



Abbott Pakistan

Un-Audited Financial Statements for the
Quarter and Six Months Ended June 30, 2015



CORPORATE INFORMATION

BOARD OF DIRECTORS

Munir A. Shaikh (Chairman)
Arshad Saeed Husain (Chief Executive Officer)
Kamran Y. Mirza
Ehsan Ali Malik
Syed Anis Ahmed (Chief Financial Officer)
Shamim Ahmad Khan

AUDIT COMMITTEE

Ehsan Ali Malik (Chairman)
Shamim Ahmad Khan
Kamran Y. Mirza
Abdul Wahab Godil (Acting Chief Internal Auditor - by invitation)
Syed Anis Ahmed (CFO by invitation)

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Munir A. Shaikh (Chairman)
Arshad Saeed Husain
Shamim Ahmad Khan
Asghar Huda

SHARE TRANSFER COMMITTEE

Arshad Saeed Husain (Chairman)
Syed Anis Ahmed
Kamran Y. Mirza

BANKING COMMITTEE

Arshad Saeed Husain
Syed Anis Ahmed

CHIEF FINANCIAL OFFICER

Syed Anis Ahmed

COMPANY SECRETARY

Malik Saadatullah

AUDITORS

Ernst & Young Ford Rhodes
Sidat Hyder & Company
(a member firm of Ernst & Young)
Chartered Accountants

LEGAL ADVISORS

Orr, Dignam & Co.
Surridge & Beecheno

SHARE REGISTRAR

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

BANKERS

Faysal Bank Limited
Citibank N.A.
Deutsche Bank AG
MCB Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
The Bank of Tokyo-Mitsubishi UFJ Limited
Barclays Bank PLC

REGISTERED OFFICE

Opposite Radio Pakistan
Transmission Centre,
Hyderabad Road, Landhi,
P.O. Box 7229, Karachi Pakistan.

CITY OFFICE

8th Floor, Faysal House,
St-02, Shahrah-e-Faisal, Karachi Pakistan.

WEBSITE

www.abbott.com.pk

SENIOR MANAGEMENT TEAM

Arshad Saeed Husain
(Chief Executive Officer)
Syed Anis Ahmed
(Chief Financial Officer)
Anis A. Shah
(Director Plant Operations)
Asim Shafiq
(General Manager, Abbott Nutrition
International Pakistan)
Habib Ahmed
(Country Manager, Abbott Diagnostics
Division Pakistan)
Dr. Sheikh Adnan Lateef
(Head of Abbott Diabetes Care Pakistan)
Dr. Farrukh Hafeez
(Director Quality Assurance)
Dr. Sarmad Maqbool
(Director Marketing & Strategy)
Asghar Huda
(Human Resource Director)
Seema Khan
(Director Regulatory Affairs)
Dr. Raef Ahmed
(Director Medical Affairs)
Dr. Suleman Alvi
(Director Business Development)
Rana A. Latif
(Director Manufacturing)
Zahid Hussain
(Director Materials Management)

DIRECTORS' REPORT

The Directors have pleasure in presenting their Report with the accounts of the Company for the half year and second quarter ended June 30th, 2015.

FINANCIAL HIGHLIGHTS

For six months period ended June 30, 2015

Sales for the half year increased by 5% over the same period last year. Pharmaceutical sales remained stable, Nutritional increased by 23% and Others grew by 17%. Gross profit to sales ratio remained at 38%. As a result of cost control, administrative expenses decreased by 8%. Other charges increased mainly due to increase in provision for Workers Profit Participation Fund and Workers Welfare Fund in line with increased profit. Profit after tax was 15% of sales in the current period as compared to 14% during the same period last year.

For second quarter ended June 30, 2015

Sales for the quarter witnessed improvement and increased by 13% over the same quarter last year. Pharmaceutical sales increased by 10%, Nutritional by 19% and Others by 28%. Gross profit to sales ratio for the quarter also improved to 40% versus 37% same quarter last year mainly due to favourable product mix. Continued cost control measures resulted in decrease in selling and distribution and administrative expenses by 2% and 7% respectively. Other charges which include Workers Profit Participation Fund and Workers Welfare Fund increased in line with profit. Profit after tax was 16% of sales in the current quarter as compared to 14% same quarter last year.

FUTURE OUTLOOK

There has been significant improvement in the macroeconomic indicators in the recent past. However, growth of Pharmaceutical industry continues to be affected by regulatory and pricing issues.

KARACHI: August 17th, 2015



ARSHAD SAEED HUSAIN
CHIEF EXECUTIVE



SYED ANIS AHMED
DIRECTOR



Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
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AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of Abbott Laboratories (Pakistan) Limited as at 30 June 2015, related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity and notes to the accounts for the six months period then ended (herein after referred to as "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.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 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 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Ernst & Young Ford Rhodes Sidat Hyder

Chartered Accountants
Review Engagement Partner: Riaz A. Rehman Chamdia
Date: 17 August 2015
Place: Karachi

A member firm Ernst & Young Global Limited

CONDENSED INTERIM BALANCE SHEET

As At June 30, 2015

	Note	Un-audited June 30, 2015	Audited December 31, 2014
----- Rupees in '000 -----			
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
- Property, plant and equipment	3	3,733,552	3,359,092
- Intangible asset		<u>32,743</u>	<u>24,395</u>
		3,766,295	3,383,487
Long-term loans and advances		48,591	46,204
Long-term deposits		7,486	7,605
Long-term prepayments		<u>11,404</u>	<u>9,171</u>
		3,833,776	3,446,467
CURRENT ASSETS			
Stores and spares		110,335	120,158
Stock-in-trade		3,002,200	2,823,007
Trade debts		435,856	482,771
Loans and advances - considered good		226,909	81,259
Trade deposits and short-term prepayments		249,192	177,948
Interest accrued		10,091	17,351
Other receivables		150,454	192,610
Taxation recoverable		-	42,643
Cash and bank balances		<u>7,431,194</u>	<u>6,381,381</u>
		11,616,231	10,319,128
TOTAL ASSETS		<u>15,450,007</u>	<u>13,765,595</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised 200,000,000 ordinary shares of Rs.10 each		<u>2,000,000</u>	<u>2,000,000</u>
Issued, subscribed and paid-up	5	979,003	979,003
Reserves			
- Capital		<u>361,152</u>	<u>339,481</u>
- Revenue		<u>10,555,195</u>	<u>9,553,116</u>
		10,916,347	9,892,597
		11,895,350	10,871,600
NON-CURRENT LIABILITY			
Deferred taxation		200,589	223,953
CURRENT LIABILITY			
Trade and other payables		3,354,068	2,670,042
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES	4	<u>15,450,007</u>	<u>13,765,595</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.


ARSHAD SAEED HUSAIN
CHIEF EXECUTIVE

SYED ANIS AHMED
DIRECTOR

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (Unaudited)

For The Quarter And Six Months Ended June 30, 2015

	Six Months Ended		Quarter Ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
----- Rupees in '000 -----				
NET SALES				
Domestic	9,331,213	8,971,050	5,219,323	4,666,675
Export	470,221	362,037	315,386	217,863
	<u>9,801,434</u>	<u>9,333,087</u>	<u>5,534,709</u>	<u>4,884,538</u>
Cost of goods sold	<u>(6,076,788)</u>	<u>(5,803,292)</u>	<u>(3,325,623)</u>	<u>(3,067,929)</u>
GROSS PROFIT	<u>3,724,646</u>	<u>3,529,795</u>	<u>2,209,086</u>	<u>1,816,609</u>
Distribution and marketing expenses	(1,394,705)	(1,387,384)	(691,261)	(707,139)
Administrative expenses	(186,991)	(202,426)	(98,015)	(105,384)
Other charges	(197,503)	(171,088)	(124,230)	(86,325)
Other income	245,813	248,336	121,430	101,963
	<u>(1,533,386)</u>	<u>(1,512,562)</u>	<u>(792,076)</u>	<u>(796,885)</u>
	<u>2,191,260</u>	<u>2,017,233</u>	<u>1,417,010</u>	<u>1,019,724</u>
Finance costs	<u>(2,227)</u>	<u>(1,988)</u>	<u>(1,329)</u>	<u>(1,234)</u>
PROFIT BEFORE TAXATION FOR THE PERIOD	<u>2,189,033</u>	<u>2,015,245</u>	<u>1,415,681</u>	<u>1,018,490</u>
Taxation				
- Current	(624,073)	(604,769)	(395,660)	(269,346)
- Prior	(116,324)	(60,000)	(116,324)	(30,000)
- Deferred	23,364	(22,740)	5,792	(21,363)
	<u>(717,033)</u>	<u>(687,509)</u>	<u>(506,192)</u>	<u>(320,709)</u>
NET PROFIT FOR THE PERIOD	<u>1,472,000</u>	<u>1,327,736</u>	<u>909,489</u>	<u>697,781</u>
BASIC AND DILUTED EARNINGS PER SHARE (Rs. per share)	<u>15.04</u>	<u>13.56</u>	<u>9.29</u>	<u>7.13</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.


ARSHAD SAEED HUSAIN
CHIEF EXECUTIVE


SYED ANIS AHMED
DIRECTOR

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

For The Quarter And Six Months Ended June 30, 2015

	Six Months Ended		Quarter Ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
	----- Rupees in ' 000 -----			
Profit for the period	1,472,000	1,327,736	909,489	697,781
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>1,472,000</u>	<u>1,327,736</u>	<u>909,489</u>	<u>697,781</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.



ARSHAD SAEED HUSAIN
CHIEF EXECUTIVE



SYED ANIS AHMED
DIRECTOR

CONDENSED INTERIM CASH FLOW STATEMENT (Unaudited)

For The Six Months Ended June 30, 2015

	June 30, 2015	June 30, 2014
Note	---- Rupees in '000 ----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	6 2,536,311	2,046,351
Income tax paid	(642,564)	(529,293)
Long-term loans and advances - net	(2,387)	(14,026)
Long-term deposits - net	119	119
Long-term prepayment - net	(2,233)	(1,872)
Net cash generated from operating activities	<u>1,889,246</u>	<u>1,501,279</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(624,313)	(353,756)
Acquisition of intangible asset	(18,500)	-
Sale proceeds from disposal of operating fixed assets	38,889	27,878
Interest income	234,797	192,434
Net cash used in investing activities	(369,127)	(133,444)
CASH FLOWS FROM FINANCING ACTIVITIES		
Finance costs paid	(2,227)	(1,988)
Dividend paid	(468,079)	(389,412)
Net cash used in financing activities	(470,306)	(391,400)
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>1,049,813</u>	<u>976,435</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>6,381,381</u>	<u>3,897,051</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>7,431,194</u>	<u>4,873,486</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.


ARSHAD SAEED HUSAIN
CHIEF EXECUTIVE

SYED ANIS AHMED
DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Unaudited)

For The Six Months Ended June 30, 2015

	Reserves						Total Equity
	Share Capital	Capital Reserves		Revenue Reserves		Total	
		Reserve Arising on Merger	Other	General Reserve	Un-ap- propriated Profit		
	Rupees in '000						
Balance as at January 1, 2014	979,003	46,097	253,933	5,338,422	2,129,810	7,768,262	8,747,265
Transactions with owners, recorded directly in equity							
Final dividend for the year ended December 31, 2013 @ Rs. 4 per share declared subsequent to the year end	-	-	-	-	(391,601)	(391,601)	(391,601)
Employee benefit cost under IFRS 2 - "Share based payment"	-	-	21,801	-	-	21,801	21,801
Profit for the period	-	-	-	-	1,327,736	1,327,736	1,327,736
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	1,327,736	1,327,736	1,327,736
Balance as at June 30, 2014	979,003	46,097	275,734	5,338,422	3,065,945	8,726,198	9,705,201
Balance as at January 1, 2015	979,003	46,097	293,384	5,338,422	4,214,694	9,892,597	10,871,600
Transactions with owners, recorded directly in equity							
Final dividend for the year ended December 31, 2014 @ Rs. 4.8 per share declared subsequent to the year end	-	-	-	-	(469,921)	(469,921)	(469,921)
Employee benefit cost under IFRS 2 - "Share based payment"	-	-	21,671	-	-	21,671	21,671
Profit for the period	-	-	-	-	1,472,000	1,472,000	1,472,000
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	1,472,000	1,472,000	1,472,000
Balance as at June 30, 2015	979,003	46,097	315,055	5,338,422	5,216,773	10,916,347	11,895,350

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.



ARSHAD SAEED HUSAIN
CHIEF EXECUTIVE



SYED ANIS AHMED
DIRECTOR

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (Unaudited)

For The Six Months Ended June 30, 2015

1. THE COMPANY AND ITS OPERATIONS

Abbott Laboratories (Pakistan) Limited (the Company) is a public limited company incorporated in Pakistan on July 02, 1948, and its shares are quoted on the Karachi, Lahore and Islamabad stock exchanges. The address of its registered office is opposite Radio Pakistan Transmission Centre, Hyderabad Road, Landhi, Karachi. The Company is principally engaged in the manufacture, import and marketing of research based pharmaceutical, nutritional, diagnostic, diabetic care, hospital and consumer products.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

Statement of compliance

This condensed interim financial information 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. These condensed interim financial statements of the Company for the half year ended June 30, 2015 are unaudited but subject to limited scope review by the statutory auditors as required by the Code of Corporate Governance.

The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended June 30, 2015 and 2014 have not been reviewed by the external auditors of the Company as they have reviewed the cumulative figures for the half year ended June 30, 2015. These condensed interim financial statements do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2014.

This condensed interim financial information is being submitted to the shareholders as required by the Listing Regulations of Karachi, Lahore and Islamabad stock exchanges and section 245 of the Companies Ordinance, 1984.

2.2 Accounting policies

The accounting policies and the methods of computation used in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended December 31, 2014 except as disclosed below:

New, amended and revised standards and interpretations

The Company has adopted the following amendment to IFRSs which became effective for the current period:

- IFRS 10 – Consolidated Financial Statements
- IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements – Investment Entities (Amendment)
- IFRS 11 – Joint Arrangements
- IFRS 12 – Disclosure of Interests in Other Entities
- IFRS 13 – Fair Value Measurement
- IAS 19 – Employee Benefits - Defined Benefit Plans: Employee Contributions – (Amendment)

The adoption of the above amendment to accounting standards did not have any effect on the condensed interim financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (Unaudited)

For The Six Months Ended June 30, 2015

In addition to the above standards and interpretations, improvements to various accounting standards have also been issued by the IASB and are generally effective for current period. The Company expects that such improvements to the standards do not have any impact on the Company's financial statements for the period.

2.3 Accounting estimates and judgments.

The preparation of condensed interim financial information in conformity with approved accounting standards, as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

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

	Un-audited June 30, 2015	Audited December 31, 2014
Note	---- Rupees in '000 ----	

3. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	3.1	3,002,686	2,939,248
Capital work-in-progress		730,866	419,844
		<u>3,733,552</u>	<u>3,359,092</u>

3.1 Operating fixed assets

Following were the additions and disposals of fixed assets during the period :

	Additions	Disposals	
		Cost	Accumulated Depreciation
	----- Rupees in '000 -----		
Improvements on buildings	3,275	-	-
Plant and machinery	76,434	-	-
Office equipment	5,460	-	-
Vehicles	63,083	64,878	28,866
Computers	990	-	-
Demonstration equipment	164,049	-	-
Capital work in progress (CWIP) - net of transfers	311,022	-	-
	<u>624,313</u>	<u>64,878</u>	<u>28,866</u>

4. CONTINGENCIES AND COMMITMENTS

4.1 Contingencies

4.1.1 The Company has given bank guarantees of Rs. 124.739 million (December 31, 2014: Rs 135.054 million) to the Customs Department, a utility company and other institutions against tenders.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (Unaudited)

For The Six Months Ended June 30, 2015

4.1.2 The Commissioner Inland Revenue (CIR) has selected the case of the Company for audit of tax year 2012 (accounting year December 31, 2011) and has requested various information from the Company in this regard. The Company believes that only the Federal Board of Revenue has the right to select the Company for audit based on defined criteria or through random balloting and the CIR does not have the right to select the Company for Audit. The Company has filed writ petition in the High court in this regard.

4.2 Commitments

4.2.1 Commitments for capital expenditure as at June 30, 2015 aggregated to Rs. 482.281 million (December 31, 2014: Rs. 353.850 million).

4.2.2 The Company has obtained short term financing facilities from various commercial banks amounting to Rs. 1,120 million (December 31, 2014: Rs. 1,020 million). These facilities can be utilized for letters of credit, guarantees and running finance / short term loans. However, the running finance / short term loan utilization cannot exceed Rs. 250 million (December 31, 2014: Rs. 250 million). The running finance / short term loan carries markup at rates ranging from KIBOR plus 1% to KIBOR plus 2% (December 31, 2014: KIBOR plus 1% to KIBOR plus 2%) and are secured against first joint pari passu hypothecation charge over stocks and book debts of the Company, ranking hypothecation charge over stocks and book debts of the Company, promissory notes, and counter guarantees. The Company has not borrowed any amount against running finance / short term loan facilities at the balance sheet date. Commitments in respect of letters of credit as at balance sheet date aggregated to Rs. 491.425 million (December 31, 2014: Rs. 447.727 million).

5. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

As at June 30, 2015, Abbott Asia Investments Limited, UK held 76,259,454 (December 31, 2014: 76,259,454) shares. The ultimate holding company is Abbott International LLC, USA.

	Six months ended June 30, 2015	Six months ended June 30, 2014
Note	----	Rupees in '000----

6. CASH GENERATED FROM OPERATIONS

Profit before taxation	2,189,033	2,015,245
Adjustment for non-cash changes and other items:		
Depreciation	220,987	208,072
Amortisation on intangible asset	10,152	8,610
Gain on disposal of fixed assets	(10,023)	(5,777)
Income on investments and deposits	(227,537)	(192,842)
Expenses arising from equity-settled share-based payment plans	21,671	21,801
Finance costs	2,227	1,988
Working capital changes	6.1 329,801	(10,746)
	<u>2,536,311</u>	<u>2,046,351</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (Unaudited)

For The Six Months Ended June 30, 2015

	Six months ended June 30, 2015	Six months ended June 30, 2014
	---- Rupees in '000----	
6.1 Working capital changes		
(Increase) / decrease in current assets net of provision		
Stores and spares	9,823	11,818
Stock-in-trade	(179,193)	(476,118)
Trade debts	46,915	75,398
Loans and advances	(145,650)	(76,873)
Trade deposits and short-term prepayments	(71,244)	(39,317)
Other receivables	42,156	(5,012)
	<u>(297,193)</u>	<u>(510,104)</u>
Increase in current liabilities		
Trade and other payables	<u>626,994</u>	<u>499,358</u>
	<u>329,801</u>	<u>(10,746)</u>

7. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise other related parties, employee retirement benefit plans, directors and key management personnel. Transactions with related parties essentially entail sale and purchase of goods and services and expenses charged between these parties. Transactions with related parties are as follows:

	June 30, 2015	June 30, 2014
	---- Rupees in '000----	
Other related parties		
Sale of goods	89,207	41,236
Purchase of materials	1,828,886	1,951,955
Technical service fee	61,502	66,324
Reimbursements from a related party on account of:		
- Distribution and marketing expenses	39,911	39,689
- Administrative expenses	4,001	5,956
Interest income earned	13,484	14,384
Contribution paid		
- Pension fund	75,167	67,259
- Provident fund	36,471	32,973
Key management personnel		
Short-term employee benefits	112,717	89,791
Post-employment benefits	12,835	10,769

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (Unaudited)

For The Six Months Ended June 30, 2015

8. SEGMENT ANALYSIS

8.1 Segment wise operating results for six months ended (Un-audited):

	June 30, 2015				June 30, 2014			
	Pharmaceutical	Nutritional	Others	Total	Pharmaceutical	Nutritional	Others	Total
	----- Rupees in '000 -----							
Sales	7,203,231	1,852,174	1,066,979	10,122,384	7,168,286	1,502,978	904,106	9,575,370
Less:								
Sales return and discount	62,732	1,750	22,474	86,956	38,158	888	3,515	42,561
Sales tax and excise duty	-	171,076	62,918	233,994	-	139,967	59,755	199,722
Sales - net	7,140,499	1,679,348	981,587	9,801,434	7,130,128	1,362,123	840,836	9,333,087
Cost of goods sold	4,510,940	1,009,090	556,758	6,076,788	4,326,364	893,627	583,301	5,803,292
Gross profit	2,629,559	670,258	424,829	3,724,646	2,803,764	468,496	257,535	3,529,795
Distribution and marketing expenses	960,708	239,280	194,717	1,394,705	997,379	221,074	168,931	1,387,384
Administrative expenses	162,493	18,018	6,480	186,991	176,680	17,538	8,208	202,426
Segment result	1,506,358	412,960	223,632	2,142,950	1,629,705	229,884	80,396	1,939,985

8.2 Segment wise operating results for the second quarter (Un-audited):

	June 30, 2015				June 30, 2014			
	Pharmaceutical	Nutritional	Others	Total	Pharmaceutical	Nutritional	Others	Total
	----- Rupees in '000 -----							
Sales	4,107,919	952,528	630,627	5,691,074	3,717,224	802,195	484,037	5,003,456
Less:								
Sales return and discount	15,613	947	7,040	23,600	13,060	888	887	14,835
Sales tax and excise duty	-	88,873	43,892	132,765	-	74,546	29,537	104,083
Sales - net	4,092,306	862,708	579,695	5,534,709	3,704,164	726,761	453,613	4,884,538
Cost of goods sold	2,502,584	509,405	313,634	3,325,623	2,284,303	461,397	322,229	3,067,929
Gross profit	1,589,722	353,303	266,061	2,209,086	1,419,861	265,364	131,384	1,816,609
Distribution and marketing expenses	469,411	120,225	101,625	691,261	505,104	109,691	92,344	707,139
Administrative expenses	87,351	9,015	1,649	98,015	93,976	6,978	4,430	105,384
Segment result	1,032,960	224,063	162,787	1,419,810	820,781	148,695	34,610	1,004,086

8.3 Reconciliation of segment results with profit before taxation (Un-audited)

	Six Months Ended		Quarter Ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
	----- Rupees in '000 -----			
Total segment results	2,142,950	1,939,985	1,419,810	1,004,086
Other income	245,813	248,336	121,430	101,963
Other charges	(197,503)	(171,088)	(124,230)	(86,325)
Finance costs	(2,227)	(1,988)	(1,329)	(1,234)
Profit before taxation	2,189,033	2,015,245	1,415,681	1,018,490

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (Unaudited)

For The Six Months Ended June 30, 2015

8.4 Geographical information (Un-audited)

	Six Months Ended		Quarter Ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
----- Rupees in '000 -----				
Sales to external customers				
Pakistan	9,331,213	8,971,050	5,219,323	4,666,675
Afghanistan	375,069	306,566	251,355	194,133
Srilanka	5,945	14,235	4,377	14,235
Netherland	18,447	6,321	10,205	-
Switzerland	70,760	34,915	49,449	9,495
	<u>9,801,434</u>	<u>9,333,087</u>	<u>5,534,709</u>	<u>4,884,538</u>

8.5 Segment Assets

	UNAUDITED				AUDITED			
	June 30, 2015				December 31, 2014			
	Pharmaceutical	Nutritional	Others	Total	Pharmaceutical	Nutritional	Others	Total
----- (Rupees '000) -----								
Segment assets employed	5,639,338	475,491	1,251,678	7,366,507	5,332,042	402,983	1,138,869	6,873,894
Unallocated corporate assets				8,083,500				6,891,701
Total reported assets				<u>15,450,007</u>				<u>13,765,595</u>

9. NON ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Directors in their meeting held on August 17, 2015 have proposed an interim cash dividend @ 100 % (June 30, 2014: 30%). This condensed interim financial information for the six months ended June 30, 2015 does not include the effect of the above interim cash dividend which will be accounted for subsequent to the period end.

10. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on August 17, 2015 by the Board of Directors of the Company.



ARSHAD SAEED HUSAIN
CHIEF EXECUTIVE



SYED ANIS AHMED
DIRECTOR

NOTES

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