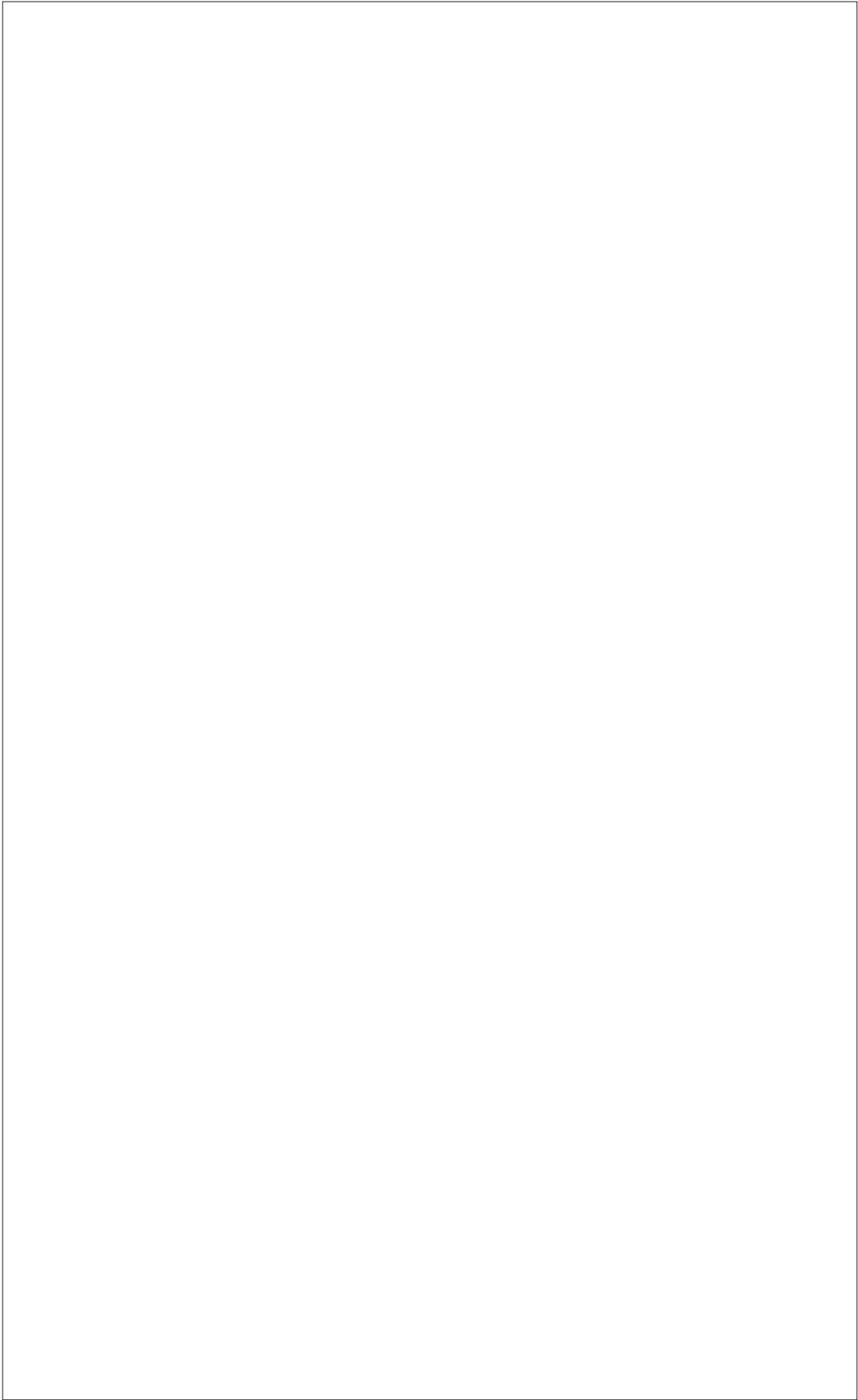




Abbott Pakistan
Un-Audited Financial Statements for the
Quarter and Nine-Months ended August 31, 2010







Board of Directors

Munir A. Shaikh
(Chairman)
Asif Jooma
(Chief Executive Officer)
Kamran Y. Mirza
Thomas C. Freyman (Alternate
Director Sadi Syed)
Syed Anis Ahmed
Angelo Kondes
Shamim Ahmad Khan

Audit Committee

Shamim Ahmad Khan
(Chairman)
Munir A. Shaikh
Kamran Y. Mirza
Siraj Lawai
(Chief Internal Auditor
by invitation)
Syed Anis Ahmed
(CFO by invitation)

Human Resource Committee

Munir A. Shaikh
(Chairman)
Asif Jooma
Shamim Ahmad Khan

Share Transfer Committee

Asif Jooma
(Chairman)
Syed Anis Ahmed
Sadi Syed
(Alternate Director to
Thomas C. Freyman)

Banking Committee

Munir A. Shaikh
(Chairman)
Asif Jooma
Sadi Syed (Alternate Director to
Thomas C. Freyman)
Syed Anis Ahmed

Chief Financial Officer

Syed Anis Ahmed

Company Secretary

Malik Saadatullah

Auditors

M. Yousuf Adil Saleem & Co.

Legal Advisors

Orr, Diganam & Co.
Surridge & Beecheno

Share Registrar

FAMCO Associates (Pvt) Ltd.
State Life Building 1-A, 1st 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

City Office

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

Registered Office

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

Senior Management Team

Asif Jooma
(Chief Executive Officer)
Syed Anis Ahmed
(Chief Financial Officer)
Sadi Syed
(Operations Director)
Dr. Samad Maqbool
(Marketing & Strategy Director)
Dr. Farrukh Hafeez
(Quality Assurance Director)
Ayub A. Siddiqui
(Head of Nutrition Division)
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)
Hassham M. Malik
(Human Resource Director)



The Directors would like to present their report with the accounts of the Company for the third quarter ended August 31, 2010.

FINANCIAL RESULTS

The pharmaceutical segment sales, which represent almost 78% of your Company's business, grew by 4%, notwithstanding the catastrophic floods that affected the distribution activities of our primary care products. Nutritional and Others segments sales registered an increase of 22% as compared to same quarter last year. Profit after tax for the quarter was Rs. 315 million showing an increase of 29% over same quarter last year. Earnings Per Share for the quarter were recorded as Rs 3.21 as compared to Rs.2.49 same quarter last year.

Gross profit, as a percentage of sales, increased to 36%, compared to 31% during the same quarter last year. The increase in margin is primarily attributable to improved product mix and hardship price adjustment on selected products. Selling and distribution expenses increased by 20% as compared to same quarter last year, primarily due to volume increases. Other charges increased due to increase in provision for WPPF and WWF in line with higher profit.

FUTURE OUTLOOK

The recent calamity that hit a significant part of the country, may impact the Business going forward, however the impact is yet to fully understood.

The sharp increase in cost of imported raw and packing material and persistently high domestic inflation, representations by the pharmaceutical industry are being made to the government for a transparent pricing mechanism to avoid future pricing discrepancies. The dialogue with government is continuing, albeit at a slow pace.

Karachi: September 16, 2010

Munir A. Shaikh
Chairman



Condensed Interim Balance Sheet

As at August 31, 2010

	NOTE	UNAUDITED AUGUST 31, 2010 (Rupees '000)	AUDITED NOVEMBER 30, 2009 (Rupees '000)
Non-Current Assets			
Fixed assets - property, plant & equipment	3	1,819,598	1,662,785
Long-term loans and advances		42,438	31,779
Long-term deposits		4,393	4,393
Long-term prepayment		15,965	6,434
Total non-current assets		1,882,394	1,705,391
Current Assets			
Stores and spares		72,582	69,097
Stock-in-trade		2,196,272	1,675,000
Trade debts		242,132	234,185
Loans and advances - considered good		166,097	41,277
Trade deposits and short-term prepayments		144,752	90,634
Accrued profit		697	1,425
Other receivables		79,557	81,053
Taxation recoverable		216,030	295,730
Cash and bank balances		678,074	770,784
		3,796,193	3,259,185
Current Liabilities			
Trade and other payables		1,956,288	1,606,489
		1,956,288	1,606,489
Net Current Assets		1,839,905	1,652,696
Total Assets Less Current Liabilities		3,722,299	3,358,087
Non- Current Liability			
Deferred Taxation		119,113	119,627
Contingencies And Commitments	4		
NET ASSETS		3,603,186	3,238,460
FINANCED BY:			
Share Capital and Reserves			
Authorised capital 200,000,000 (November 30, 2009: 200,000,000) ordinary shares of Rs. 10 each		2,000,000	2,000,000
Issued, subscribed and paid up capital	5	979,003	979,003
Reserves - capital		189,955	173,853
- revenue		2,434,228	2,085,604
SHAREHOLDERS' EQUITY		3,603,186	3,238,460

The annexed notes 1 - 8 form an integral part of these condensed interim financial statements.

ASIF JOOMA
CHIEF EXECUTIVE

SYED ANIS AHMED
DIRECTOR



Condensed Interim
 Profit and Loss Account (Unaudited)
 For the Quarter and Nine-Months ended August 31, 2010

	Jun - Aug 2010	Dec - Aug 2010	Jun - Aug 2009	Dec - Aug 2009
	(Rupees '000)		(Rupees '000)	
Sales - net				
Domestic	2,259,078	6,922,715	2,115,573	5,838,572
Export	163,273	405,299	127,307	295,562
	2,422,351	7,328,014	2,242,880	6,134,134
Service fee for toll manufacturing	-	-	3,715	19,038
	2,422,351	7,328,014	2,246,595	6,153,172
Cost of goods sold and services	1,540,195	4,866,617	1,555,151	4,424,329
Gross Profit	882,156	2,461,397	691,444	1,728,843
Selling and distribution expenses	363,233	1,060,871	303,118	861,472
Administrative expenses	63,260	169,574	49,271	134,095
	455,663	1,230,952	339,055	733,276
Other operating income	30,625	77,161	46,018	111,188
Other operating charges	44,758	122,970	39,307	86,536
	441,530	1,185,143	345,766	757,928
Finance cost	1,060	2,638	639	1,751
Profit before taxation	440,470	1,182,505	345,127	756,177
Taxation - net	125,910	344,379	100,988	211,652
Profit for the period	314,560	838,126	244,139	544,525
	(Rupees)		(Rupees)	
Earnings per share - basic / diluted	3.21	8.56	2.49	5.56

The annexed notes 1 - 8 form an integral part of these condensed interim financial statements.


 ASIF JOOMA
 CHIEF EXECUTIVE


 SYED ANIS AHMED
 DIRECTOR



Condensed Interim Statement of
Comprehensive Income (Unaudited)
For the Quarter and Nine-Months ended August 31, 2010

	Jun - Aug 2010	Dec - Aug 2010	Jun - Aug 2009	Dec - Aug 2009
	(Rupees '000)		(Rupees '000)	
Profit for the period	314,560	838,126	244,139	544,525
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	314,560	838,126	244,139	544,525

The annexed notes 1 - 8 form an integral part of these condensed interim financial statements.

ASIF JOOMA
CHIEF EXECUTIVE

SYED ANIS AHMED
DIRECTOR



Condensed Interim Cash Flow Statement
(Unaudited)
For the Nine-Months ended August 31, 2010

	Dec - Aug 2010 (Rupees '000)	Dec - Aug 2009 (Rupees '000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,182,505	756,177
Adjustment for non-cash charges and other items		
Depreciation	175,636	150,470
Gain on disposal of fixed assets	(13,441)	(6,782)
Income on investment and deposits	(46,801)	(81,256)
Expense recognised in profit or loss in respect of equity-settled share-based payments	16,102	14,310
Finance cost	2,638	1,751
Long-term prepayment amortization	420	360
Working capital changes	(372,127)	437,732
Cash generated from operations	944,932	1,272,762
Income taxes paid	(265,193)	(299,617)
Long-term loans and advances - net	(10,659)	(11,155)
Long-term prepayment - net	(9,951)	-
Net cash inflow from operating activities	659,129	961,990
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(348,216)	(256,308)
Sale proceeds of fixed assets	29,208	14,223
Income received on investments and deposits	47,529	84,332
Net cash outflow on investing activities	(271,479)	(157,753)
CASH FLOWS FROM FINANCING ACTIVITIES		
Finance cost paid	(2,638)	(1,751)
Dividend paid	(477,722)	(1,166,747)
Net cash outflow on financing activities	(480,360)	(1,168,498)
Net decrease in cash and cash equivalents	(92,710)	(364,261)
Cash and cash equivalents at the beginning of the period	770,784	1,051,489
Cash and cash equivalents at the end of the period	678,074	687,228

The annexed notes 1 - 8 form an integral part of these condensed interim financial statements.


ASIF JOOMA
CHIEF EXECUTIVE


SYED ANIS AHMED
DIRECTOR



Condensed Interim Statement of
Changes in Equity (Unaudited)
For the Nine-Months ended August 31, 2010

	Share Capital	Capital Reserve arising on merger	Reserves Other	Reserves		Total	Total Equity
				General Reserve	Revenue Reserves Un-appropriated Profit		
(Rupees '000)							
Balance as at November 30, 2008	979,003	46,097	108,680	2,368,422	66,310	2,589,509	3,568,512
Total comprehensive income for the nine months ended August 31, 2009	-	-	-	-	544,525	544,525	544,525
Transfer from general reserve to unappropriated profit made subsequent to the year ended November 30, 2008	-	-	-	(230,000)	230,000	-	-
Final dividend for the year ended November 30, 2008 declared subsequent to the year end	-	-	-	-	(293,701)	(293,701)	(293,701)
Transfer from general reserve to unappropriated profit	-	-	-	(600,000)	600,000	-	-
Interim dividend for the year ending November 30, 2009	-	-	-	-	(881,103)	(881,103)	(881,103)
Capital Contribution from Abbott International LLC, USA	-	-	14,310	-	-	14,310	14,310
Balance as at August 31, 2009	979,003	46,097	122,990	1,538,422	266,031	1,973,540	2,952,543
Balance as at November 30, 2009	979,003	46,097	127,756	1,538,422	547,182	2,259,457	3,238,460
Total comprehensive income for the nine months ended August 31, 2010	-	-	-	-	838,126	838,126	838,126
Transfer from unappropriated profit to general reserve made subsequent to the year ended November 30, 2009	-	-	-	250,000	(250,000)	-	-
Final dividend for the year ended November 30, 2009 declared subsequent to the year end	-	-	-	-	(293,701)	(293,701)	(293,701)
Interim dividend for the year ending November 30, 2010	-	-	-	-	(195,801)	(195,801)	(195,801)
Capital Contribution from Abbott International LLC, USA	-	-	16,102	-	-	16,102	16,102
Balance as at August 31, 2010	979,003	46,097	143,858	1,788,422	645,806	2,624,183	3,603,186

The annexed notes 1 - 8 form an integral part of these condensed interim financial statements.


ASIF JOOMA
CHIEF EXECUTIVE


SYED ANIS AHMED
DIRECTOR



Selected Explanatory Notes to the Condensed Interim Financial Statements (Unaudited)

For the Nine-Months ended August 31, 2010

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

Statement of compliance

These condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard 34 – "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. These condensed interim financial statements do not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended November 30, 2009. These condensed interim financial statements are unaudited.

2.2 Accounting policies

These condensed interim financial statements have been prepared using the same accounting policies, related judgments, estimates and assumptions which were applied in the preparation of the annual financial statements of the Company for the year ended November 30, 2009, except for application of International Financial Reporting Standard 8 – "Operating Segments" (IFRS 8).

IFRS 8 introduces the 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. The adoption of IFRS 8 has resulted in an additional disclosure given in note 7.3 to the condensed interim financial statements.

3. PROPERTY, PLANT AND EQUIPMENT [COST OF ADDITIONS / (DELETIONS)]

	Dec - Aug 2010 (Rupees '000)	Dec - Aug 2009 (Rupees '000)
Building on freehold land	-	9,098
Plant and machinery	44,489 (19,743)	100,912 -
Office equipment	3,599 (132)	555 -
Vehicles	80,402 (42,874)	51,923 (30,264)
Computers	1,937	2,744
Demonstration equipment	83,127	46,417
CWIP - net	- 134,662	(6,707) 44,659
Total additions	348,216	256,308
Total (deletions)	(62,749)	(36,971)



Selected Explanatory Notes to the Condensed Interim Financial Statements (Unaudited)

For the Nine-Months ended August 31, 2010

4. CONTINGENCIES AND COMMITMENTS

Contingencies

The Company has given bank guarantees of Rs. 69,846 million (November 30, 2009: Rs 67,641 million) to the Customs Department, a utility company and other institutions against tenders.

Commitments

Commitments for capital expenditure as at August 31, 2010 aggregated approximately to Rs 120.725 million (November 30, 2009: Rs 49.517 million).

5. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

As at August 31, 2010, Abbott Asia Investments Limited, UK held 76,259,454 shares. The ultimate holding company is Abbott International LLC, USA.

6. TRANSACTIONS WITH RELATED PARTIES

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

	Dec - Aug 2010 (Rupees '000)	Dec - Aug 2009 (Rupees '000)
Other related parties		
Sale of goods	35,491	46,436
Purchase of materials	1,660,866	1,344,911
Technical service fee	59,439	50,184
Reimbursements from a related party on account of:		
Selling and distribution expenses	33,842	27,264
Administrative expenses	6,914	5,872
Other operating charges	532	2,811
Interest income earned	6,868	7,665
Charge in respect of staff retirement benefit plans		
Pension Fund	57,644	84,168
Provident Fund	31,607	28,682
Key management personnel		
Short-term employee benefits	86,607	67,518
Post-employment benefits	9,616	18,340



Selected Explanatory Notes to the Condensed Interim
Financial Statements (Unaudited)
For the Nine-Months ended August 31, 2010

7. SEGMENT WISE OPERATING RESULTS

7.1 Segment wise operating results for the quarter ended August 31:

	2010				2009			
	Pharma- ceutical	Nutritional	Others	Total	Pharma- ceutical	Nutritional	Others	Total
	(Rupees'000)				(Rupees'000)			
Sales	1,885,365	363,487	259,734	2,508,586	1,806,429	318,297	177,526	2,302,252
Less:								
Sales return and discount	10,827	6,220	12,315	29,362	12,289	2,279	4,083	18,651
Sales tax & excise duty	-	34,165	22,708	56,873	-	28,549	12,172	40,721
Net sales	1,874,538	323,102	224,711	2,422,351	1,794,140	287,469	161,271	2,242,880
Service fee for toll manufacturing	-	-	-	-	3,715	-	-	3,715
	1,874,538	323,102	224,711	2,422,351	1,797,855	287,469	161,271	2,246,595
Cost of good solds and services	1,185,169	200,548	154,478	1,540,195	1,210,581	229,123	115,447	1,555,151
Gross profit	689,369	122,554	70,233	882,156	587,274	58,346	45,824	691,444
Selling and distribution expenses	270,963	50,341	41,929	363,233	231,256	44,681	27,181	303,118
Administrative expenses	52,625	8,113	2,522	63,260	40,721	6,173	2,377	49,271
Segment result	365,781	64,100	25,782	455,663	315,297	7,492	16,266	339,055
Unallocated corporate expenses / income								
Other operating income	-	-	-	30,625	-	-	-	46,018
Other operating charges	-	-	-	44,758	-	-	-	39,307
Profit before finance cost and taxation	-	-	-	441,530	-	-	-	345,766

7.2 Segment wise operating results for the Nine-Months ended August 31:

	2010				2009			
	Pharma- ceutical	Nutritional	Others	Total	Pharma- ceutical	Nutritional	Others	Total
	(Rupees'000)				(Rupees'000)			
Sales	5,791,638	1,035,190	737,491	7,564,319	4,919,649	812,010	589,500	6,321,159
Less:								
Sales return and discount	42,613	18,436	19,772	80,821	44,985	13,583	12,633	71,201
Sales tax & excise duty	-	92,500	62,984	155,484	-	70,615	45,209	115,824
Net sales	5,749,025	924,254	654,735	7,328,014	4,874,664	727,812	531,658	6,134,134
Service fee for toll manufacturing	-	-	-	-	19,038	-	-	19,038
	5,749,025	924,254	654,735	7,328,014	4,893,702	727,812	531,658	6,153,172
Cost of good solds and services	3,815,075	620,200	431,342	4,866,617	3,408,615	614,318	401,396	4,424,329
Gross profit	1,933,950	304,054	223,393	2,461,397	1,485,087	113,494	130,262	1,728,843
Selling and distribution expenses	779,150	138,534	143,187	1,060,871	665,692	124,854	70,926	861,472
Administrative expenses	138,880	22,899	7,795	169,574	114,035	13,311	6,749	134,095
Segment result	1,015,920	142,621	72,411	1,230,952	705,360	(24,671)	52,587	733,276
Unallocated corporate expenses / income								
Other operating income	-	-	-	77,161	-	-	-	111,188
Other operating charges	-	-	-	122,970	-	-	-	86,536
Profit before finance cost and taxation	-	-	-	1,185,143	-	-	-	757,928



Selected Explanatory Notes to the Condensed Interim
Financial Statements (Unaudited)
For the Nine-Months ended August 31, 2010

7.3. Geographical information
Sales to external customers

	For the nine months ended August 31, 2010 (Rupees '000)	For the nine months ended August 31, 2009 (Rupees '000)
Pakistan	6,922,715	5,838,572
Afghanistan	284,864	186,185
Srilanka	80,300	54,789
Holland	35,491	42,237
Bangladesh	3,361	4,423
Egypt	1,283	-
Hongkong	-	4,199
Singapore	-	3,729
	<hr/>	<hr/>
	7,328,014	6,134,134
Service fee for toll manufacturing		
Pakistan	-	19,038
	<hr/>	<hr/>
	7,328,014	6,153,172

8. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on September 16, 2010 by the Board of Directors of the Company.

ASIF JOOMA
CHIEF EXECUTIVE

SYED ANIS AHMED
DIRECTOR

ABBOTT LABORATORIES (PAKISTAN) LIMITED
P.O. Box 7229, Karachi-74400
Tel: (92-21) 111 Abbott (111-222-688)
Fax: (92-21) 35001903
URL: www.abbott.com.pk

 **Abbott**
A Promise for Life