

2008

Abbott Pakistan
Annual Report



 **Abbott**
A Promise for Life

2008

Abbott Pakistan

Vision

To be a premier health care company in Pakistan.

2008

Abbott Pakistan

Mission:

To deliver consistently superior products and services which contribute significantly to improve the quality of life of the consumers.

Dedicated to: • Employees • Customers • Shareholders • Suppliers • Public

We value: • Pioneering • Achieving • Caring • Enduring

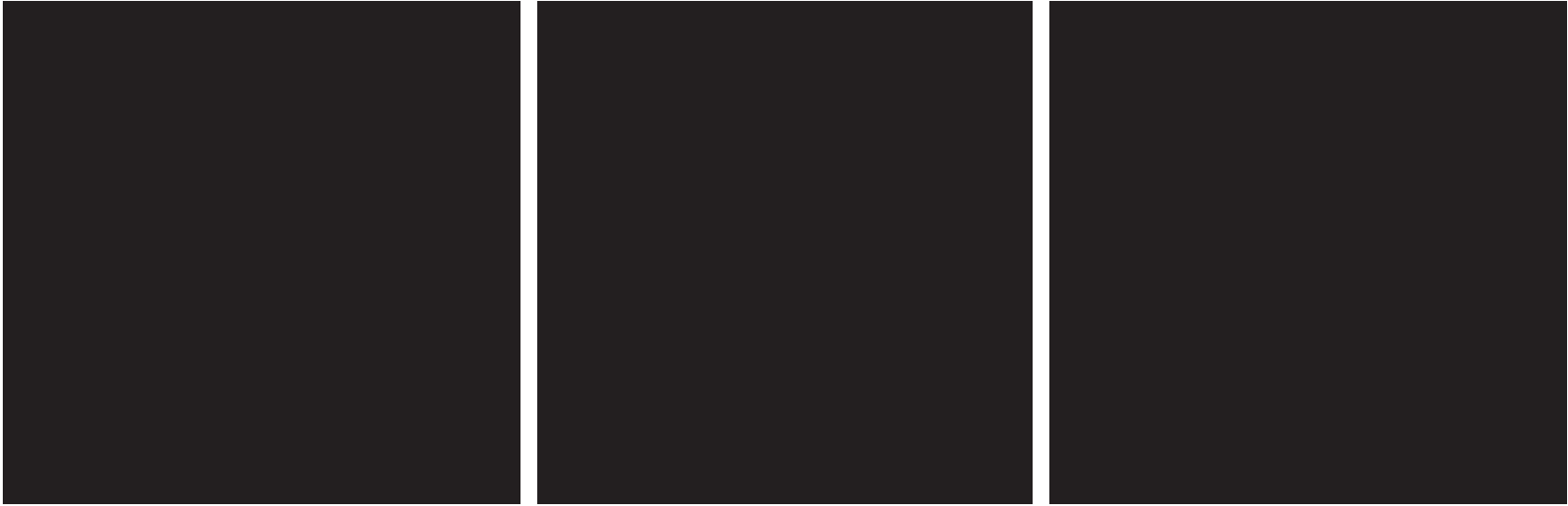
2008

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Abbott Pakistan

Company
Information

Board of Directors



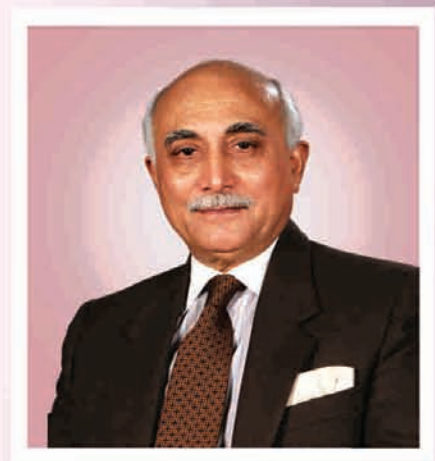
Munir A. Shaikh, Chairman



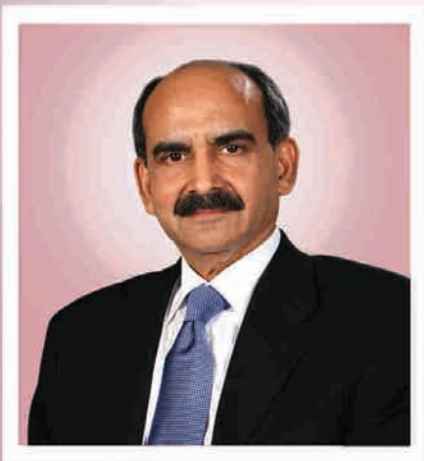
Asif Jooma, Chief Executive



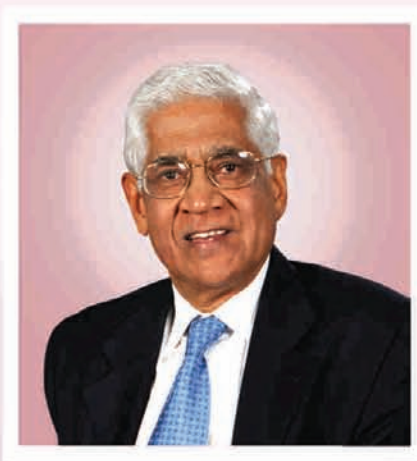
Angelo Kondes, Director



Kamran Y. Mirza, Director



Sadi Syed, Alternate Director



Shamim A. Khan, Director



Imran A. Halai, Director



Company Information

Audit Committee

Shamim Ahmed Khan
(Chairman)

Munir A. Shaikh

Kamran Y. Mirza

Imran A. Halai

Siraj Lawai
(Chief Internal Auditor
by invitation)

Syed Anis Ahmed
(CFO by invitation)

Human Resource Committee

Munir A. Shaikh
(Chairman)

Asif Jooma

Shamim Ahmed Khan

Share Transfer Committee

Asif Jooma
(Chairman)

Sadi Syed
(Alternate Director to
Thomas C. Freyman)

Banking Committee

Munir A. Shaikh
(Chairman)

Asif Jooma

Sadi Syed

Company Secretary and Chief Financial Officer

Syed Anis Ahmed

Auditors

M. Yousuf Adil Saleem & Co.

Legal Advisors

Orr, Diganam & Co.

Surridge & Beecheno

Share Registrar

FAMCO Associates (Pvt) Ltd.
State Life Building 2-A,
4th Floor, I.I. Chundrigar
Road, Karachi, 74000

Bankers

The Royal Bank of
Scotland Limited

Citibank N.A.

Deutsche Bank AG

MCB Bank Limited

National Bank of Pakistan

Standard Chartered Bank
(Pakistan) Limited

HSBC Bank Middle East
Limited

The Bank of Tokyo-Mitsubishi
UFJ Limited

Registered Office

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

Senior Management Team

Asif Jooma
(Chief Executive)

Syed Anis Ahmed
(Chief Financial Officer)

Sadi Syed
(Operations Director)

Dr. Asif Chishti
(Director Marketing &
Strategy)

Dr. Farrukh Hafeez
(Director Quality Assurance)

Habib Ahmed
(Head of Diagnostic Division)

Syed Imtiazuddin
(Head of Diabetes Care
Division)

Dr. Arshad Ahmed
(Medical Director)

Seema Khan
(Regulatory Director)

Athar Noman Khan
(Materials Management
Director)

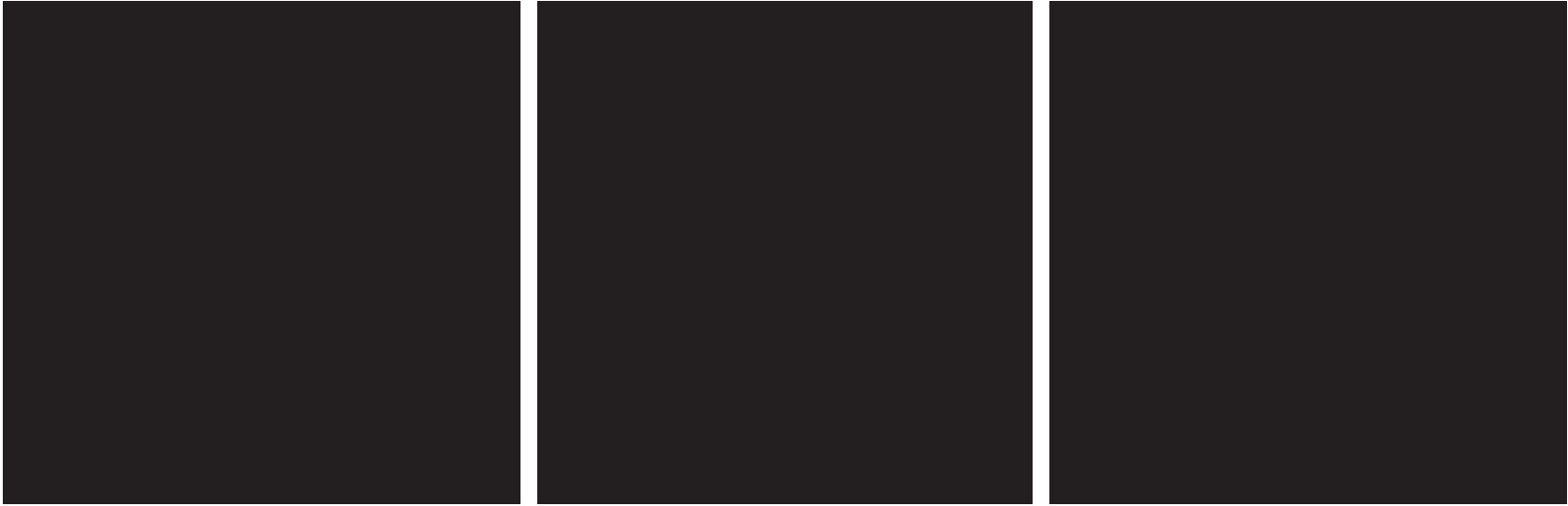


Statistical Data

SIX YEARS AT A GLANCE

RUPEES IN MILLIONS

Financial Position	2008	2007	2006	2005	2004	2003
Shareholders' Equity	3,569	3,689	4,242	3,412	2,790	2,326
Total Assets	5,016	4,681	5,035	4,129	3,369	2,958
Financial Performance						
Sales (Net)	7,059	6,546	5,888	5,176	4,598	4,277
Operating Profit	548	1,747	1,444	1,369	1,083	834
Profit before Taxation	545	1,744	1,440	1,366	1,080	818
Profit after Taxation	344	1,185	1,000	962	747	526
Earnings Per Share (Restated)-Rupees	3.51	12.10	10.21	9.83	7.63	5.38
Dividend Distribution						
Cash	490	1,762	294	340	312	236
Stock	-	-	163	136	113	94
Total	<u>490</u>	<u>1,762</u>	<u>457</u>	<u>476</u>	<u>425</u>	<u>330</u>
Share Price (Rupees)	110	207	144	182	162	94
Issued Shares (Nos)	97,900,302	97,900,302	97,900,302	67,986,321	56,655,268	47,212,723
Market Capitalization	10,769	20,265	14,098	12,374	9,178	4,438
Head Count (Nos)						
	1,364	1,350	1,379	1,403	1,415	1,451



Annual Report

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Abbott Pakistan

Directors'
Report



Directors' Report

The Directors take pleasure in presenting their Report together with the audited financial statements of the Company for the year ended 30th November 2008.

Financial Performance

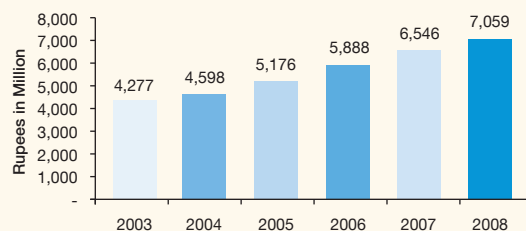
Net sales for the year registered an increase of 8% over prior year. Gross profit, as a percentage to sales was 30% compared to 41% last year. The decrease is primarily due to depreciation of Pak Rupee, increase in international prices of raw materials, domestic inflation and actuarial loss on Pension Fund.

The Company operates an approved funded pension scheme. The fund as per allowed limits invests in a portfolio of approved investments. Prices of equities fell considerably during 2008, resulting in actuarial loss of Rs. 693 million. This loss has been allocated respectively to Cost of Goods Sold, Selling, Distribution and Administrative expenses.

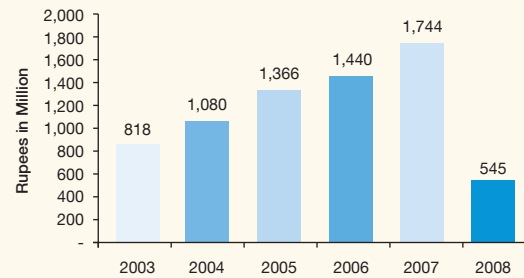
Profit After Tax for the year was Rs. 344 million while Earnings Per Share for the year were recorded as Rs. 3.51 per share (2007: Rs. 12.10 per share).

Your Directors are pleased to announce a final Cash dividend of 30% (Rs. 3.00 per share), which is in addition to an interim cash dividend of 20% (Rs. 2.00 per share) that has already been paid to the shareholders during 2008.

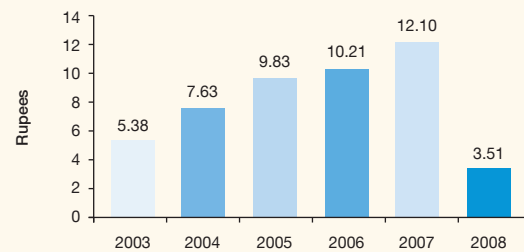
Sales Revenue (Excluding Toll Manufacturing)



Profit Before Taxation



Earnings Per Share (Restated)



Sales and Marketing

Pharmaceutical sales increased by 6% mainly driven by volume.

Nutritional sales posted 3% growth over last year. Sales volume was adversely impacted following the imposition of regulatory duty and increase in customs duty on Nutritional products. Other segment which consists of General Health Care (GHC), Diagnostic and Diabetes Care grew by 40% over prior year.

Manufacturing

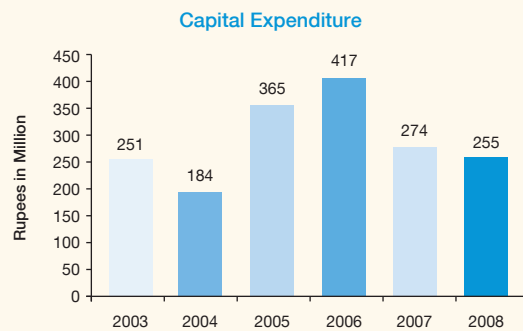
Abbott Pakistan manufactures about 160 different products (tablets / oral liquid / injections / creams / consumer products) for local and export markets. In addition, certain products are manufactured for third parties under contractual toll manufacturing arrangements.

Increasing cost of gas, electricity and materials was partly offset by emphasis on automation and continued improvement in efficiency and productivity. As part of the manufacturing excellence program, training was provided to manufacturing staff on application of Lean / Six Sigma tools.

Capital Expenditure

The second phase of the plant expansion and upgrading is underway with expected completion by 2011. This will increase the manufacturing capacity of creams, ointments and overall liquids.

During the year, a total of Rs. 255 million was spent on various capital projects and equipments.



Environment, Health and Safety

Your Company places significant emphasis on all aspects of Environment, Health and Safety. During the year, the Company operated 4.3 million man-hours without any significant incident. A successful EHS audit was completed in April 2008 with no significant observations.

The Company has installed solar energy modules as part of its commitment to conserve natural resources. This pilot project is the first of its kind

in the Pharmaceutical industry. It is a 600W solar light panel, with generating capacity of 3,784 KW-hours per year. The project has resulted in substantial reduction of carbon dioxide emission.

Human Resources

In 2008, Abbott Pakistan continued to strengthen its human capital and enhance the capability of its employees. Policies were both introduced and streamlined to reflect the Company's core values, PACE-Pioneering, Achieving, Caring and Enduring. This helped in retaining and attracting quality talent in an increasingly competitive environment.

During the year, Abbott Pakistan's employees attended a variety of internal and external training programs and workshops.

Identification of Key Talent through formalization of leadership profiles and succession planning process were carried out during the year.

A culture survey was carried out near the end of the year with a view to obtain employees' views on Abbott values and core competencies.

The management finalized the Union Agreement and relations with the Collective Bargaining Agent (CBA) remained cordial and industrial peace prevailed throughout the year.

The total staff strength at the year-end was 1,364.

All efforts were directed towards fulfillment of Abbott values i.e. Pioneering, Achieving, Caring and Enduring for safe working environment, people development, customer satisfaction and meeting all stakeholders expectations.

Corporate Social Responsibility

Abbott is a diversified health care company devoted to the manufacture and marketing of Pharmaceutical, Nutritional and Medical products.

Caring being one of our Core Values, is all about making a difference in people's lives. Abbott Pakistan has contributed to improving lives for more than half a century, while strengthening the company and its communities for future generations.

Your Company has been supporting The Citizens Foundation in running a primary school at Quaidabad, Karachi since 2005. This contribution has assisted in providing quality education to less privileged children of Quaidabad, approximately 700 students are enrolled and receiving quality education.



Abbott is also engaged with the Kidney Centre in the (Support Life- Sponsor a Patient), program, under which comprehensive treatment is being provided to dialysis patients.

Furthermore, your Company donated medicines and Nutritional products to numerous Charity organizations throughout the year such as the Thalassemia Society and Ahsaas Trust.

The Clara Abbott Scholarship Program is dedicated to helping Abbott employees' families in providing scholarship assistance for college level education for the children of serving employees. In addition, the Clara Abbott Foundation (which is a not-for-profit organization) provides financial assistance to employees' families to cope with family crisis, natural disasters, medical bills and special children needs.

Board Changes

Mr. Aamer M. Malik resigned from the Board with effect from July 1st, 2008 and in his place Mr. Angelo Kondes was appointed as a Director of the Company with effect from July 18th, 2008 for the remainder of the term ending on March 24th, 2011.

Future Outlook

The increasing trend in imported raw material costs, coupled with the rupee devaluation and double-digit domestic inflation, are affecting the profitability of your Company. While, the pharmaceutical industry continues to demand from the government a mutually acceptable pricing mechanism for pharmaceutical products, your Company is investing in cost improvement initiatives and product portfolio optimization to offset the impact of inflation / devaluation.

Auditors

The present Auditors M/s M. Yousuf Adil Saleem & Co. Chartered Accountants, retires and being eligible, offers themselves for re-appointment. The Board of Directors endorses recommendation of the Audit Committee for their re-appointment as auditors of the Company for the financial year ending November 30th, 2009.

Pattern of Shareholding

A statement showing the pattern of shareholding in the Company and additional information as at November 30th, 2008 is given on page 58.

Abbott Asia Investment Limited, UK continues to hold 77.9% shares. The ultimate holding Company is Abbott International LLC, USA.

The Directors, CEO, CFO, Company Secretary and their spouses and minor children did not carry out any transaction in the shares of the Company during the year.

Compliance with the Code of Corporate Governance

As required by the Code of Corporate Governance dated March 28, 2002, the Directors are pleased to state as follows:

- The financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate Accounting policies have been consistently applied in preparation of financial statements, except for changes arising from interpretations or amendments of applicable accounting standards. Accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departure there from has been adequately disclosed.

- The Company maintains a sound internal control system, which gives reasonable assurance against material misstatement or loss. The internal control system is regularly reviewed.
- There are no doubts upon the Company's ability to continue as a going concern.
- There has been no departure from the best practices of corporate governance, as detailed in the Listing Regulations.
- Key operating and financial data for the last six years is summarized on page 6.
- Outstanding taxes, statutory charges and duties, if any, have been duly disclosed in the Financial Statements.
- Significant deviations, from last year in the operating results of the Company have been highlighted and explained.
- The value of investments made by the staff retirement funds as per their respective audited financial statements are as follows:

Value (Rs. millions)

- | | |
|--|-------|
| ALPL Pension Fund | 1,363 |
| <small>(Based on Year Ended November 30, 2007)</small> | |
| ALPL Provident Fund | 449 |
| <small>(Based on Year Ended November 30, 2008)</small> | |
- During the year, four meetings of the Board of Directors were held. Attendance by each Director/CFO/Company Secretary was as follows:

Name of Directors/CFO/Company Secretary	Number of Board Meetings Attended
1. Mr. Munir A. Shaikh	3
2. Mr. Asif Jooma	4
3. Mr. Kamran Y. Mirza	3
4. Mr. Aamer M. Malik*	2
5. Mr. Angelo Kondes**	0
6. Mr. Sadi Syed (Alternate to Thomas C. Freyman)	4
7. Mr. Thomas C. Freyman (Alternate - Sadi Syed)	0
8. Mr. Imran A. Halai	2
9. Mr. Shamim Ahmed Khan	4
10. Mr. Aamer M. Malik / Syed Anis Ahmed (CFO)	4
11. Mr. Abdul Razzak Fathani (Company Secretary)***	1
12. Ms. Saima Khan (Company Secretary)****	2
13. Syed Anis Ahmed (Company Secretary)*****	1
14. Mr. Malik Saadatullah (Company Secretary)*****	

* Resigned from the Board w.e.f. July 1st, 2008

** Appointed to the board w.e.f. July 18th, 2008

*** Retired from the Company w.e.f. February 29th, 2008

**** Appointed as Company Secretary w.e.f. February 29th, 2008 and resigned on August 26th, 2008

***** Appointed as Company Secretary w.e.f. August 26th 2008 and vacated the position on December 11th, 2008

***** Appointed as Company Secretary w.e.f. December 11th, 2008

Acknowledgments

The Board of Directors' would like to take this opportunity to express appreciation and thank all employees for their commitment, loyalty and hard work. We also acknowledge the support and cooperation received from our esteemed customers, suppliers, bankers and stakeholders.

Munir A. Shaikh

Chairman

February 4, 2009



Statement of Compliance with the Code of Corporate Governance

This statement is being presented to comply with the Code of Corporate Governance contained in Regulation No. 37 of the Karachi Stock Exchange, Chapter XIII of the Listing Regulations of Lahore Stock Exchange and Chapter XI of Islamabad Stock Exchange for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the Code in the following manner:

1. The Company encourages representation of independent non-executive Directors and Directors representing minority interests on its Board of Directors. At present, the Board includes three independent non-executive Directors including two Directors representing the minority shareholders.
2. The Directors have confirmed that none of them is serving as a director in more than ten listed companies, including this Company.
3. All the resident Directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a Development Financial Institution or a Non-banking Financial Institution. None of the resident Directors are a member of the stock exchanges on which the Company's shares are listed.
4. One casual vacancy occurred in the Board during the financial year ended November 30, 2008, which was filled up within 30 days.
5. The Company has adopted a Code of Business Conduct, which has been circulated and signed by all the Directors and employees of the Company. In addition, the Company has prepared and fully implemented an Ethics Compliance Program under which a number of core policies have been prepared to cover various facets of business practices.
6. The Company has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions taken by the Board.
8. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated in time.
9. The Board has approved the appointment of Manager Internal Audit, Chief Financial Officer and Company Secretary, including their remuneration and terms and conditions of employment as determined by the Chief Executive.
10. The company arranges orientation courses for its Directors.
11. The Directors' report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.

12. The financial statements of the Company were duly endorsed by the Chief Executive and Chief Financial Officer, before approval by the Board.
13. The Directors, Chief Executive and Executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the Code.
15. The Board has formed an Audit Committee. It comprises four members all of whom are non-executive Directors. The Board has also formed a Human Resource Committee, comprising two non-executive and one executive Director. In addition, the Board has formed a Share Transfer Committee and a Banking Committee.
16. The meetings of the Audit Committee were held at least once every quarter prior to approval of the quarterly, half yearly and final results of the Company and as required by the Code. The terms of reference of the Committee have been formed and advised to the Committee for compliance.
17. The Board has set-up an effective in-house Internal Audit function. In addition, the Board has made arrangements for periodic internal audits by an independent firm of Chartered Accountants; last such audit was conducted in the year 2007 with satisfactory rating. Both the firm and the in-house internal audit staff are conversant with the policies and procedures of the Company.
18. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan.
19. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Listing Regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
20. We confirm that all other material principles contained in the Code have been complied with.

By Order of the Board



Munir A. Shaikh
Chairman
February 4, 2009



Review Report to the Members on Statement of Compliance with Best Practices of Code of Corporate Governance

A member firm of

Deloitte.

M. Yousuf Adil Saleem & Co.
Chartered Accountants
Cavish Court, A-35, Block 7 & 8
KCHSU, Sharea Faisal,
Karachi-75350, Pakistan.
UAN: +92 (0) 21 111-55-2626
Fax: +92 (0) 21 454 1314
Web: www.deloitte.com

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance prepared by the Board of Directors of **ABBOTT LABORATORIES (PAKISTAN) LIMITED** to comply with the Listing Regulation No. 37 of the Karachi Stock Exchange, Chapter XIII of the Lahore Stock Exchange and Chapter XI of the Islamabad Stock Exchange where the Company is listed.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the company's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the company personnel and review of various documents prepared by the company to comply with the Code.

As part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We have not carried out any special review of the internal control system to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls.

Based on our review, nothing has come to our attention, which causes us to believe that the Statement of Compliance does not appropriately reflect the company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance as applicable to the company, for the year ended November 30, 2008.

M. Yousuf Adil Saleem & Co

Chartered Accountants

Karachi
February 4, 2009



Auditors' Report to the Members

A member firm of

Deloitte

M. Yousuf Adil Saleem & Co.
Chartered Accountants
Cavish Court, A-35, Block 7 & 8
KCHSU, Sharea Faisal,
Karachi-75350, Pakistan.
UAN: +92 (0) 21 111-55-2626
Fax: +92 (0) 21 454 1314
Web: www.deloitte.com

We have audited the annexed balance sheet of Abbott Laboratories (Pakistan) Limited as at November 30, 2008 and the related profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) in our opinion, proper books of account have been kept by the company as required by the Companies Ordinance, 1984;
- (b) in our opinion:
 - (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied except for the change as stated in Note 2.21 with which we concur;
 - (ii) the expenditure incurred during the year was for the purpose of company's business; and
 - (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;
- (c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof confirm with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the company's affairs as at November 30, 2008 and of the profit, its cash flows and changes in equity for the year then ended; and
- (d) in our opinion, Zakat deductible at source under Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

M. Yousuf Adil Saleem & Co

Chartered Accountants
Karachi
February 4, 2009



Annual Report

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Abbott Pakistan

Financial
Report



Balance Sheet

as at November 30, 2008

	Note	2008	2007 Restated
----- (Rupees '000) -----			
SHARE CAPITAL AND RESERVES			
Authorized capital	3	<u>2,000,000</u>	<u>1,000,000</u>
Issued, subscribed and paid-up capital	4	979,003	979,003
Reserves - capital		154,777	130,016
- revenue		<u>2,434,732</u>	<u>2,580,254</u>
Total Equity		3,568,512	3,689,273
NON-CURRENT LIABILITY			
Deferred taxation	5	100,606	110,414
CURRENT LIABILITIES			
Trade and other payables	6	<u>1,346,771</u>	<u>881,681</u>
Total Liabilities		1,447,377	992,095
CONTINGENCIES AND COMMITMENTS			
	7		
TOTAL EQUITY AND LIABILITIES		<u>5,015,889</u>	<u>4,681,368</u>

The annexed notes 1 to 37 form an integral part of these financial statements.

	Note	2008	2007
		----- (Rupees '000) ----	
NON-CURRENT ASSETS			
FIXED ASSETS - property, plant and equipment	8	1,560,835	1,516,821
LONG-TERM LOANS AND ADVANCES	9	23,580	25,892
LONG-TERM DEPOSITS		4,393	4,393
LONG-TERM PREPAYMENT		5,773	5,133
		<hr/>	<hr/>
Total Non-Current Assets		1,594,581	1,552,239
CURRENT ASSETS			
Stores and spares	10	47,747	47,875
Stock-in-trade	11	1,696,200	1,363,508
Trade debts	12	139,004	128,817
Loans and advances - considered good	13	21,316	33,369
Trade deposits and short-term prepayments	14	164,785	101,988
Accrued profit		6,594	5,576
Other receivables	15	35,465	197,280
Taxation recoverable		258,708	154,598
Other financial assets	16	-	600,000
Cash and bank balances	17	1,051,489	496,118
		<hr/>	<hr/>
Total Current Assets		3,421,308	3,129,129
		<hr/>	<hr/>
TOTAL ASSETS		<u>5,015,889</u>	<u>4,681,368</u>



Asif Joona
Chief Executive



Shamim Ahmed Khan
Director



Profit and Loss Account

for the year ended November 30, 2008

	Note	2008	2007 Restated
----- (Rupees '000) -----			
Sales - net	18	7,059,011	6,546,371
Service fee for toll manufacturing		30,152	38,083
		<hr/>	<hr/>
Cost of goods sold and services	19	7,089,163	6,584,454
		4,991,510	3,856,736
		<hr/>	<hr/>
Gross profit		2,097,653	2,727,718
Selling and distribution expenses	21	1,334,884	850,376
Administrative expenses	22	255,737	123,478
		<hr/>	<hr/>
		507,032	1,753,864
Other operating income	23	105,545	173,394
Other operating charges	24	65,051	179,859
		<hr/>	<hr/>
Finance cost	25	547,526	1,747,399
		2,704	3,202
		<hr/>	<hr/>
Profit before taxation		544,822	1,744,197
Taxation - net	26	200,842	559,435
		<hr/>	<hr/>
Profit for the year		<u>343,980</u>	<u>1,184,762</u>
		<hr/>	<hr/>
		----- (Rupees) -----	Restated
Earnings per share - basic / diluted	27	<u>3.51</u>	<u>12.10</u>

The annexed notes 1 to 37 form an integral part of these financial statements.

Asif Jooma
Chief Executive

Shamim Ahmed Khan
Director



Cash Flow Statement

for the year ended November 30, 2008

	Note	2008	2007 Restated
		----- (Rupees '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	28	920,370	1,695,089
Income taxes paid		(314,760)	(351,786)
Long-term loans and advances - net		2,312	(586)
Long-term deposits - net		-	(999)
Long-term prepayment		(640)	400
Net cash inflow from operating activities		607,282	1,342,118
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(255,413)	(273,902)
Sale proceeds of fixed assets		11,530	15,701
Income received on investments and deposits		86,398	164,365
Encashment of term deposits - net		600,000	-
Net cash inflow / (outflow) on investing activities		442,515	(93,836)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance cost paid		(2,704)	(3,202)
Dividends paid		(491,722)	(1,757,803)
Net cash outflow on financing activities		(494,426)	(1,761,005)
Net increase / (decrease) in cash and cash equivalents		555,371	(512,723)
Cash and cash equivalents at the beginning of the year		496,118	1,008,841
Cash and cash equivalents at the end of the year	29	1,051,489	496,118

The annexed notes 1 to 37 form an integral part of these financial statements.

Asif Jooma
Chief Executive

Shamim Ahmed Khan
Director



Statement of Changes in Equity

for the year ended November 30, 2008

	Share Capital	Reserves				Total	Total Equity
		Capital Reserves		Revenue Reserves			
		Reserve arising on merger	Other - (Note 2.1.4)	General Reserves	Un-appropriated profit		
----- (Rupees '000) -----							
Balance as at November 30, 2006 as previously reported	979,003	46,097	-	2,378,422	838,364	3,262,883	4,241,886
Effect of adoption of IFRS 2 - "Share- Based Payments" (Note 2.1.4)	-	-	59,088	-	(59,088)	-	-
Balance as at November 30, 2006 as restated	979,003	46,097	59,088	2,378,422	779,276	3,262,883	4,241,886
Profit for the year ended November 30, 2007 - as restated	-	-	-	-	1,184,762	1,184,762	1,184,762
Transfer to general reserve subsequent to the year ended November 30, 2006	-	-	-	540,000	(540,000)	-	-
Final dividend for the year ended November 30, 2006 declared subsequent to the year end	-	-	-	-	(293,701)	(293,701)	(293,701)
1st Interim dividend for the year ended November 30, 2007	-	-	-	-	(195,801)	(195,801)	(195,801)
Transfer to unappropriated profit from general reserve	-	-	-	(1,200,000)	1,200,000	-	-
2nd Interim dividend for the year ended November 30, 2007	-	-	-	-	(1,272,704)	(1,272,704)	(1,272,704)
Capital contribution from Abbott International LLC, USA (Note 2.1.4)	-	-	24,831	-	-	24,831	24,831
Balance as at November 30, 2007 - as restated	979,003	46,097	83,919	1,718,422	861,832	2,710,270	3,689,273
Balance as at November 30, 2007 as previously reported	979,003	46,097	-	1,718,422	945,751	2,710,270	3,689,273
Effect of adoption of IFRS 2 - "Share- Based Payments" (Note 2.1.4)	-	-	83,919	-	(83,919)	-	-
Balance as at November 30, 2007 as restated	979,003	46,097	83,919	1,718,422	861,832	2,710,270	3,689,273
Profit for the year ended November 30, 2008	-	-	-	-	343,980	343,980	343,980
Transfer to general reserve subsequent to the year ended November 30, 2007	-	-	-	650,000	(650,000)	-	-
Final dividend for the year ended November 30, 2007 declared subsequent to the year end	-	-	-	-	(293,701)	(293,701)	(293,701)
Interim dividend for the year ended November 30, 2008	-	-	-	-	(195,801)	(195,801)	(195,801)
Capital contribution from Abbott International LLC, USA (Note 2.1.4)	-	-	24,761	-	-	24,761	24,761
Balance as at November 30, 2008	979,003	46,097	108,680	2,368,422	66,310	2,589,509	3,568,512

The annexed notes 1 to 37 form an integral part of these financial statements.

Asif Jooma
Chief Executive

Shamim Ahmed Khan
Director



Notes to the Financial Statements

for the year ended November 30, 2008

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, molecular devices, hospital and consumer products and in providing toll manufacturing services.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

2.1.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions of or directives issued under Companies Ordinance, 1984 shall prevail.

2.1.2 Accounting convention

These financial statements have been prepared under the historical cost convention except for certain financial instruments which are measured at fair value.

2.1.3 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

Following standards and interpretations, which were issued by IASB before November 30, 2008 and are not yet in effect, have not been adopted early and are unlikely to have a material impact on the Company once adopted:

	Effective for annual periods beginning on or after
IFRS 3 - Business Combinations (Revised)	July 1, 2009
IFRS 7 - Financial instruments: Disclosures	April 28, 2008
IFRS 8 - Operating segments	January 1, 2009
IAS 1 - Presentation of financial statements (Revised)	January 1, 2009
IAS 23 - Borrowing costs (Revised)	January 1, 2009
IAS 27 - Consolidated and separate financial statements (Revised)	July 1, 2009
IFRIC 12 - Service concession arrangements	January 1, 2008
IFRIC 13 - Customer loyalty programmes	July 1, 2008
IFRIC 14, 'IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction'	January 1, 2008

However, the application of IFRS 7, IFRS 8 and IAS 1 would impact the presentation and disclosures of the Company's financial statements.

2.1.4 Adoption of standard & interpretations effective in current period

On December 1, 2007, Abbott Pakistan adopted IFRS 2 - "Share Based Payments" and IFRIC 11 - "Group and Treasury Share Transactions", which require that fair value of share-based awards relating to stock options granted by Abbott International LLC, USA, be recorded in the results of operations of the Company.

The above has been applied retrospectively and accordingly comparative amounts in respect of profit for the period and equity have been restated for all the prior periods presented through adjustment to opening balance of un-appropriated profit.

2.1.5 Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas where assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

- i) Provision for impairment of trade debts, trade deposits and other receivables (note 12, note 14 and note 15);
- ii) Provision for obsolete and slow moving stores and spares and stock-in-trade (note 10 and note 11);
- iii) Estimates of receivables and payables in respect of staff retirement benefit schemes (note 20); and
- iv) Share based payments (note 2.21)

Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances.

2.2 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The financial statements are presented in Pakistan Rupees, which is the Company's functional and presentation currency.

2.3 Fixed assets

Property, plant and equipment

(a) Owned

These assets are stated at cost less accumulated depreciation and impairment loss (if any) except freehold land and capital work-in-progress, which are stated at cost.

(b) Leased

Leased asset comprises of leasehold land which is stated at cost less accumulated amortisation less accumulated impairment, if any.

(c) Depreciation / amortisation

Depreciation is charged to income applying the straight line method whereby the cost less residual value of an asset is allocated over its estimated useful life at the rates given in note 8.1. Depreciation on assets is charged from the month of addition to the month of disposal. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each financial year end. Amortisation on leasehold land is charged to income equally over the period of the lease.

(d) Gains or losses on disposal of fixed assets

Gains or losses on disposal of fixed assets are taken to the profit and loss account in the period in which they arise.

(e) Subsequent costs

Subsequent costs are included in the assets' carrying amount and recognised as a separate asset as appropriate, only when it is probable that future benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to income as and when incurred.

(f) Capital work-in-progress

All expenditure connected to the specific assets incurred during installation and construction period are carried under this head. These are transferred to specific assets as and when assets are available for use.

2.4 Stores and spares

These are valued at cost determined on the weighted average basis. Cost in relation to items in transit comprises of invoice value and other charges incurred thereon upto the balance sheet date. Provision is made in the financial statements for obsolete and slow moving items based on estimates regarding their useability.

2.5 Stock-in-trade

Stock of raw and packing materials, work-in-process and finished goods are valued at the lower of cost, calculated on first-in-first-out basis, and net realisable value. Cost in relation to work-in-process and finished goods represents direct cost of materials, direct wages and an appropriate portion of production overheads. Cost in relation to items in transit represents invoice value and other charges incurred thereon upto the balance sheet date.

Provision is made in the financial statements for obsolete and slow moving items based on estimates regarding their useability.

Net realisable value signifies the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

2.6 Trade debts and other receivables

Trade debts and other receivables are recognized initially at fair value and subsequently measured at amortized cost less provision for impairment. A provision for impairment of trade debts is estimated when there is objective evidence that the Company will not be able to collect all amount due according to the original terms of the receivables. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognized in the profit and loss account within 'other operating charges'. When a trade debt is uncollectible, it is written off against the allowance account for trade debts. Subsequent recoveries of amounts previously written off are credited against 'selling and distribution expenses' in the profit and loss account.

2.7 Sample inventory

Sample inventory is classified as prepayment in the balance sheet and is carried at cost. The cost of sample inventory is charged to income on issuance of samples to medical practitioners. Provision is made in the financial statements for obsolete and slow moving items based on estimates regarding their useability.

2.8 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, and taxes paid under the Final Tax Regime (FTR). The charge for current tax also includes adjustments for prior years or otherwise considered necessary for such years.

Deferred

Deferred tax is recognised using the balance sheet liability method, on all temporary differences between the carrying amount of assets and liabilities and their tax bases after adjusting for the impact of FTR.

Deferred tax assets are recognised for all deductible temporary differences and carry forward of unused tax credits and losses, to the extent that it is probable the taxable profit will be available against which the deductible temporary differences and / or carry-forward of unused tax credits and losses can be utilised.

The carrying amount of deferred tax asset is reviewed at each balance sheet date and is recognized only to the extent that it is probable that future taxable profits will be available against which the asset may be utilized.

Deferred tax is determined using tax rates and laws that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

2.9 Cash and cash equivalents

Cash and cash equivalents comprise of cash in hand, cheques and drafts in hand and in transit and balances with banks in savings, deposit, current accounts and short-term running finance, if any.

2.10 Trade and other payables

Short-term liabilities for trade and other amounts payable are recognised initially at fair value and subsequently carried at amortised cost.

2.11 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the period in which the dividends are declared by the Company.

2.12 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are reviewed at each balance sheet date to reflect the current best estimate.

2.13 Staff retirement benefits

The Company operates:

- A recognised provident fund for all permanent employees who have completed six months' service; and
- an approved funded pension scheme for all its permanent employees who have completed one year's service.

Contributions and annual provisions to cover the obligation under the funded pension scheme are made based on annual actuarial valuation. The actuarial valuation is carried out using the Projected Unit Credit Method. The actuarial gains and losses arising at each valuation date are recognised immediately in profit and loss account. Staff retirement benefits are payable to employees on completion of the prescribed qualifying period of service under the scheme.

2.14 Liability for employees' compensated absences

The Company accounts for the liability in respect of employees' compensated absences in the year in which these are earned. Provisions to cover the obligations are made using the current salary levels of employees.

2.15 Foreign currency transactions

Transactions denominated in foreign currencies are recorded in Rupees at the foreign currency rates prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Rupees at the rates of exchange approximating those at the balance sheet date. Exchange differences are taken to the profit and loss account.

2.16 Derivative financial instruments

Derivative financial instruments held by the Company generally comprise of forward foreign exchange contracts. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value derivative instruments are recognised immediately in the profit and loss account.

2.17 Revenue recognition

- Sales are recorded on dispatch of goods to customers.
- Service income is recognised when the related services are rendered.
- Income on investments / deposits and other income are recognised on accrual basis.

2.18 Impairment

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If any such indication exists the asset's recoverable amount is estimated in order to determine the extent of impairment loss, if any. Impairment losses are recognised as an expense in the profit and loss account.

2.19 Financial instruments

All the financial assets and financial liabilities are recognised at the time when the company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised at the time when the company loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognised at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled or expires. Any gains or losses on derecognition of financial assets and financial liabilities are taken to profit and loss account currently.

Financial instruments carried on the balance sheet include loans, deposits, trade debts, accrued profit, other receivables, cash and bank balances and trade and other payables. The particular recognition method adopted are disclosed in the individual policy statements associated with each item.

Financial assets and liabilities are offset and the net amount reported in the financial statements only when the Company has a legally enforceable right to offset the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.20 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments.

The Company has following three reportable business segments on the basis of product characteristics.

Pharmaceutical

The Pharmaceutical segment is engaged in the manufacture, import and marketing of research based pharmaceutical products registered with the Ministry of Health and in providing toll manufacturing services.

Nutritional

The Nutritional segment is engaged in the manufacture, import and marketing of pediatric nutritional products and medical nutritional products.

Others

The Others segment represents the manufacture, import and marketing of diagnostic equipment, diabetic care, molecular devices, their testing kits and general healthcare products.

2.21 Share based compensation

The economic cost of awarding shares to employees is reflected by recording a charge in the profit and loss account equivalent to the fair value of shares on the grant date over the vesting period. A corresponding reserve is created to reflect the equity component.

Upon adoption of IFRS 2 -"Share Based Payments" and IFRIC 11 -"Group and Treasury Share Transactions", as referred to in note 2.1.4 above, the Company has adopted accounting policy with respect to employee benefits cost arising from relating to stock options granted by Abbott International LLC, USA.

The change in accounting policy has been applied retrospectively and accordingly comparative amounts in respect of profit for the year and equity have been restated for all the prior periods presented through adjustment to opening balance of un-appropriated profit.

Had the accounting policy not been changed, amounts in respect of profit after tax for the year and unappropriated profit would have been higher by Rs 24.761 million and Rs 108.680 million respectively (November 30, 2007: Rs 24.831 million and Rs 83.919 million respectively) and other reserves would have been lower by the amount of unappropriated profit stated above.

3. AUTHORIZED CAPITAL

2008	2007		2008	2007
Number of shares			---- (Rupees '000) ----	
<u>200,000,000</u>	<u>100,000,000</u>	Ordinary shares of Rs 10 each	<u>2,000,000</u>	<u>1,000,000</u>

4 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

5,832,196	5,832,196	Ordinary shares of Rs 10 each issued as fully paid for cash	58,322	58,322
18,479,640	18,479,640	Ordinary shares of Rs 10 each issued as fully paid for consideration other than cash	184,796	184,796
73,588,466	73,588,466	Ordinary shares of Rs 10 each issued as fully paid bonus shares	735,885	735,885
<u>97,900,302</u>	<u>97,900,302</u>		<u>979,003</u>	<u>979,003</u>

As at November 30, 2008, Abbott Asia Investments Limited, UK held **76,259,454** shares. The ultimate holding company is Abbott International LLC, USA.

5 DEFERRED TAXATION

	2008	2007
	---- (Rupees '000) ----	
Deferred tax liability arising due to accelerated tax depreciation allowance	152,603	136,345
Deferred tax asset arising in respect of short-term provisions	(51,997)	(25,931)
	<u>100,606</u>	<u>110,414</u>

	Note	2008 ----- (Rupees '000) -----	2007
6	TRADE AND OTHER PAYABLES		
Creditors		68,816	67,062
Accrued liabilities		410,607	330,963
Advances from customers		25,940	14,194
Unclaimed dividends		6,956	9,176
Bills payable	6.1	156,794	239,391
Payable to related parties	6.2	21,185	18,462
Sales tax payable		14,472	12,640
Workers' Profit Participation Fund	6.3	29,218	95,292
Central Research Fund		8,576	35,486
Material on loan		-	234
Workers' Welfare Fund		23,865	51,674
Unrealized loss on revaluation of forward exchange contract		-	353
Staff Pension Fund	20.1.1	573,660	-
Others		6,682	6,754
		<u>1,346,771</u>	<u>881,681</u>
6.1	Bills payable include the following amounts payable to related parties:		
	Other related parties		
Abbott Pharmaceuticals, Inc. Puerto Rico		30,644	22,759
Abbott Tobal Products- USA		17	-
Abbott Gmbh Diagnostic		26,323	10,393
Abbott Logistics B.V.		53,804	178,077
Abbott Labs PTE Ltd.-Singapore		31,295	7,279
Abbott International LLC., USA		1,738	11,124
		<u>143,821</u>	<u>229,632</u>
6.2	Payable to related parties represents the following amounts payable to:		
	Other related parties		
Abbott Australasia Pty Limited		327	120
Abbott Ireland		126	73
Abbott Laboratories Manufacturing Zwolle		670	-
Abbott International LLC., USA		15,974	18,204
Abbott Mearo		57	40
Abbott Indonesia		3,635	-
Abbott Labs PTE Ltd.-Singapore		390	24
Abbott International Germany		6	1
		<u>21,185</u>	<u>18,462</u>

	Note	2008 ----- (Rupees '000) -----	2007
6.3 Workers' Profit Participation Fund			
Balance at the beginning of the year		95,292	76,999
Interest on funds utilised in the Company's business	25	<u>146</u>	<u>-</u>
		95,438	76,999
Allocation for the year	24	<u>29,218</u>	<u>95,292</u>
		124,656	172,291
Less: Amount paid to the fund		<u>95,438</u>	<u>76,999</u>
		<u>29,218</u>	<u>95,292</u>

7 CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

The Company has given bank guarantees of Rs 40.853 million (2007: Rs 45.253 million) to the Customs Department, a utility company and other institutions against tenders.

7.2 Commitments

7.2.1 Commitments for capital expenditure as at November 30, 2008 aggregated approximately Rs 42.732 million (2007: Rs. 34.828 million).

7.2.2 The facility for letters of credit as at November 30, 2008 amounted to Rs 450.000 million (2007: Rs 550.000 million) out of which an amount of Rs 152.876 million (2007: Rs 405.583 million) was unutilised at the year end. The facility is secured against first pari passu charge over stocks and book debts of the Company and corporate guarantee from Abbott International LLC, USA. Commitments in respect of letters of credit as at November 30, 2008 aggregated approximately Rs 297.124 million (2007: Rs 144.417 million).

7.2.3 Commitments in respect of forward exchange contracts as at November 30, 2008 aggregated Rs NIL (2007: Rs. 602.833 million).

8 FIXED ASSETS - property, plant and equipment

	Note	2008 ----- (Rupees '000) -----	2007
Operating fixed assets	8.1	1,358,355	1,421,281
Capital work-in-progress	8.5	<u>202,480</u>	<u>95,540</u>
		<u>1,560,835</u>	<u>1,516,821</u>

8.1 Operating fixed assets

The following is a statement of operating fixed assets:

	Freehold land	Leasehold land	Buildings on freehold land	Buildings on leasehold land	Plant & machinery	Vehicles	Office equipment	Computers	Demonstration equipment note 8.2	Total
----- (Rupees '000) -----										
At December 1, 2006										
Cost	20,679	2,718	179,226	66,683	1,376,205	168,432	40,539	149,009	284,553	2,288,044
Accumulated depreciation / amortisation	-	629	132,582	53,976	770,639	74,915	33,420	118,374	139,783	1,324,318
Net book value	<u>20,679</u>	<u>2,089</u>	<u>46,644</u>	<u>12,707</u>	<u>605,566</u>	<u>93,517</u>	<u>7,119</u>	<u>30,635</u>	<u>144,770</u>	<u>963,726</u>
Year ended November 30, 2007										
Opening net book value	20,679	2,089	46,644	12,707	605,566	93,517	7,119	30,635	144,770	963,726
Additions / Transfer	-	-	135,538	-	395,679	41,499	1,084	3,014	74,845	651,659
Disposals / Write off / Adjustment										
Cost	-	-	-	-	4,268	28,317	-	-	1,540	34,125
Depreciation	-	-	-	-	3,868	21,326	-	-	657	25,851
Depreciation / amortisation charge for the year	-	-	-	-	400	6,991	-	-	883	8,274
	-	29	11,323	1,871	94,287	22,542	2,326	10,521	42,931	185,830
Closing net book value	<u>20,679</u>	<u>2,060</u>	<u>170,859</u>	<u>10,836</u>	<u>906,558</u>	<u>105,483</u>	<u>5,877</u>	<u>23,128</u>	<u>175,801</u>	<u>1,421,281</u>
At November 30, 2007										
Cost	20,679	2,718	314,764	66,683	1,767,616	181,614	41,623	152,023	357,858	2,905,578
Accumulated depreciation / amortisation	-	658	143,905	55,847	861,058	76,131	35,746	128,895	182,057	1,484,297
Net book value	<u>20,679</u>	<u>2,060</u>	<u>170,859</u>	<u>10,836</u>	<u>906,558</u>	<u>105,483</u>	<u>5,877</u>	<u>23,128</u>	<u>175,801</u>	<u>1,421,281</u>
Year ended November 30, 2008										
Opening net book value	20,679	2,060	170,859	10,836	906,558	105,483	5,877	23,128	175,801	1,421,281
Additions / Transfer	-	-	-	-	66,303	31,445	4,551	12,857	33,318	148,474
Disposals / Write off										
Cost	-	-	-	-	185	27,753	-	-	5,386	33,324
Depreciation	-	-	-	-	54	19,486	-	-	5,386	24,926
Depreciation / amortisation charge for the year	-	-	-	-	131	8,267	-	-	-	8,398
	-	29	10,274	1,851	107,087	23,168	1,717	11,035	47,841	203,002
Closing net book value	<u>20,679</u>	<u>2,031</u>	<u>160,585</u>	<u>8,985</u>	<u>865,643</u>	<u>105,493</u>	<u>8,711</u>	<u>24,950</u>	<u>161,278</u>	<u>1,358,355</u>
At November 30, 2008										
Cost	20,679	2,718	314,764	66,683	1,833,734	185,306	46,174	164,880	385,790	3,020,728
Accumulated depreciation / amortisation	-	687	154,179	57,698	968,091	79,813	37,463	139,930	224,512	1,662,373
Net book value	<u>20,679</u>	<u>2,031</u>	<u>160,585</u>	<u>8,985</u>	<u>865,643</u>	<u>105,493</u>	<u>8,711</u>	<u>24,950</u>	<u>161,278</u>	<u>1,358,355</u>
Annual rate of depreciation / amortisation										
2007	-	1.06	2-10	5-10	5-20	20-25	10-33	20-33	12.5-33	
2008	-	1.06	2-10	5-10	5-20	20-25	10-33	20-33	12.5-33	

8.2 Demonstration equipment of the Company is in the possession of various hospitals and clinics.

8.3 The depreciation charge for the year has been allocated as follows:

	Note	2008	2007
		----- (Rupees '000) -----	
Cost of goods sold and services	19	117,883	108,278
Selling and distribution expenses	21	73,610	66,776
Administrative expenses	22	11,509	10,776
		<u>203,002</u>	<u>185,830</u>

8.4 Details of disposals of operating fixed assets having book value exceeding Rs 50,000:

Description	Cost	Accumulated depreciation	Book value	Sale proceeds	Mode of disposal	Particulars of purchaser
----- (Rupees '000) -----						
Vehicles	874	653	221	343	Negotiation	MUHAMMAD IRSHAD Employee
	1,969	1,575	394	800	Negotiation	SH ADNAN LATEEF Employee
	986	788	198	565	Negotiation	MUHAMMAD MOHSIN Employee
	9,429	7,292	2,137	1,751	Open Market Auction	SALMAN YOUSUF C-3/1 Gulshan-e-Iqbal Block -7, Karachi
	630	504	126	371	Open Market Auction	SHEIKH ABDULLAH H.No.207 Area 378 Landhi Karachi
	871	546	325	435	Negotiation	HAIDER ABBAS JAFFRI Employee
	969	297	672	816	Negotiation	RIAZ AHMED Ex-Employee
	1,279	205	1,074	1,111	Negotiation	SALEEM AZIZ Employee
	1,084	173	911	935	Negotiation	M. YAH-YAH FAROOQI Employee
	981	615	366	592	Negotiation	RAIZ ABBAS HAIDER Employee
	765	612	153	416	Negotiation	MANSOOR ATHER Employee
	874	700	174	362	Negotiation	NAEEMUDDIN Employee
	896	716	180	358	Negotiation	SAAD SIDDIQUI Employee
	978	782	196	391	Negotiation	WASIF AZEEM Employee
	1,215	972	243	563	Negotiation	FARIHAT QADEER DAR Ex-Employee
	898	718	180	359	Negotiation	HABIB AHMED Employee
	391	313	78	252	Negotiation	ABID HUSAIN Employee
	1,334	1,067	267	534	Negotiation	ATHER NOMAN Employee
	1,329	957	372	532	Negotiation	SADI SYED Employee
	27,752	19,485	8,267	11,486		
Plant and machinery	185	54	131	44	Negotiation	AAMER M.MALIK Ex-Employee
	185	54	131	44		
Demonstration equipment	5,386	5,386	-	-	Written off	

8.5 Capital work-in-progress

	Buildings on freehold land	Plant and machinery	Vehicles	Others	Total
	----- (Rupees '000) -----				
At December 1, 2006	125,253	341,351	5,692	1,001	473,297
Additions	18,414	135,072	40,648	16,069	210,203
Transferred to fixed assets	(135,538)	(395,679)	(41,499)	(15,244)	(587,960)
At November 30, 2007	8,129	80,744	4,841	1,826	95,540
Additions	-	168,415	36,963	31,794	237,172
Transferred to fixed assets	-	(66,303)	(31,445)	(32,484)	(130,232)
At November 30, 2008	<u>8,129</u>	<u>182,856</u>	<u>10,359</u>	<u>1,136</u>	<u>202,480</u>

8.6 During the year property, plant and equipment amounting to Rs NIL (2007: Rs 13.088 million) were purchased from 'other related parties'.

	Note	2008	2007
		----- (Rupees '000) -----	
9 LONG-TERM LOANS AND ADVANCES - considered good			
Long-term loans			
Due from:			
- Executives	9.1	507	832
- Employees		38,506	41,282
		39,013	42,114
Less: recoverable within one year			
- Executives		289	477
- Employees		16,667	17,310
	13	16,956	17,787
		22,057	24,327
Long-term advances			
- Employees		1,523	1,565
		23,580	25,892

	Note	2008 ----- (Rupees '000) -----	2007
9.1 Reconciliation of carrying amount of long-term loans to executives:			
Opening balance		832	442
Disbursements during the year		-	600
Transfer of balances of employee cadre to executive cadre		510	358
Less: Repayments during the year		<u>835</u>	<u>568</u>
Closing balance		<u><u>507</u></u>	<u><u>832</u></u>
9.2	Loans given to executives and employees are in accordance with the Company's policy. These loans are interest-free and are repayable in equal monthly installments within a maximum period of four years. These loans are for the purpose of purchase of fridges, scooters, vehicles and television sets. The loans for purchase of vehicles are secured by way of registration of vehicles purchased in the name of the Company.		
9.3	The maximum aggregate amount of loans due from executives at the end of any month during the year was Rs 1.282 million (2007: Rs 1.169 million).		
10 STORES AND SPARES			
Stores		41,264	42,480
Spares [including spares-in-transit Rs 0.611 million (2007: Rs NIL million)]		<u>31,134</u>	<u>28,515</u>
		72,398	70,995
Less: Provision for slow moving and obsolete items	10.1	<u>24,651</u>	<u>23,120</u>
		<u><u>47,747</u></u>	<u><u>47,875</u></u>
10.1 Reconciliation of provision for slow moving and obsolete items			
Opening provision		23,120	24,007
Charge / (Reversal) for the year		<u>1,531</u>	<u>(887)</u>
Closing provision		<u><u>24,651</u></u>	<u><u>23,120</u></u>
11 STOCK-IN-TRADE			
Raw and packing materials [including stock-in-transit Rs 28.749 million (2007: Rs 75.474 million)]		738,094	623,642
Work-in-process		125,519	98,017
Finished goods [including stock-in-transit Rs 87.233 million (2007: Rs 72.233 million)]		<u>979,425</u>	<u>697,364</u>
		1,843,038	1,419,023
Less: Provision for slow moving and obsolete items	11.3	<u>146,838</u>	<u>55,515</u>
		<u><u>1,696,200</u></u>	<u><u>1,363,508</u></u>

- 11.1** Write down of inventories recognised as an expense in the current year amounts to Rs 66.311 million (2007: Rs 14.415 million).
- 11.2** Stock-in-trade includes finished goods costing Rs 178.287 million (2007: Rs 121.611 million) valued at net realisable value amounting to Rs 121.211 million (2007: Rs 110.026 million).

	Note	2008 ----- (Rupees '000) -----	2007
11.3 Reconciliation of provision for slow moving and obsolete items			
Opening provision		55,515	37,867
Charge for the year		111,175	17,648
Write backs during the year		(19,852)	-
Closing provision		<u>146,838</u>	<u>55,515</u>
12 TRADE DEBTS			
Considered good:			
Secured			
- Due from other related parties	12.1	1,954	1,130
- Others		39,197	24,271
		<u>41,151</u>	<u>25,401</u>
Unsecured		97,853	103,416
		<u>139,004</u>	<u>128,817</u>
Considered doubtful:			
Unsecured			
		11,135	15,772
		<u>150,139</u>	<u>144,589</u>
Less: Provision for doubtful debts	12.2	11,135	15,772
		<u>139,004</u>	<u>128,817</u>
12.1 Due from other related parties			
Abbott Logistics B.V.		1,744	1,113
Abbott Laboratories Indonesia		210	17
		<u>1,954</u>	<u>1,130</u>
12.2 Reconciliation of provision for doubtful debts			
Opening provision		15,772	15,015
(Reversal) / charge for the year	23 & 24	(1,870)	1,569
Written off during the year		(2,767)	(812)
Closing provision		<u>11,135</u>	<u>15,772</u>

	Note	2008 ----- (Rupees '000) -----	2007
12.3	The maximum aggregate amount due from related parties at the end of any month during the year	<u>15,484</u>	<u>11,056</u>
13	LOANS AND ADVANCES - considered good		
	Current portion of long-term loans	9	16,956
	Advances to:		17,787
	- Executives	289	617
	- Employees	565	287
		854	904
	- Suppliers	3,506	14,678
		<u>4,360</u>	<u>15,582</u>
		<u>21,316</u>	<u>33,369</u>
13.1	The maximum aggregate amount of advances due from the chief executive, directors and executives at the end of any month during the year were Rs 0.570 million, Rs 0.857 million and Rs 4.636 million (2007: Rs 0.235 million, Rs 0.504 million and Rs 1.979 million) respectively.		
13.2	Advances to key management personnel (defined per note 31.3) as at November 30, 2008 amount to Rs NIL million (2007: Rs 0.458 million).		
14	TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS		
	Considered good		
	Trade deposits	72,812	22,368
	Prepayments [including sample inventory Rs 42.021 million (2007: Rs 39.124 million)]	91,973	79,620
		<u>164,785</u>	<u>101,988</u>
	Considered doubtful		
	Trade deposits	3,167	2,420
		167,952	104,408
	Less: Provision for doubtful trade deposits	14.1	3,167
		<u>164,785</u>	<u>101,988</u>
14.1	Reconciliation of provision for doubtful trade deposits		
	Opening provision	2,420	1,658
	Charge for the year	24	747
	Closing provision	<u>3,167</u>	<u>2,420</u>

	Note	2008 ----- (Rupees '000) -----	2007
15 OTHER RECEIVABLES			
Considered good			
Due from related parties	15.1	19,170	11,543
Material on loan		1,807	6,948
Insurance claim receivable		2,336	3,540
Service fee for toll manufacturing		935	433
Staff pension fund	20.1.1	-	167,314
Others		11,217	7,502
		<u>35,465</u>	<u>197,280</u>
Considered doubtful		<u>1,646</u>	<u>1,382</u>
		37,111	198,662
Less: Provision for doubtful other receivables	15.2	<u>1,646</u>	<u>1,382</u>
		<u>35,465</u>	<u>197,280</u>
15.1 Due from related parties			
Abbott Labs PTE Ltd. - Singapore		10,391	9,027
Abbott International LLC., USA		3,891	2,288
Abbott Laboratories Japan		234	-
Abbott Laboratories Malaysia		3,613	24
Abbott Laboratories Maero		124	204
Abbott Laboratories Manufacturing Zwolle		476	-
Abbott Laboratories Mature product USA		441	-
		<u>19,170</u>	<u>11,543</u>
15.2 Reconciliation of provision for doubtful other receivables			
Opening provision		1,382	1,411
Charge / (reversal) for the year	23 & 24	264	(29)
Closing provision		<u>1,646</u>	<u>1,382</u>
15.3 The maximum aggregate amount due from related parties at the end of any month during the year		<u>21,601</u>	<u>12,349</u>
16 OTHER FINANCIAL ASSETS			
Investment - held to maturity		<u>-</u>	<u>600,000</u>

	Note	2008 ----- (Rupees '000) -----	2007
17 CASH AND BANK BALANCES			
With banks			
Savings accounts:			
- Local currency		135,253	178,371
- Foreign currency		41,084	12,275
		<u>176,337</u>	<u>190,646</u>
Deposit accounts:			
- Local currency		800,000	250,000
Current accounts:			
- Local currency		687	5,788
		<u>977,024</u>	<u>446,434</u>
In hand			
- Foreign currency		359	346
- Local currency		2,078	-
Cheques and drafts in hand and in transit		<u>72,028</u>	<u>49,338</u>
		<u>1,051,489</u>	<u>496,118</u>
18 SALES – NET			
Local		7,189,316	6,627,451
Export - to related parties	31	38,539	74,477
Export - to others		119,628	98,590
		<u>158,167</u>	<u>173,067</u>
		<u>7,347,483</u>	<u>6,800,518</u>
Less:			
Sales returns and discounts		154,243	129,801
Sales tax and excise duty		134,229	124,346
		<u>288,472</u>	<u>254,147</u>
		<u>7,059,011</u>	<u>6,546,371</u>

	Note	2008	2007 Restated
----- (Rupees '000) -----			
19 COST OF GOODS SOLD AND SERVICES			
Opening work-in-process		98,017	36,319
Raw and packing materials consumed		2,578,756	1,661,811
		<u>2,676,773</u>	<u>1,698,130</u>
Manufacturing expenses:			
Salaries, wages, allowances and staff welfare	19.1	912,919	374,767
Stores and spares consumed		42,287	45,448
Fuel and power		112,022	102,277
Depreciation	8.3	117,883	108,278
Repairs and maintenance		50,440	30,636
Technical service fee	31	59,593	66,117
Insurance		5,100	4,528
Printing and stationery		2,213	1,733
Travelling and entertainment		5,408	3,235
Rent, rates and taxes		1,038	1,997
Laboratory testing supplies		10,980	12,598
Computer expenses		13,564	10,644
Postage, telephone and telegram		5,595	4,409
Others	19.2	54,361	48,163
		<u>1,393,403</u>	<u>814,830</u>
		<u>4,070,176</u>	<u>2,512,960</u>
Closing work-in-process		(125,519)	(98,017)
Cost of goods manufactured and services		<u>3,944,657</u>	<u>2,414,943</u>
Finished goods			
Opening stock		697,364	892,571
Purchases		1,328,913	1,246,586
		<u>5,970,934</u>	<u>4,554,100</u>
Closing stock		(979,424)	(697,364)
		<u>4,991,510</u>	<u>3,856,736</u>

19.1 Salaries, wages, allowances and staff welfare include a net charge of Rs 385.631 million - note 20.3 (2007: net reversal of Rs 44.823 million) in respect of staff retirement benefits.

19.2 Details of other expenses

Other fees and purchased services	24,831	16,653
Recruitment and training expenses	628	832
Membership and subscription	373	391
Conference expenses	854	447
Miscellaneous expenses	27,675	29,840
	<u>54,361</u>	<u>48,163</u>

20 STAFF RETIREMENT BENEFITS

20.1 Defined benefit scheme

As mentioned in note 2.13, the Company operates a funded pension scheme for all its permanent employees. Contributions are made to the scheme based on actuarial recommendations. The latest actuarial valuation was carried out as at November 30, 2008 using the Projected Unit Credit Method.

The information provided in note 20.1.1 to 20.1.12 has been obtained from the actuarial valuation carried out as at November 30, 2008.

	Note	2008 ----- (Rupees '000) -----	2007
20.1.1 Amounts recognised in the balance sheet:			
Present value of the defined benefit obligation	20.1.2	1,505,257	1,259,971
Less: Fair value of the plan assets	20.1.3	<u>931,597</u>	<u>1,427,285</u>
Deficit / (surplus)		<u>573,660</u>	<u>(167,314)</u>
20.1.2 Movement in the present value of the defined benefit obligation:			
Obligation at beginning of year		1,259,971	1,148,449
Current service cost		73,486	66,767
Interest cost		135,827	123,428
Benefits paid		(51,716)	(54,168)
Actuarial loss / (gain)		<u>87,689</u>	<u>(24,505)</u>
Obligation at end of year		<u>1,505,257</u>	<u>1,259,971</u>
20.1.3 Movement in the fair value of plan assets:			
Fair value at beginning of year		1,427,285	1,154,297
Expected return on plan assets		145,762	126,033
Company contributions		15,634	36,630
Benefits paid		(51,716)	(54,168)
Actuarial gain/(loss)		<u>(605,368)</u>	<u>164,493</u>
Fair value at end of year		<u>931,597</u>	<u>1,427,285</u>
20.1.4 Amounts recognised in the profit and loss account:			
Current service cost		73,486	66,767
Interest cost		135,827	123,428
Expected return on plan assets		(145,762)	(126,033)
Net actuarial loss / (gain) recognised during the year		<u>693,057</u>	<u>(188,998)</u>
		<u>756,608</u>	<u>(124,836)</u>

	2008	2007
	----- (Rupees '000) -----	
20.1.5 Actual return on plan assets	(459,606)	290,526
	2008	2007
	----- (Percent per annum) -----	
20.1.6 Principal actuarial assumptions used were as follows:		
Discount rate	16.00	11.00
Expected return on plan assets	16.00	11.00
Future salary increases	13.79	8.89
Future pension increases	7.41	2.78
	2008	2007
	----- (Rupees '000) -----	
20.1.7 Plan assets are comprised as follows:		
Debt	404,886	441,788
Equity	157,201	404,436
Mixed funds	197,400	475,713
Cash	172,110	105,348
	<u>931,597</u>	<u>1,427,285</u>

20.1.8 During the current year, stock exchanges imposed a "floor" restriction on prices of equity securities based on closing prices of August 27, 2008 and subsequently Securities and Exchange Commission of Pakistan (SECP) suspended the redemption of units of mutual funds in October 2008 which continues to exist as at November 30, 2008 uptill the mid of December 2008. This imposition of floor and suspension of redemption of units of mutual funds had rendered the market inactive as at November 30, 2008 thus, restricting the use of last quoted prices as a basis for determination of fair value of Plan assets as at November 30, 2008.

Under the circumstances, subsequent transactions after the removal of the "floor" on prices of equity securities and removal of suspension of redemption of units of mutual funds are taken to estimate fair value.

The Company's Actuary has confirmed that the pension plan is adequately funded to meet its obligations.

20.1.9 Pension plan assets include the Company's ordinary shares with a fair value of Rs 39.311 million (2007: Rs 89.164 million).

20.1.10 The expected return on plan assets was taken as 16%, which is representative of yields on long-term Government bonds and term deposits with banks.

20.1.11 Expected contributions to the plan for the year ending November 30, 2009 is Rs 135.000 million.

20.1.12 5 year data on the deficit / (surplus) of the plan is as follows:

	2008	2007	2006	2005	2004
	----- (Rupees '000) -----				
Present value of defined benefit obligation	1,505,257	1,259,971	1,148,449	1,002,136	909,953
Fair value of plan assets	931,597	1,427,285	1,154,297	1,081,187	892,614
Deficit / (Surplus)	<u>573,660</u>	<u>(167,314)</u>	<u>(5,848)</u>	<u>(79,051)</u>	<u>17,339</u>

20.1.13 5 year data on experience adjustments is as follows:

	2008	2007	2006	2005	2004
	----- Percentage -----				
Experience adjustments on plan liabilities - loss / (gain)	6	-2	5	1	5
Experience adjustments on plan assets - gain / (loss)	-65	12	-2	11	2

The adjustments have been expressed as a percentage of the plan liabilities and plan assets at the balance sheet date.

20.2 Defined contribution scheme

An amount of Rs 30.758 million (2007: Rs 27.951 million) has been charged during the year in respect of the contributory provident fund maintained by the Company.

Note	2008	2007
	----- (Rupees '000) -----	

20.3 Staff retirement benefit cost recognised in the profit and loss account

Pension cost	31	756,608	(124,836)
Provident fund contribution		30,758	27,951
E.O.B.I.		4,622	4,136
		<u>791,988</u>	<u>(92,749)</u>

Allocated as:

Cost of goods sold and services	19.1	385,631	(44,823)
Selling and distribution expenses	21.1	314,294	(37,473)
Administrative expenses	22.1	92,063	(10,453)
		<u>791,988</u>	<u>(92,749)</u>

	Note	2008	2007 Restated
		----- (Rupees '000) -----	
21	SELLING AND DISTRIBUTION EXPENSES		
Salaries, wages, allowances and staff welfare	21.1	645,477	284,342
Rent, rates and taxes		8,481	7,465
Repairs and maintenance		12,726	8,838
Royalty		14,539	12,838
Insurance		4,894	4,279
Depreciation	8.3	73,610	66,776
Legal, professional and other services		13,610	11,887
Postage, telephone and telegram		14,167	13,248
Printing and stationery		7,484	7,262
Travelling, conveyance and entertainment		122,183	90,391
Advertising, samples and sales promotion		268,520	240,952
Forwarding expenses		109,629	62,084
Electricity		7,746	7,038
Computer expenses		10,315	12,306
Training and development expenses		10,068	8,417
Packing and miscellaneous supplies		10,289	10,874
Others	21.2	<u>32,844</u>	<u>26,754</u>
		1,366,582	875,751
Less: Reimbursement from related party	31	<u>31,698</u>	<u>25,375</u>
		<u>1,334,884</u>	<u>850,376</u>

21.1 Salaries, wages, allowances and staff welfare include a net charge of Rs. 314.294 million - note 20.3 (2007: net reversal of Rs. 37.473 million) in respect of staff retirement benefits.

21.2 Details of other expenses

Other fees and purchased services	12,242	8,492
Security expenses	3,761	4,033
Membership and subscription	750	1,321
Air conditioning expenses	7,137	6,289
Housekeeping expenses	2,261	2,272
Water charges	212	259
Purchased gas	99	138
Miscellaneous expenses	<u>6,382</u>	<u>3,950</u>
	<u>32,844</u>	<u>26,754</u>

	Note	2008	2007 Restated
		----- (Rupees '000) -----	
22 ADMINISTRATIVE EXPENSES			
Salaries, wages, allowances and staff welfare	22.1	178,845	74,013
Rent, rates and taxes		1,864	1,835
Repairs and maintenance		3,712	2,865
Insurance		1,712	1,321
Depreciation	8.3	11,509	10,776
Legal, professional and other services		1,629	1,319
Postage, telephone and telegram		5,006	2,966
Printing and stationery		1,834	1,426
Travelling, conveyance and entertainment		11,588	6,339
Electricity		3,980	3,283
Computer expenses		4,681	3,295
Training and development expenses		716	2,700
Miscellaneous office supplies		1,726	1,608
Others	22.2	33,876	18,115
		<u>262,678</u>	<u>131,861</u>
Less: Reimbursement from related party	31	<u>6,941</u>	<u>8,383</u>
		<u>255,737</u>	<u>123,478</u>

22.1 Salaries, wages, allowances and staff welfare include a net charge of Rs 92.063 million - note 20.3 (2007: net reversal of Rs 10.453 million) in respect of staff retirement benefits.

22.2 Details of other expenses

Other fees and purchased services	22,527	8,233
Security expenses	1,130	965
Membership and subscription	1,934	1,430
Air conditioning expenses	3,725	3,488
Housekeeping expenses	1,235	1,559
Water charges	90	116
Miscellaneous expenses	3,235	2,324
	<u>33,876</u>	<u>18,115</u>

	Note	2008 ----- (Rupees '000) -----	2007
23	OTHER OPERATING INCOME		
Gain on disposal of fixed assets		3,133	7,426
Income on investments and deposits	23.1	87,416	158,202
Scrap sales		2,873	2,221
Provision for doubtful trade debts no longer required written back	12.2	1,870	-
Provision for doubtful other receivable no longer required written back	15.2	-	29
Realised gain on revaluation of forward exchange contract		353	-
Others		9,900	5,516
		<u>105,545</u>	<u>173,394</u>
23.1	Income on investments and deposits include an amount of Rs 4.366 million (2007: Rs 3.882 million) on account of interest income earned from Abbott Labs PTE Ltd.-Singapore, a related party @ 6.5% (2007: 6.5%) of half of the written down value of assets deployed by the Company on their behalf in the Company's diagnostic division in Pakistan.		
24	OTHER OPERATING CHARGES		
Workers' Profit Participation Fund	6.3	29,218	95,292
Auditors' remuneration	24.1	1,347	1,155
Donations	24.2	1,461	1,350
Workers' Welfare Fund		10,321	41,486
Central Research Fund		5,495	17,963
Provision for doubtful trade deposits	14.1	747	762
Provision for doubtful other receivables	15.2	264	-
Provision for doubtful trade debts	12.2	-	1,569
Unrealised loss on revaluation of forward contract		-	1,348
Exchange loss		10,322	18,934
Others		5,876	-
		<u>65,051</u>	<u>179,859</u>
24.1	Auditors' remuneration		
Statutory audit fee		1,150	850
Special certifications		147	105
Out of pocket expenses		50	200
		<u>1,347</u>	<u>1,155</u>

	Note	2008 ----- (Rupees '000) -----	2007
24.2	Recipients of donations do not include any donee in whom a director or his spouse had any interest (2007: Rs NIL).		
25	FINANCE COST		
	Bank charges	2,558	3,202
	Interest on Workers' Profit Participation Fund	146	-
		<u>2,704</u>	<u>3,202</u>
26	TAXATION - net		
	Current tax charge		
	- Current year	204,135	464,586
	- Prior year	6,515	28,536
		<u>210,650</u>	<u>493,122</u>
	Deferred	(9,808)	66,313
		<u>200,842</u>	<u>559,435</u>
26.1	Relationship between tax expense and accounting profit		
	Accounting profit before taxation	<u>544,822</u>	<u>1,744,197</u>
	Tax rate	35%	35%
	Tax on accounting profit	190,688	610,469
	Tax for prior years	6,515	28,536
	Tax effect of:		
	- Expenses that are not deductible in determining taxable profit	41,589	15,551
	- Applying lower tax rates to certain income	(27,602)	(87,230)
	- Others (including the impact arising as a consequence of reversal of deferred tax liability and change in allocation ratio of revenue chargeable under FTR and Non-FTR)	(10,348)	(7,891)
		<u>200,842</u>	<u>559,435</u>

	Note	2008	2007 Restated
		----- (Rupees '000) -----	
27 EARNINGS PER SHARE - BASIC / DILUTED			
Profit for the year		<u>343,980</u>	<u>1,184,762</u>
		Number of shares	
Weighted average number of ordinary shares in issue during the year		<u>97,900,302</u>	<u>97,900,302</u>
		Restated	
		----- (Rupees) -----	
Earnings per share		<u>3.51</u>	<u>12.10</u>
27.1	Note that there is no dilutive effect on the basic earnings per share of the Company.		
28 CASH GENERATED FROM OPERATIONS			
Profit before taxation		544,822	1,744,197
Adjustment for:			
Depreciation / amortisation	8.3	203,002	185,830
Gain on disposal of fixed assets	23	(3,133)	(7,426)
Income on investment and deposits	23	(87,416)	(158,202)
Expense recognised in profit or loss in respect of equity-settled share-based plan - (Note 2.21)		24,761	24,831
Finance cost	25	2,704	3,202
Working capital changes	28.1	<u>235,630</u>	<u>(97,343)</u>
		<u>920,370</u>	<u>1,695,089</u>
28.1 Working capital changes			
(Increase) / decrease in current assets net of provision			
Stores and spares		128	4,623
Stock-in-trade		(332,692)	(107,367)
Trade debts		(10,187)	79,925
Loans and advances		12,053	(11,557)
Trade deposits and short-term prepayments		(62,797)	(38,910)
Other receivables		<u>161,815</u>	<u>(151,896)</u>
		(231,680)	(225,182)
Increase in current liabilities			
Trade and other payables		<u>467,310</u>	<u>127,839</u>
		<u>235,630</u>	<u>(97,343)</u>

	Note	2008 ----- (Rupees '000) -----	2007
29 CASH AND CASH EQUIVALENTS			
Cash and cash equivalents comprise of the following items as included in the balance sheet:			
Cash and bank balances		<u>1,051,489</u>	<u>496,118</u>
30 CAPACITY			
The capacity and production of the Company's plants is indeterminable as these are multi-product plants involving varying processes of manufacture. The Company's production was according to market demand.			
31 TRANSACTIONS WITH RELATED PARTIES			
The related parties of the Company comprises 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 companies. Transactions with related parties are as follows:			
Other related parties			
Sale of goods	18	38,539	74,477
Purchase of materials		1,699,643	1,511,729
Technical service fee	19	59,593	66,117
Reimbursements from a related party on account of:			
Selling and distribution expenses	21	31,698	25,375
Administrative expenses	22	6,941	8,383
Interest income earned	23.1	4,366	3,882
Charge/(reversal) in respect of staff retirement benefit plans			
Pension Fund	20.3	756,608	(124,836)
Provident Fund	20.2	30,758	27,951
Key management personnel			
Short-term employee benefits		71,839	59,523
Post-employment benefits		4,748	6,508
31.1	Property, plant and equipment purchased from other related parties are disclosed in note 8.6 and disposals of property, plant and equipment to key management personnel are disclosed in note 8.4.		
31.2	Outstanding balances in respect of related party sales and purchases, reimbursements and staff retirement benefits are included in notes 6, 12, 15 and 20.		

- 31.3** Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly. The Company considers all members of their executive management team, including the chief executive and directors, to be key management personnel. Outstanding balances of loans and advances to key management personnel are disclosed in note 9 and note 13.
- 31.4** Transactions and outstanding balances in respect of the Workers' Profit Participation Fund are disclosed in note 6.3.

32 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for the year in respect of remuneration, including all benefits to the chief executive, directors and executives of the Company were as follows:

	2008			2007		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
(Rupees '000).....					
Short-term employee benefits						
Managerial remuneration	16,137	12,281	132,189	10,961	12,394	113,172
Leave passage / encashment	370	300	8,589	126	729	3,268
Medical expenses	16	52	4,197	91	144	2,664
Rent/utility/maintenance/furnishing	-	95	483	30	120	460
	16,523	12,728	145,458	11,208	13,387	119,564
Post-employment benefits						
Retirement benefits	1,110	1,010	10,103	838	1,449	13,640
	17,633	13,738	155,561	12,046	14,836	133,204
Number of persons (At November 30)	1	2*	80	1	2*	68

*Includes 1 alternate Director

- 32.1** In addition, Rs 24.761 million (2007: Rs 24.831 million) has been charged in the Profit and Loss account in respect of share-based payments to Chief Executive, Directors and certain executives of the Company as mentioned in note 2.21.
- 32.2** Directors and certain other executives are provided with free use of Company maintained cars, club membership and telephone facilities as per terms of employment.
- 32.3** The aggregate amount charged in these financial statements for fees to non-executive Directors is Rs 360,000 (2007: Rs 380,000).

33 SEGMENT WISE OPERATING RESULTS

	2008				2007-Restated			
	Pharma- ceutical	Nutritional	Others	Total	Pharma- ceutical	Nutritional	Others	Total
	------(Rupees '000)-----							
Sales	5,724,815	1,004,384	618,284	7,347,483	5,375,696	962,653	462,169	6,800,518
Less: Sales returns and discounts	107,745	23,513	22,985	154,243	90,568	18,708	20,525	129,801
Less: Sales tax and excise duty	-	87,885	46,344	134,229	-	74,402	49,944	124,346
Sales - net	5,617,070	892,986	548,955	7,059,011	5,285,128	869,543	391,700	6,546,371
Service fee for toll manufacturing	30,152	-	-	30,152	38,083	-	-	38,083
Cost of goods sold and services - note 33.3	5,647,222	892,986	548,955	7,089,163	5,323,211	869,543	391,700	6,584,454
	3,895,490	708,195	387,825	4,991,510	3,017,588	582,626	256,522	3,856,736
Gross profit	1,751,732	184,791	161,130	2,097,653	2,305,623	286,917	135,178	2,727,718
Selling and distribution expenses - note 33.4	1,024,520	209,762	100,602	1,334,884	620,249	161,377	68,750	850,376
Administrative expenses - note 33.5	222,245	20,278	13,214	255,737	105,460	12,245	5,773	123,478
	1,246,765	230,040	113,816	1,590,621	725,709	173,622	74,523	973,854
Segment result	504,967	(45,249)	47,314	507,032	1,579,914	113,295	60,655	1,753,864
Unallocated corporate expenses								
Other operating income				105,545				173,394
Other operating charges				65,051				179,859
Operating profit				547,526				1,747,399
Other Information								
Segment assets employed	3,026,674	185,261	301,475	3,513,410	2,452,685	295,259	300,991	3,048,935
Unallocated corporate assets				1,502,479				1,632,433
Total assets				5,015,889				4,681,368
Segment liabilities	991,034	2,425	7,013	1,000,472	538,794	118,706	19,560	677,060
Unallocated corporate liabilities				346,299				315,035
Total liabilities				1,346,771				992,095
Capital expenditure during the year	223,530	8,437	23,446	255,413	196,593	5,311	71,998	273,902
Unallocated corporate capital expenditure				-				-
Total capital expenditure				255,413				273,902
Depreciation / amortisation	157,635	5,635	39,732	203,002	146,307	5,411	34,112	185,830
Unallocated depreciation / amortisation				-				-
Total depreciation / amortisation				203,002				185,830

33.1 Segment assets consist primarily of property, plant and equipment, trade debts and stock-in-trade. Segment liabilities comprise of trade creditors and an apportionment of accrued expenses. Assets and liabilities which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated corporate assets and liabilities.

33.2 As the operations of the Company are predominantly carried out in Pakistan, information relating to geographical segment is not considered relevant.

33.3 Segment wise cost of goods sold and services

	2008				2007 - Restated			
	Pharma- ceutical	Nutritional	Others	Total	Pharma- ceutical	Nutritional	Others	Total
------(Rupees `000)-----								
Opening work-in-process	97,787	50	180	98,017	36,319	-	-	36,319
Raw and packing materials consumed	2,450,017	33,729	95,010	2,578,756	1,581,770	35,133	44,908	1,661,811
	2,547,804	33,779	95,190	2,676,773	1,618,089	35,133	44,908	1,698,130
Manufacturing expenses:								
Salaries, wages, allowances and staff welfare	866,461	20,642	25,816	912,919	356,551	11,658	6,558	374,767
Stores and spare parts consumed	39,894	1,063	1,330	42,287	43,203	1,437	808	45,448
Fuel and power	105,682	2,817	3,523	112,022	97,223	3,235	1,819	102,277
Depreciation / amortisation	111,212	2,964	3,707	117,883	102,928	3,424	1,926	108,278
Repairs and maintenance	47,586	1,268	1,586	50,440	29,122	969	545	30,636
Technical service fee	58,095	1,498	-	59,593	64,026	2,091	-	66,117
Insurance	4,812	128	160	5,100	4,304	143	81	4,528
Printing and stationery	2,087	56	70	2,213	1,647	55	31	1,733
Travelling and entertainment	5,102	136	170	5,408	3,075	102	58	3,235
Rent, rates and taxes	979	26	33	1,038	1,898	63	36	1,997
Laboratory testing supplies	10,359	276	345	10,980	11,976	398	224	12,598
Computer expenses	12,796	341	427	13,564	10,118	337	189	10,644
Postage, telephone and telegram	5,278	141	176	5,595	4,192	139	78	4,409
Others	49,411	1,367	3,583	54,361	44,607	1,523	2,033	48,163
	1,319,754	32,723	40,926	1,393,403	774,870	25,574	14,386	814,830
	3,867,558	66,502	136,116	4,070,176	2,392,959	60,707	59,294	2,512,960
Closing work-in-process	(118,175)	(3,737)	(3,607)	(125,519)	(97,787)	(50)	(180)	(98,017)
Cost of goods manufactured and services	3,749,383	62,765	132,509	3,944,657	2,295,172	60,657	59,114	2,414,943
Finished goods								
Opening stock	368,486	252,975	75,903	697,364	757,772	35,882	98,917	892,571
Purchases	350,083	667,869	310,961	1,328,913	333,130	739,062	174,394	1,246,586
	4,467,952	983,609	519,373	5,970,934	3,386,074	835,601	332,425	4,554,100
Closing stock	(572,462)	(275,414)	(131,548)	(979,424)	(368,486)	(252,975)	(75,903)	(697,364)
	3,895,490	708,195	387,825	4,991,510	3,017,588	582,626	256,522	3,856,736

33.4 Segment wise selling and distribution expenses

	2008				2007 - Restated			
	Pharma- ceutical	Nutritional	Others	Total	Pharma- ceutical	Nutritional	Others	Total
	----- (Rupees `000) -----							
Salaries, wages, allowances and staff welfare	511,436	83,918	50,123	645,477	220,313	44,218	19,811	284,342
Rent, rates and taxes	7,074	10	1,397	8,481	2,492	18	4,955	7,465
Repairs and maintenance	10,812	486	1,428	12,726	7,240	561	1,037	8,838
Royalty	14,539	-	-	14,539	12,838	-	-	12,838
Insurance	3,952	405	537	4,894	3,439	338	502	4,279
Depreciation	36,778	2,253	34,579	73,610	33,852	2,392	30,532	66,776
Legal, professional and other services	12,889	609	112	13,610	11,379	508	-	11,887
Postage, telephone and telegram	10,207	1,999	1,961	14,167	9,990	1,822	1,436	13,248
Printing and stationery	6,066	1,125	293	7,484	6,072	1,051	139	7,262
Travelling, conveyance and entertainment	91,125	20,500	10,558	122,183	68,742	14,569	7,080	90,391
Advertising, samples and sales promotion	181,081	63,943	23,496	268,520	154,749	64,986	21,217	240,952
Forwarding expenses	82,227	25,437	1,965	109,629	36,213	24,456	1,415	62,084
Electricity	6,874	605	267	7,746	6,256	487	295	7,038
Computer expenses	9,615	209	491	10,315	10,537	1,090	679	12,306
Training and development expenses	8,606	1,172	290	10,068	6,896	1,387	134	8,417
Packing and miscellaneous supplies	5,852	3,707	730	10,289	8,746	1,550	578	10,874
Others	25,387	3,384	4,073	32,844	20,495	1,944	4,315	26,754
	1,024,520	209,762	132,300	1,366,582	620,249	161,377	94,125	875,751
Less: Reimbursement from related party	-	-	31,698	31,698	-	-	25,375	25,375
	1,024,520	209,762	100,602	1,334,884	620,249	161,377	68,750	850,376

33.5 Segment wise administrative expenses

	2008				2007 - Restated			
	Pharma- ceutical	Nutritional	Others	Total	Pharma- ceutical	Nutritional	Others	Total
	----- (Rupees `000) -----							
Salaries, wages, allowances and staff welfare	155,155	15,221	8,469	178,845	66,122	4,234	3,657	74,013
Rent, rates and taxes	354	226	1,284	1,864	349	-	1,486	1,835
Repairs and maintenance	3,255	-	457	3,712	2,391	24	450	2,865
Insurance	1,145	19	548	1,712	998	-	323	1,321
Depreciation	9,645	418	1,446	11,509	8,929	193	1,654	10,776
Legal, professional and other services	1,629	-	-	1,629	819	500	-	1,319
Postage, telephone and telegram	3,812	251	943	5,006	2,164	116	686	2,966
Printing and stationery	1,518	8	308	1,834	1,222	1	203	1,426
Travelling, conveyance and entertainment	8,035	2,830	723	11,588	4,449	549	1,341	6,339
Electricity	3,903	-	77	3,980	3,219	-	64	3,283
Computer expenses	1,983	814	1,884	4,681	1,972	22	1,301	3,295
Training and development expenses	696	5	15	716	2,646	14	40	2,700
Packing and miscellaneous supplies	1,423	183	120	1,726	863	104	641	1,608
Others	30,742	303	2,831	33,876	9,317	6,488	2,310	18,115
	223,295	20,278	19,105	262,678	105,460	12,245	14,156	131,861
Less: Reimbursement from related party	1,050	-	5,891	6,941	-	-	8,383	8,383
	222,245	20,278	13,214	255,737	105,460	12,245	5,773	123,478

34 FINANCIAL ASSETS AND LIABILITIES

34.1 Interest / mark-up rate risk exposure

	2008						Total
	Interest / mark-up bearing			Non-interest / mark-up bearing			
	Maturity up to one year	Maturity after one year	Sub total	Maturity up to one year	Maturity after one year	Sub total	
------(Rupees `000)-----							
Financial assets							
Loans	-	-	-	16,956	22,057	39,013	39,013
Deposits	-	-	-	72,812	4,393	77,205	77,205
Trade debts	-	-	-	139,004	-	139,004	139,004
Accrued profit	.	-	-	6,594	-	6,594	6,594
Other receivables	-	-	-	33,658	-	33,658	33,658
Other financial asset	-	-	-	-	-	-	-
Cash and cash equivalents	976,337	-	976,337	75,152	-	75,152	1,051,489
	976,337	-	976,337	344,176	26,450	370,626	1,346,963
Financial liabilities							
Trade and other payable	-	-	-	1,244,700	-	1,244,700	1,244,700
	976,337	-	976,337	(900,524)	26,450	(874,074)	102,263

	2007						Total
	Interest / mark-up bearing			Non-interest / mark-up bearing			
	Maturity up to one year	Maturity after one year	Sub total	Maturity up to one year	Maturity after one year	Sub total	
------(Rupees `000)-----							
Financial assets							
Loans	-	-	-	17,787	24,327	42,114	42,114
Deposits	-	-	-	22,368	4,393	26,761	26,761
Trade debts	-	-	-	128,817	-	128,817	128,817
Accrued profit	.	-	-	5,576	-	5,576	5,576
Other receivables	-	-	-	190,332	-	190,332	190,332
Other financial asset	600,000	-	600,000	-	-	-	600,000
Cash and cash equivalents	440,646	-	440,646	55,472	-	55,472	496,118
	1,040,646	-	1,040,646	420,352	28,720	449,072	1,489,718
Financial liabilities							
Trade and other payable	-	-	-	672,161	-	672,161	672,161
	1,040,646	-	1,040,646	(251,809)	28,720	(223,089)	817,557

Effective interest / mark-up rate for the monetary financial assets and liabilities are as follows:

	2008 ----- (Percent) -----	2007
Other financial asset	-	9.00
Cash and bank balances	Upto 5%	1.00 - 3.75

34.2 Fair value of financial instruments

The carrying value of all the financial instruments reflected in the financial statements are estimated to approximate their fair values.

34.3 Financial risk management

34.3.1 Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counterparties fail to perform as contracted. Out of the total financial assets of Rs 1,346.963 million (2007: Rs 1,489.718 million), the financial assets which are subject to credit risk are Rs 1,346.604 million (2007: Rs 1,489.372 million). The Company believes that it is not exposed to major concentration of credit risk.

34.3.2 Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulties in raising funds to meet commitments associated with financial instruments. The Company believes that it is not exposed to any significant level of liquidity risk.

34.3.3 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign currency exchange rates. Currency risk is generally covered through forward foreign exchange contracts.

34.3.4 Foreign exchange risk management

Foreign currency risk arises where receivables and payables exist due to transactions with foreign undertakings. Payables exposed to foreign currency risk are monitored by the management and, if necessary, are covered through forward foreign exchange contracts.

34.3.5 Interest rate risk

The Company has no interest / mark-up bearing financial liabilities as highlighted in note 34.1 and therefore is not subject to a significant level of interest rate risk.

35 CAPITAL RISK MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to remain as a going concern and continue to provide returns for shareholders and benefits for other stakeholders.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

The current capital structure of the company is equity based with no financing through borrowings.

36 NON - ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

In their meeting held on February 4, 2009, the Board of Directors of the Company have proposed a final cash dividend for the year ended November 30, 2008 of Rs 3.0 per share (2007: cash dividend of Rs 3.0 per share). This is in addition to interim cash dividend of Rs 2.0 per share (2007: Rs. 15 per share). The total dividend declared during the year and dividend per share has been summarised below:

	2008	2007
	----- (Rupees '000) -----	
Cash dividend	489,502	1,762,206
	----- (Rupees) -----	
Cash dividend per share	5.00	18.00

In addition, the Board has proposed a transfer of Rs 230 million from General Reserve to Unappropriated Profit (2007: Rs 650.000 million from Unappropriated Profit to General Reserve).

The financial statements for the year ended November 30, 2008 do not include the effect of the final cash dividend nor the effect of the proposed transfer between reserves which will be accounted for in the financial statements for the year ending November 30, 2009.

37 DATE OF AUTHORISATION

These financial statements were authorised for issue on February 4, 2009 by the Board of Directors of the Company.



Asif Jooma
Chief Executive



Shamim Ahmed Khan
Director



Pattern of Shareholding

As at November 30, 2008

Size of Holding Rs. 10 Shares		Number of shareholders	Total shares held
1	100	862	37,809
101	500	708	199,578
501	1000	359	274,072
1001	5000	603	1,256,728
5001	10000	98	699,728
10001	15000	33	409,964
15001	20000	9	164,516
20001	25000	7	154,956
25001	30000	1	26,275
30001	35000	4	129,403
35001	40000	3	113,522
40001	45000	3	124,837
45001	50000	3	141,519
70001	75000	1	74,200
100001	105000	1	100,900
135001	140000	1	135,600
215001	220000	1	219,303
250001	255000	1	252,000
270001	275000	1	270,454
310001	315000	1	314,409
435001	440000	1	438,689
450001	455000	1	452,608
490001	495000	1	490,926
495001	500000	1	495,520
510001	515000	1	514,434
535001	540000	1	536,689
665001	670000	1	667,764
695001	700000	1	698,382
700001	705000	1	703,874
745001	750000	1	746,253
780001	785000	1	780,150
825001	830000	1	829,532
830001	835000	1	830,624
905001	910000	1	906,152
970001	975000	1	974,328
1240001	1245000	1	1,242,596
2560001	2565000	1	2,562,020
2670001	2675000	1	2,670,538
76000001	76300000	1	76,259,450
Total		2,719	97,900,302



Categories of Shareholders

As at November 30, 2008

S. No.	Shareholders category	No. of shareholders	No. of shares	%
1	Associated Companies, Undertakings and Related Parties	3	77,189,065	78.84
2	NIT and ICP	6	5,238,599	5.35
3	Directors, CEO and their Spouses	7	351,651	0.36
4	Executives	-	-	-
5	Public Sector Companies and Corporations	1	830,624	0.85
6	Banks, Development Finance Institutions, Non-Banking Finance Institutions, Insurance Companies, Modaraba and Mutual Funds	24	2,994,036	3.06
7	Others	55	136,124	0.14
8	Individuals	2,623	11,160,203	11.40
	TOTAL	2,719	97,900,302	100.00

List of Associated Companies and Undertakings

S.No.	NAME	HOLDING
1	ABBOTT ASIA INVESTMENTS LIMITED	76,259,450
2	TRUSTEES OF ABBOTT LAB PAK STAFF PENSION FUND	438,689
3	TRUSTEES ABBOTT LAB (PAK) LTD. STAFF PROVIDENT FUND	490,926
	TOTAL	77,189,065

List of NIT and ICP

S.No.	NAME	HOLDING
1	NATIONAL BANK OF PAKISTAN (TRUSTEE DEPT.)	100
2	INVESTMENT CORPORATION OF PAKISTAN	2,901
3	N. B. P. TRUSTEE DEPARTMENT	880
4	INVESTMENT CORPORATION OF PAKISTAN	2,160
5	NATIONAL BANK OF PAKISTAN (TRUSTEE DEPT.)	2,670,538
6	N. B. P. TRUSTEE - NI(U) T (LOC) FUND	2,562,020
	TOTAL	5,238,599

List of Directors

S.No.	NAME	HOLDING
1	MR. IMRAN A. HALAI	314,409
2	MR. ASIF JOOMA	1
3	MR. THOMAS C. FREYMAN	1
4	MR. MUNIR AHMED SHAIKH	1
5	MR. KAMRAN Y. MIRZA	36,098
6	MR. SHAMIM AHMED KHAN	1,140
7	MR. ANGELO KONDES	1
	TOTAL	351,651

Public Sector Companies and Corporations

S.No.	NAME	HOLDING
1	STATE LIFE INSURANCE CORPORATION OF PAKISTAN	830,624
	TOTAL	830,624

Banks, Development Finance Institutions, Non-Banking Finance Institutions, Insurance Companies, Modarabas and Mutual Funds

S.No.	NAME	HOLDING
1	GOLDEN ARROW SELECTED STOCK	48
2	UNITED INSURANCE CO. OF PAK LIMITED	2
3	FIRST HABIB MODARABA	564
4	IDBP (ICP UNIT)	5,431
5	PREMIER INSURANCE LIMITED	10,000
6	N.I.B. BANK LIMITED	906,152
7	FIRST PRUDENTIAL MODARABA	7,560
8	ADAMJEE INSURANCE COMPANY LIMITED	1,242,596
9	FIRST PAK MODARABA	440
10	HABIB INSURANCE CO. LIMITED	252,000
11	FIRST CONSTELLATION MODARABA	10,100
12	ATLAS INSURANCE LIMITED	41,781
13	BANK ALFALAH LIMITED	1,300
14	MCB BANK LIMITED - TREASURY	135,600
15	THE UNITED INSURANCE COMPANY OF PAK LIMITED	14
16	ASIAN STOCK FUND LIMITED	45,900
17	CDC - TRUSTEE AKD INDEX TRACKER FUND	9,564
18	SAFEWAY MUTUAL FUND LIMITED	100,900
19	ARIF HABIB BANK LIMITED	1,600
20	B.R.R. GUARDIAN MODARABA	39,584
21	FIRST DAWOOD INVESTMENT BANK LIMITED	50,000
22	CDC - TRUSTEE HBL - STOCK FUND	74,200
23	CDC - TRUSTEE HBL - MULTI ASSET FUND	33,700
24	B.R.R. GUARDIAN MODARABA	25,000
	TOTAL	2,994,036



Notice of Annual General Meeting

NOTICE is hereby given that the 60th Annual General Meeting of the Company be convened and held on Thursday, 26th March 2009 at 3.30 p.m. in the Banquet Hall, Beach Luxury Hotel, Moulvi Tamizuddin Khan Road, Karachi, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts together with the Directors and Auditors' Reports thereon for the year ended November 30th, 2008.
2. To declare a cash dividend.
3. To appoint the Auditors of the Company up to the next Annual General Meeting and to authorize the Directors to fix their remuneration.

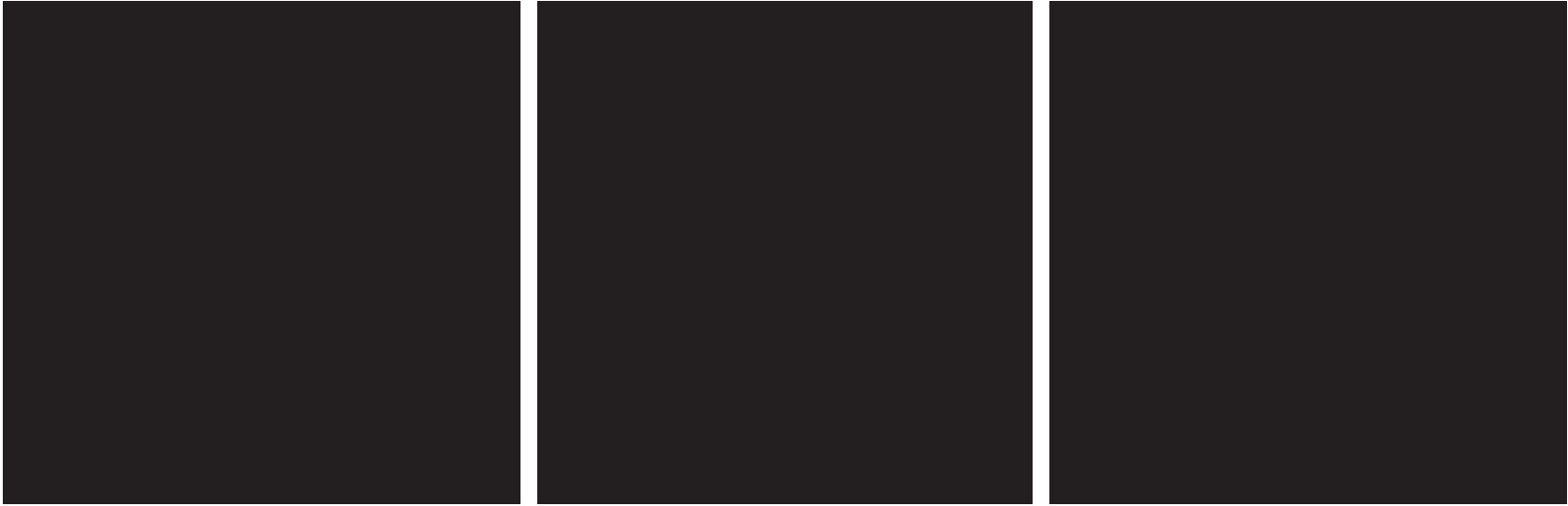
By Order of the Board

Malik Saadatullah
Company Secretary

Karachi : Dated this 4th day of February 2009

Notes:

1. The Share Transfer books of the Company will remain closed from Wednesday, March 18th, 2009 to Wednesday, March 25th, 2009 (both days inclusive). Transfer received in order by our Shares Registrar, FAMCO Associates (Pvt) Limited (Formerly Ferguson Associates (Pvt) Limited), State Life Building No. 2-A, 4th Floor, I.I. Chundrigar Road, Karachi-74000 at the close of business on Tuesday, March 17th, 2009 will be considered in time for entitlement of cash dividend.
2. A member of the Company entitled to attend the vote at the meeting may appoint a proxy to attend, speak and vote instead of him/her. Proxies must be deposited at the Company's registered office not less than 48 hours before the time of holding the meeting. A proxy need, not be a member of the Company. The proxy shall produce his/her original NIC or Passport to prove his/her identity.
3. Attested copies of NIC or Passport of the Beneficial Owner of the shares of the Company in the Central Depository System of the Central Depository Company (CDC) and the proxy, entitled to attend and vote at the meeting, shall be furnished with the proxy form to the Company.
4. The Beneficial owner of the shares of the Company in the Central Depository System of the CDC of his/her proxy entitled to attend and vote at this meeting, shall produce his/her original NIC or Passport to prove his/her identity.
5. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be submitted with the proxy form to the Company, and the same shall be produced in original at the time of the meeting to authenticate the identity.
6. Shareholders are requested to notify the Company of any change in their addresses, if any immediately.
7. Members who have not yet submitted photocopy of their computerized national identity cards to the Company are requested to send the same at the earliest.
8. Form of proxy is attached in the Annual Report.
9. CDC Account Holders will further have to follow the under mentioned guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.
- A. For Attending the Meeting:
 - (i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original National Identity Card (NIC) or original passport at the time of attending the meeting.
 - (ii) In case of corporate entity, the Board of Directors' resolution/ power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.
- B. For Appointing Proxies:
 - (i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
 - (ii) The proxy form shall be witnessed by two persons whose names, addresses and NIC numbers shall be mentioned on the form.
 - (iii) Attested copies of NIC or the passport of the beneficial owners and of the Proxy shall be furnished with the proxy form.
 - (iv) The Proxy shall produce his/her original NIC or original passport at the time of the Meeting.
 - (v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.



Annual Report

08

Abbott Pakistan

Product
Portfolio



Pharmaceutical products



General health care products



Nutritional products



Diagnostic products



Diabetes care products



ABBOTT LABORATORIES (PAKISTAN) LTD.
P.O. BOX 7229, LANDHI
KARACHI-74400.

PROXY FORM

I/We _____
of _____

in the district of _____ being a member of ABBOTT LABORATORIES (PAKISTAN) LIMITED
AND HOLDER OF _____ Ordinary shares as per Share Register Folio No. _____ and/or
CDC Participant ID No. appoint _____ and Sub Account No. _____ hereby
appoint _____

(Name)

of _____
or failing him _____

(Name)

of _____
as my/our proxy to vote for me/us and on my/our behalf, at the 60th Annual General Meeting of the
Company to be held on Thursday, March 26, 2009 at 3:30 p.m and at any adjournment thereof.

As witnessed given under my/our hand(s) _____ day of _____ 2009.

1. Witness:

Signature _____

Name _____

NIC No. _____

Address _____

Affix Revenue
stamps of Rs. 5/-

2. Witness:

Signature _____

Name _____

NIC No. _____

Address _____

Signature of Member
Shareholder's Folio No. _____
CDC A/c No. _____
NIC No. _____

Notes:

1. Proxies, in order to be effective, must be received by the Company Secretary, Abbott Laboratories (Pakistan) Limited P.O. Box 7229, Landhi, Karachi, not later than 48 hours before the time for holding the meeting and must be duly stamped, signed and witnessed.
2. Attested copies of NIC or Passport of the Beneficial Owner of the shares of the Company in the Central Depository System of the Central Depository Company (CDC) and the proxy, entitled to attend and vote at this meeting, shall be furnished with the proxy form to the Company.
3. The Beneficial Owner of share of the Company in the Central Depository System of the Central Depository Company (CDC) of his/her proxy entitled to attend and vote at this meeting, shall produce his/her original NIC or Passport to prove his/her identity.
4. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominees shall be submitted with the proxy form to the Company and the same shall be produced in original at the time of the meeting to authenticate the identity.





AFFIX
CORRECT
POSTAGE

ABBOTT LABORATORIES (PAKISTAN) LTD.
P.O. BOX 7229, LANDHI
KARACHI-74400.

ABBOTT LABORATORIES (PAKISTAN) LIMITED

P.O. Box 7229, Karachi-74400

Tel: (92-21) 111 Abbott (111-222-688)

Fax: (92-21) 5001903

URL: www.abbott.com.pk



Abbott

A Promise for Life