to increase up to March 31, 2012 beyond Rs 9.247 billion (June 30, 2011: Rs 4.032 billion) approximately based on the best available estimate to the management.

The Company disputes and rejects any claim on account of liquidated damages that may be raised by WAPDA on the premise that its failure to dispatch electricity was due to WAPDA's non-payment of dues on timely basis to the Company and consequential inability of the Company to make timely payments to its fuel supplier (PSO) that resulted in inadequate level of electricity production owing to shortage of fuel.

According to legal advice available with the Company, there are adequate grounds to defend any claim by WAPDA for such liquidated damages since these conditions were imposed on the Company due to circumstances beyond its control. The ultimate outcome of the matter cannot presently be determined, and consequently, no provision for such liquidated damages has been made in this condensed interim financial information.

(v) Claims against the Company not acknowledged as debts Rs 88.111 million (June 30, 2011: Rs 88.111 million).

(vi) The Company has provided following guarantees in favour of:

Sui Northern Gas Pipelines Limited on account of payment of dues against gas sales etc., amounting to Rs 71.449 million (June 30, 2011: Rs 576.197 million).

Custom Authorities for import of professional equipment, tools etc., amounting to Rs Nil (June 30, 2011: Rs 0.115 million).

### 6.2 Commitments

(i) Contracts for capital expenditure Rs 482.306 million (June 30, 2011: Rs 1,125.377 million).

(ii) Letters of credit other than for capital expenditure Rs 256.222 million (June 30, 2011: Rs 516.583 million).

| | Note | March 31, 2012 | June 30, 2011 |
|---|---|---|---|
| | | (Rupees in thousand) | |
| **7. Property, plant and equipment** | | | |
| Opening book value | | 16,958,177 | 17,800,135 |
| Add: Additions/transfers during the period | 7.1 | 2,733,256 | 778,472 |
| | | 19,691,433 | 18,578,607 |
| Less: Disposals during the period (at book value) | | - | 610 |
| Depreciation charged during the period | | 1,378,846 | 1,619,820 |
| | | 1,378,846 | 1,620,430 |
| | | 18,312,587 | 16,958,177 |
| **7.1 Following is the detail of additions/transfers during the period** | | | |
| Buildings on freehold land | | 4,308 | 11,749 |
| Plant and machinery | | 270,125 | - |
| Gas turbine blading | | 2,452,192 | 719,937 |
| Auxiliary plant and machinery | | 2,903 | 35,165 |
| Office equipment | | 3,563 | 11,117 |
| Fixtures and fittings | | 66 | 219 |
| Vehicles | | 99 | 285 |
| | | 2,733,256 | 778,472 |
| **8. Trade debts** | | | |
| Trade debts | 8.1 | 49,688,939 | 67,230,691 |
| Less: Provision for doubtful debts | | 109,751 | 109,751 |
| | | 49,579,188 | 67,120,940 |

8.1 These are considered good and include an overdue amount of Rs 38,936 million (June 30, 2011: Rs 54,362 million) receivable from WAPDA. The trade debts are secured by a guarantee from the Government of Pakistan under the Facilitation Agreement. These are in the normal course of business and are interest free, however, a penal mark-up of SBP discount rate plus 4 percent per annum is charged in case the amounts are not paid within due dates.

| | Quarter ended | | Nine months ended | |
|---|---|---|---|---|
| | March 31, 2012 | March 31, 2011 | March 31, 2012 | March 31, 2011 |
| | (Rupees in thousand) | | (Rupees in thousand) | |
| **9. Cost of sales** | | | | |
| Fuel cost | 18,607,463 | 15,223,498 | 58,021,882 | 37,790,801 |
| Salaries, wages and benefits | 215,630 | 221,840 | 740,449 | 628,851 |
| Plant maintenance | 41,409 | 51,828 | 142,981 | 137,533 |
| Gas turbines overhauls | 68,964 | 381,957 | 191,187 | 565,264 |
| Repair and renewals | 14,577 | 64,400 | 157,337 | 191,822 |
| Depreciation on property, plant and equipment | 473,220 | 399,444 | 1,355,053 | 1,182,210 |
| Amortisation on intangible assets | 417 | 340 | 1,384 | 969 |
| Provision for store obsolescence | 9,808 | 9,300 | 29,424 | 27,900 |
| | 19,431,488 | 16,352,607 | 60,639,697 | 40,525,350 |

## 10. Transactions with related parties

| | | March 31, 2012 | March 31, 2011 |
|---|---|---|---|
| | | (Rupees in thousand) | |
| Relationship with the Company | Nature of transaction | | |
| i. Associated undertakings | Purchase of services | 810 | 1,360 |
| | Sale of electricity | 68,781,505 | 48,777,155 |
| | Interest expense | 431,347 | 525,851 |
| | Interest income on late payments | 6,105,380 | 6,049,647 |
| ii. Post retirement benefit plans | Expense charged | 143,036 | 88,095 |
| iii. Key management personnel | Compensation | 108,982 | 87,091 |

All transactions with related parties have been carried out on commercial terms and conditions.

| | March 31, 2012 | June 30, 2011 |
|---|---|---|
| | (Rupees in thousand) | |
| **Period end balances** | | |
| Receivable from related parties | 50,059,751 | 68,416,229 |
| Payable to related parties | 250,297 | 321,215 |

They are in the normal course of business.

| | Nine months ended | |
|---|---|---|
| | March 31, 2012 | March 31, 2011 |
| | (Rupees in thousand) | |
| **11. Cash generated from operations** | | |
| Profit before tax | 6,174,588 | 8,000,388 |
| Adjustments for : | | |
| - Depreciation on property, plant and equipment | 1,378,846 | 1,206,253 |
| - Amortisation on intangible assets | 1,384 | 969 |
| - Depreciation on assets subject to finance lease | 10,724 | 13,058 |
| - Profit on disposal of property, plant and equipment | - | (3,201) |
| - Income on bank deposits | (1,001) | (1,826) |
| - Provision for store obsolescence | 29,424 | 27,900 |
| - Advances written off | 9,742 | - |
| - Staff retirement benefits accrued | 124,838 | 71,544 |
| - Finance cost | 7,821,928 | 6,292,972 |
| **Profit before working capital changes** | 15,550,473 | 15,608,057 |
| Effect on cash flow due to working capital changes | | |
| (Increase)/decrease in current assets | | |
| - Stores and spares | (481,029) | (350,865) |
| - Stock in trade | (1,849,902) | (1,177,126) |
| - Trade debts | 17,541,752 | (15,675,993) |
| - Loans, advances, deposits, prepayments and and other receivables | 727,186 | (917,858) |
| (Decrease) /Increase in trade and other payables | (11,704,314) | 8,697,259 |
| | 4,233,693 | (9,424,583) |
| | 19,784,166 | 6,183,474 |

| | | |
|---|---|---|
| **12. Cash and cash equivalents** | | |
| Cash and bank balances | 711,526 | 247,376 |
| Finances under mark up arrangements - secured | (13,689,283) | (20,158,148) |
| | (12,977,757) | (19,910,772) |

## 13. Date of authorisation for issue

This condensed interim financial information was authorised for issue on April 17, 2012 by the Board of (Director)s of the Company.

## 14. Corresponding figures

In order to comply with the requirements of International Accounting Standard 34-'Interim Financial Reporting', the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim profit and loss account, condensed interim statement of comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purposes of comparison. However, no significant re-arrangements have been made.

Aftab Mehmood Butt
(Chief Executive)

Malcolm P. Clampin
(Director)