WYETH PAKISTAN LIMITED

Annual Report 2011

CATALYST OF GROWTH

Wyeth®

Mission, Vision And Values

Mission:

We bring to the world pharmaceutical and healthcare products that improve lives and deliver outstanding value to our customers and shareholders.

Vision:

Our vision is to lead the way to a healthier world. By carrying out this vision at every level of our organization, we will be recognized by our employees, customers and shareholders as the best pharmaceutical company in the world, resulting in value for all.

We will achieve this by being accountable for:

- Leading the world in innovation through pharmaceutical, biotech and vaccine technologies.
- Making trust, quality, integrity and excellence hallmarks of the way we do business.
- Attracting, developing and motivating our people.
- Continually growing and improving our business.
- Demonstrating efficiency in how we use resources and make decisions.

Values:

To achieve our mission and realize our vision, we must live by our values:

Quality

We are committed to excellence - in the results we achieve and in how we achieve them.

Integrity

We do what is right for our customers, our communities, our shareholders and ourselves.

Respect for People

We promote a diverse culture and a commitment to mutually respect our employees, our customers and our communities.

Leadership

We value people at every level who lead by example, take pride in what they do and inspire others.

Collaboration - "Teamwork"

We value teamwork - working together to achieve common goals is the foundation of our success.

CONTENTS

COMPANY INFORMATION

BOARD OF DIRECTORS

Abdul Majeed	Chairman / Chief Executive
Husain Lawai	
Badaruddin F. Vellani	
Iftikhar Soomro	
Iqbal Bengali	
Iftikar Ahmed Jafri	
S. M. Wajeehuddin	

COMPANY SECRETARY
S. M. Wajeehuddin

AUDIT COMMITTEE

Iftikhar Soomro	Chairman
Badaruddin F. Vellani	
Iftikar Ahmed Jafri	

EXECUTIVE COMMITTEE

Abdul Majeed	Chairman / Chief Executive
S. M. Wajeehuddin	Director Finance & Company Secretary
Iftikar Ahmed Jafri	Head of Manufacturing

SHARE TRANSFER COMMITTEE

Abdul Majeed	Chairman / Chief Executive
S. M. Wajeehuddin	Director Finance & Company Secretary

BANKERS
Citibank, N.A.
Standard Chartered Bank (Pakistan) Limited

AUDITORS
KPMG Taseer Hadi & Co.
Chartered Accountants

LEGAL ADVISORS
Vellani & Vellani
Orr Dignam & Company
Syed Qamaruddin Hassan

SHARE REGISTRAR
THK Associates (Pvt.) Ltd.
Ground Floor, State Life Building No. 3,
Dr. Ziauddin Ahmad Road, Karachi-75530.
Ph. # 92 - 213 - 5689021 - 5686658 & 111 - 000 - 322

HEAD OFFICE/ REGISTERED OFFICE
S-33, Hawkes Bay Road, S.I.T.E.,
G.P.O. Box No. 167, Karachi.
Ph. # 92 - 213 - 2354651 - 61
Fax: 92 - 213 - 2354681
Website: **www.wyethpakistan.com**
Note: These accounts are also available on our website.

KEY OPERATING AND FINANCIAL DATA OF SIX YEARS

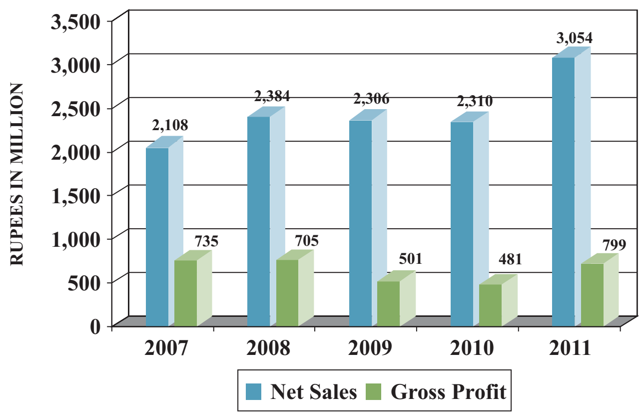
KEY INDICATORS		2006	2007	2008	2009*	2010	2011
Operating results (Rs in millions)							
Net sales		1,945	2,108	2,384	2,306	2,310	3,054
Gross profit		756	735	705	501	481	799
Operating profit		389	360	230	1	46	300
Profit / (loss) before tax		389	359	229	(32)	43	299
Profit / (loss) after tax		324	245	144	(87)	26	175
Financial position (Rs in millions)							
Shareholder's equity		1,263	1,411	1,131	982	1,009	1,170
Property, plant & equipment		180	217	227	180	145	135
Net current assets		1,077	1,185	901	794	847	1,015
Profitability							
Gross profit	%	38.87	34.87	29.57	21.73	20.82	26.16
Operating profit	%	20.00	17.08	9.65	0.04	1.99	9.82
Profit / (loss) before tax	%	20.00	17.03	9.61	(1.38)	1.86	9.79
Profit / (loss) after tax	%	16.66	11.62	6.04	(3.77)	1.13	5.73
Performance							
Fixed assets turnover	Times	10.81	9.71	10.50	12.81	15.93	22.62
Avg. inventory holding period	Days	170	156	143	144	163	168
Average collection period	Days	19	21	29	38	26	6
Return on equity	%	27.76	18.32	11.33	(8.23)	2.61	16.06
Liquidity							
Current	Times	3.58	3.93	3.43	2.71	2.56	2.83
Quick	Times	2.11	2.53	1.38	0.98	1.01	0.56
Valuation							
Earning / (loss) per share	Rs	228.17	172.39	101.50	(61.09)	18.61	123.33
Book value per share	Rs	888.38	992.86	795.47	690.95	709.63	823.28
Dividend per share	Rs	65.00	130.00	250.00	-	10.00	40.00
Price earning ratio	Times	9.41	12.41	25.62	-	49.08	5.51
Dividend yield	%	3.17	6.06	10.55	-	0.92	5.02

* Profit and Loss Account items reflect eleven months' period.

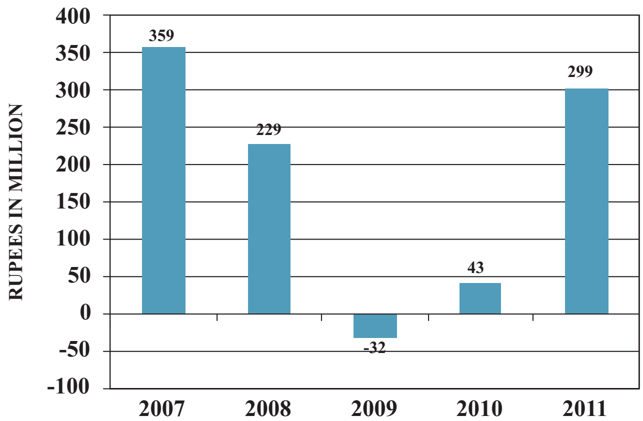
All Balance Sheet Items for the years 2006-2008 show the position as at December 31 while for the years 2009-2011 show the position as at November 30.

PERFORMANCE AT A GLANCE

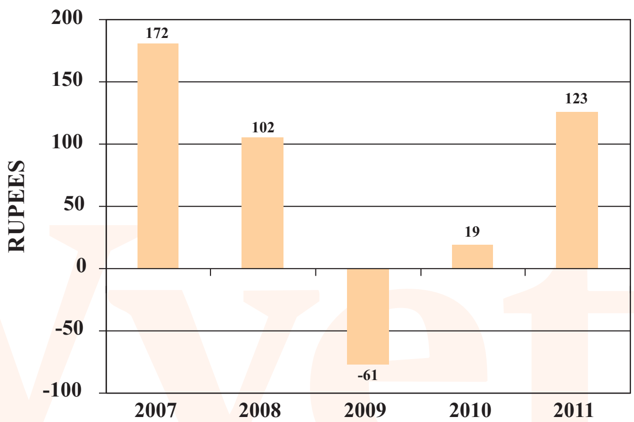
NET SALES & GROSS PROFIT ANALYSIS



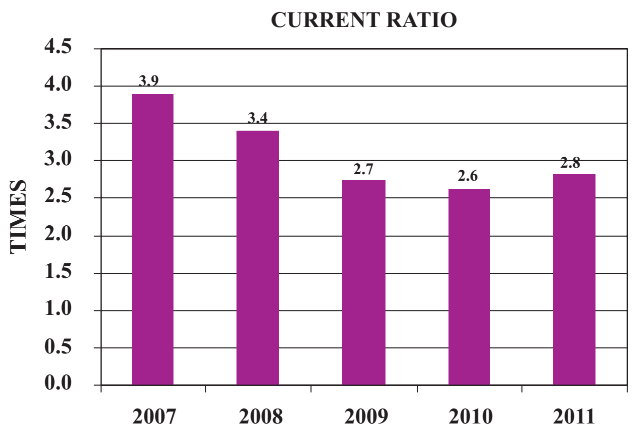
PROFIT / (LOSS) BEFORE TAX ANALYSIS

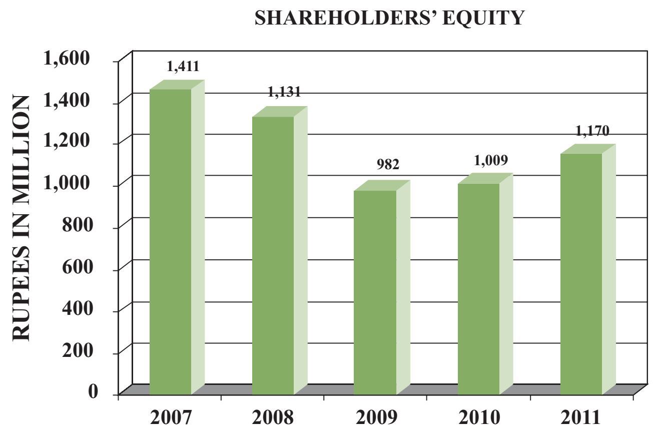


EARNINGS / (LOSS) PER SHARE



PERFORMANCE AT A GLANCE





NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the SIXTY-THIRD Annual General Meeting of Wyeth Pakistan Limited will be held at the Registered Office of the Company, S-33, Hawkes Bay Road, S.I.T.E., Karachi at 10:00 a.m. on Tuesday, March 27, 2012 to transact the following business:

ORDINARY BUSINESS:

1. (a) To receive, consider and adopt the Audited Financial Statements together with the Directors' and Auditors' Reports for the year ended November 30, 2011.

   (b) To approve and declare dividend for the year ended November 30, 2011. The Directors have recommended the payment of a final dividend of 40% that is, Rs.40 per share of Rs.100 each, for the year ended November 30, 2011 payable to those Members whose names appear on the Register of Members as at March 19, 2012.

2. To appoint Auditors for the year ending November 30, 2012 and to authorize the Board to fix their remuneration.

By Order of the Board

S. M. WAJEEHUDDIN
Company Secretary

Karachi: March 01, 2012

NOTES:

1. The Share Transfer Books of the Company will remain closed from March 20, 2012 to March 27, 2012 (both days inclusive).

2. A member entitled to attend and vote at the above meeting shall be entitled to appoint another person, as his/her proxy to attend, demand or join in demanding a poll, speak and vote instead of him/her. A proxy so appointed shall have such rights, as respects attending, speaking and voting at the meeting as are available to a member. A proxy must be a member of the Company. The completed Proxy Form must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.

3. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted along with proxy form to the Company.

4. Members are requested to promptly communicate to the Company's Registrar, THK Associates (Pvt) Ltd., Ground Floor, State Life Building No.3, Dr. Ziauddin Ahmed Road, Karachi-75530 of any change in their addresses.

5. CDC Account Holders will further have to follow the under mentioned guidelines as laid down in Circular 1 dated 26 January 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 Computerized National Identity Card (CNIC) 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 CNIC numbers shall be mentioned on the form.

iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

iv) The proxy shall produce his/her original CNIC 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.

DIRECTORS' REPORT TO SHAREHOLDERS

We are pleased to present your Company's Annual Report for 2011 together with the audited Financial Statements for the year ended November 30, 2011.

During the year under review Pakistan continued to be subjected to political and law & order uncertainties with poor economic outlook. As such the year under review has been tough for businesses in general.

Financial Results

The summarized operating results of your Company for the year ended November 30, 2011 are given below:-

	Rupees in '000
Sales	3,053,934
Gross profit	799,387
Profit before tax	298,632
Profit after tax	175,320

The after tax earnings per share of your Company for the year ended November 30, 2011 is Rupees 123.33 (2010: Rupees 18.61).

Chairman / Chief Executive Review

The Chairman / Chief Executive's review on page no. 11 discusses the operations and future outlook of your Company in more detail.

The Directors of the Company endorse the contents of the same.

Dividend

The Directors are pleased to propose a Final Cash Dividend of Rs. 40 being 40% on a share of Rs. 100 each held at the close of the share transfer books as referred in notice of the 63rd Annual General Meeting.

Holding Company

Wyeth LLC, Delaware, U.S.A. holds 576,470 (40.55%) shares and Wyeth Holdings Corporation, New Jersey, U.S.A. (100% owned company of Wyeth LLC, Delaware) holds 448,560 (31.55%) shares in Wyeth Pakistan Limited, thus the total holding of Wyeth in Wyeth Pakistan Limited is 72.10%. However, as a result of the global acquisition of Wyeth by Pfizer Inc., on October 15, 2009, Pfizer Inc. is the ultimate parent company of Wyeth Pakistan Limited.

Pattern of Shareholding

The shareholding information as at November 30, 2011 and the pattern of shareholding of the Company as required by the Code of Corporate Governance are set out on page numbers 49 to 50.

The Directors, Chief Executive Officer, Chief Financial Officer / Company Secretary have confirmed that neither they nor their spouses and minor children carried out any trading in the shares of the Company during the year under review.

Corporate and Financial Reporting Framework

In compliance with the Code of Corporate Governance, we give below statements on Corporate and Financial Reporting Framework:

a) The financial statements prepared by the management of the Company, present fairly its state of affairs, the result of its operations, comprehensive income, changes in equity and cash flows.
b) Proper books of account of the Company have been maintained.
c) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
d) International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in preparation of financial statements. There has been no departure from IFRS.
e) The system of internal control is sound in design and has been effectively implemented and monitored.
f) There are no significant doubts upon the Company's ability to continue as a going concern.
g) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.
h) Key operating and financial data of last six years (including current period) is placed on page no. 2.
i) There are certain disputed demands of Income Tax, which have not been accrued or paid. These have been explained in note 16.3 to the financial statements on Taxation under the head of Contingencies and Commitments.
j) The value of investments of pension, gratuity and provident fund were as follows:

Name of Fund	Un-audited 2011	Audited 2010
Pension Fund	Rs. 140 million	Rs. 126 million
Gratuity Fund	Rs. 110 million	Rs. 101 million
Provident Fund	Rs. 226 million	Rs. 227 million

The value of investments includes accrued interest and the audit of these funds for 2011 is in progress.

k) During the year six Board of Directors meetings were held. Attendance of Directors in those meetings is detailed below:

Dates of Meeting	21-12-10	25-02-11	29-03-11	25-07-11	17-08-11	22-09-11
Mr. Abdul Majeed	P	P	P	P	P	P
Mr. Iqbal Bengali	P	P	P	P	P	P
Mr. Badaruddin F. Vellani	P	P	L	P	P	P
Mr. Iftikhar Soomro	P	P	P	P	P	P
Mr. S. M. Wajeehuddin	P	P	P	P	P	P
Mr. Shahid Aziz Siddiqi*	P	L	L	-	-	-
Mr. Husain Lawai	-	-	-	-	P	P
Mr. Abdul Naseer**	P	-	-	-	-	-
Dr. Iftikhar Ahmed Jafri	-	P	P	L	P	P

P = Present
L = Leave of absence
* Resigned on July 7, 2011 from the Board
** Resigned on January 6, 2011 from the Board

Related Party Transactions

All related party transactions during the year were approved by the Board and the details of all such transactions were placed before the Audit Committee. The Company maintains a full record of all such transactions, along with the terms and conditions.

Capital Expenditure

During the year under review capital expenditure of Rs. 15.850 million was made on property, plant and equipment.

Environment, Health and Safety

In line with the Company's on-going commitment to protecting the health and safety of everyone at our facilities and the environment of the communities in which we are operating and living, the Company has implemented the new Environmental, Health and Safety Standards aligned with the best practices and in line with local requirements. As part of continual improvement process the Company has installed down flow dust extraction technology for dispensing of pharmaceutical raw materials and provided positive pressure Jupiter respirators to safeguard the health of colleagues working in primary area. Your Company has also maintained zero lost time accident at the facility.

Subsequent Events

No material changes or commitments affecting financial position of the Company have taken place between the end of the financial year and the date of this report.

Directors

Since the last Annual General Meeting following changes took place in the composition of the Board of Directors.

Mr. Shahid Aziz Siddiqi resigned as a Director of the Board effective from July 07, 2011 and in his place Mr. Husain Lawai has been appointed to fill the casual vacancy. While welcoming Mr. Husain Lawai, the Board wishes to place on record it's appreciation for Mr. Siddiqi's services to the Company as a member of the board.

Subsequently, Mr. Iqbal Bengali resigned as Chairman and Chief Executive of the Company with effect from August 8, 2011. Mr. Bengali, however, continues as a Director on the Board of the Company. Mr. Abdul Majeed, already a member of the Board, was appointed as the Chairman and Chief Executive of the Company with effect from August 17, 2011. The Board wishes to place on record its sincere appreciation for the valuable services rendered by Mr. Iqbal Bengali during his tenure as Chairman and Chief Executive of the Company. During his tenure the Company has stabilised and has grown significantly.

The current Board of Directors consists of the following members.

Abdul Majeed	Chairman / Chief Executive
Husain Lawai	
Iftikhar Soomro	
Badaruddin. F. Vellani	
Iqbal Bengali	
Iftikhar Ahmed Jafri	
S. M. Wajeehuddin	

The three-year term of the current Board of Directors will expire on April 30, 2014.

Audit Committee

The current Audit Committee consists of three members, Mr. Iftikhar Soomro (Chairman), Mr. Badaruddin F. Vellani and Dr. Iftikhar Ahmed Jafri.

The terms of reference of the Audit Committee have been determined by the Board of Directors in accordance with the guidelines provided in the Listing Regulations. The Committee held four meetings during the year.

Auditors

The present Auditors KPMG Taseer Hadi & Co., Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. The Board of Directors endorses the recommendation of the Audit Committee for the re-appointment of KPMG Taseer Hadi & Co., Chartered Accountants, as auditors of the Company for the financial year ending November 30, 2012 till the conclusion of next AGM.

Donations

Your Company is committed to providing community services and in that connection has donated Rs. 3.6 million in the form of medicines to charitable organizations for providing free treatment to needy patients.

CORPORATE GOVERNANCE

A statement of compliance with the Code of Corporate Governance is attached with this report.

By Order of the Board

ABDUL MAJEED
Chairman/Chief Executive

Karachi: February 21, 2012

CHAIRMAN / CHIEF EXECUTIVE'S REVIEW

Operating Results

During the last couple of years the economic environment in Pakistan has not been supportive of businesses. This situation has largely emanated from depreciating exchange parity, high inflation, and the energy crises. For Pharmaceutical businesses the situation has been grave due to a weak Intellectual Property Rights (IPR) regime, difficult regulatory environment especially for registration and pricing of products, and stalemate at MOH on account of devolution of certain functions to provinces. In addition, fragile law & order and uncertain political situation has made economic environment increasingly murky and difficult for business.

Despite the above hardships, your Company has closed the year 2011 with a 32% increase in revenue largely due to a first mover advantage of the new vaccine, Prevenar 13, along with some institutional orders for anti-TB medicines. This coupled with favourable product mix has had a positive impact on the bottom line of your Company.

During the year your Company made higher investment in connection with certain existing and new products, which is reflected in a 21% increase in selling, marketing and distribution expenses. On the other hand, the decrease in administrative expenses is due to last year's provision for doubtful debts. The decrease in finance cost and increase in other operating income is due to reduction in borrowings and investment of surplus cash. Increase in other operating expenses is mainly a result of other charges on account of increase in profitability and exchange losses due to depreciation of the Pakistan Rupee.

Future Outlook

During the year ahead your Company will continue its efforts to capitalize on the portfolio of products that your Company is marketing, which comprises of well entrenched products with strong brand equity. Further, it is expected that the new vaccine Prevenar 13 will also be released for adult indication. While these new and the existing products are likely to have a positive impact on the Company's future revenue streams, we will continue with our on-going drive of improving internal efficiencies and productivity.

However there are serious economic, political, and regulatory issues hindering the progress of business in Pakistan, particularly in the pharmaceutical industry. Data Exclusivity and IPR continue to be the prime cause of concern of research based pharmaceutical companies, which are exposed to premature generic competition. Further, lack of general price increase for almost a decade is making it increasingly difficult for the industry to meet the massive double digit inflation during this period. These, coupled with deteriorating exchange parity and high interest rates have increased the cost of doing business manifold. In order for the industry to continue growing in the longer run, business friendly and consistent government policies, including a practical pricing regime, and improved law & order situation would be a pre-requisite. The recent formation of long awaited Drug Regulatory Authority is a step in the right direction. It is likely to assist in resolving recent issues that the industry has been facing and help in the growth of the pharmaceutical industry.

Colleagues

With all the above challenges and uncertainties, your Company has a team of the industries' best talent and their passion to meet and exceed expectations is an asset to us. The Board wishes to acknowledge and appreciate the continued efforts, commitment and dedication of all of our colleagues, in line with our purpose of working together for a healthier world.

ABDUL MAJEED
Chairman/Chief Executive

Karachi: February 21, 2012

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

This statement is being presented to comply with the Code of Corporate Governance contained in Listing Regulation of the Karachi Stock Exchange and Lahore 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 (the Board). At present the Board includes three independent non-executive Directors, one of whom represents the minority interest.

2. All Directors have confirmed that none of them is serving as a Director in more than ten listed companies, including this Company.

3. All the 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 or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.

4. Casual vacancies which occurred during the year under consideration were dully filled within 30 days.

5. The Company has a 'Code of Conduct '(Statement of Ethics and Business Practices), which has been signed by the Directors and management employees of the Company.

6. The Company has adopted a mission, vision and values statement that has been approved by the Board and the overall corporate strategy of the Company reflects the vision and values set out in the statement. Details of significant policies for material matters are regularly being re-evaluated and material changes in the significant policies will be placed before the Board for its approval. 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. The decisions on material transactions including appointment and determination of remuneration and terms and conditions of employment of the Chief Executive and other executive Directors have been approved by the Board.

8. The meetings of the Board were presided over by the Chairman. The Board has met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated atleast seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

9. All the Directors on the Board are fully conversant with their duties and responsibilities as Directors of corporate bodies. During the year also the Board arranged an orientation course for its Directors to apprise them of their roles and responsibilities.

10. The Board has approved appointment of Chief Financial Officer (CFO) / Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment, as determined by the CEO.

11. The Directors' report for the year has been prepared in accordance with the requirements of the Code and fully describes the salient matters that are required to be disclosed.

12. All related party transactions during 2011 were approved by the Board and details of all such related party transactions were placed before the Audit Committee along with pricing methods for such transactions. The Company maintains a full record of all such transactions, along with the terms and conditions.

13. CEO and CFO duly endorsed the financial statements of the Company before approval of the Board.

14. The Directors, Chief Executive Officer (CEO) and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding and the spouses of the Directors are not engaged in the business of stock brokerage.

15. The Company has complied with all the corporate and financial reporting requirements of the Code.

16. The Board has formed an audit committee. It comprises of 3 members, of whom 2 are non-executive Directors. The Chairman of the committee is Non-Executive Director.

17. The meetings of the Audit Committee were held at least once in every quarter prior to approval of interim and final results of the Company required by the Code. The terms of reference of the Audit committee have been formed and approved by the Board and have been formed and advised to the committee for compliance.

18. The Board has set-up an effective internal audit function.

19. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review Programme of the Institute of Chartered Accountant 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 the International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by Institute of Chartered Accountant of Pakistan.

20. 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.

21. We confirm that all other material principles contained in the Code have been complied with.

ABDUL MAJEED
Chairman/Chief Executive

Karachi: February 21, 2012

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2
Beaumont Road
Karachi, 75530 Pakistan

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REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

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 **Wyeth Pakistan Limited** ("the Company") to comply with the Listing Regulations of Karachi and Lahore Stock Exchanges, 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 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 are not required to consider whether the Board's statement on internal control covers all risks and controls, or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

Further, Listing Regulations of the Stock Exchanges whether Company is listed require the Company to place before the Board of Directors for their consideration and approval of related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the Audit Committee. We are only required and have ensured compliance of requirement to the extent of approval of related party transactions by the Board of Directors and placement of such transactions before the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were under taken at arm's length price or not.

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 30 November 2011.

KPMG Taseer Hadi & Co.

Date: 21 February 2012

KPMG Taseer Hadi & Co.
Chartered Accountants

Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2
Beaumont Road
Karachi, 75530 Pakistan

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Fax + 92 (21) 3568 5095
Internet www.kpmg.com.pk

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Wyeth Pakistan Limited** ("the Company") as at 30 November 2011 and the related profit and loss account, statement of comprehensive income, 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;

   ii) the expenditure incurred during the year was for the purpose of the 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, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform 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 30 November 2011 and of the profit, total comprehensive income, cash flows and changes in equity for the year then ended; and

d) in our opinion, no Zakat deductible at source under the 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.

KPMG Taseer Hadi & Co.

Date: 21 February 2012

Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants
Mohammad Mahmood Hussain

BALANCE SHEET
AS AT NOVEMBER 30, 2011

	Note	November 30, 2011	November 30, 2010
		(Rupees in '000)	
NON-CURRENT ASSETS			
Property, plant and equipment	4	**134,964**	144,887
Long-term loans	5	**6,776**	8,203
Long-term deposits		**3,156**	2,180
Deferred taxation	13	**9,956**	6,431
Total non - current assets		**154,852**	161,701
CURRENT ASSETS			
Spares		**14,482**	14,411
Stock-in-trade	6	**1,246,265**	828,388
Trade debts	7	**44,300**	50,431
Loans and advances	8	**39,910**	58,407
Deposits and prepayments	9	**11,786**	13,472
Interest accrued		**255**	3,746
Other receivables	10	**26,761**	31,277
Taxation-net		**115,806**	149,149
Cash and bank balances	11	**69,797**	241,928
Total current assets		**1,569,362**	1,391,209
Total assets		**1,724,214**	1,552,910
SHARE CAPITAL AND RESERVES			
Share capital	12	**142,161**	142,161
Reserves		**847,498**	927,041
Unappropriated profit / (loss)		**180,725**	(60,379)
Total equity		**1,170,384**	1,008,823
CURRENT LIABILITIES			
Trade and other payables	14	**553,830**	544,087
Total equity and liabilities		**1,724,214**	1,552,910
CONTINGENCIES AND COMMITMENTS	16		

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

Abdul Majeed
Chief Executive

S. M. Wajeehuddin
Director

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED NOVEMBER 30, 2011

	Note	November 30, 2011	November 30, 2010
		(Rupees in '000)	
Net sales	17	**3,053,934**	2,310,191
Cost of sales	18	**2,254,547**	1,829,653
Gross profit		**799,387**	480,538
Selling, marketing and distribution expenses	19	**411,659**	340,214
Administrative expenses	20	**92,644**	107,938
		504,303	448,152
		295,084	32,386
Other operating income	22	**39,929**	19,979
Other operating expenses	23	**35,511**	6,122
		4,418	13,857
Operating profit		**299,502**	46,243
Finance cost	24	**870**	3,014
Profit before taxation		**298,632**	43,229
Taxation	25		
Current-for the year		**89,569**	28,439
-for prior years		**37,268**	-
Deferred		**(3,525)**	(11,669)
		123,312	16,770
Profit after taxation		**175,320**	26,459
		(Rupees)	
Earnings per share - basic and diluted	26	**123.33**	18.61

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

Abdul Majeed
Chief Executive

S. M. Wajeehuddin
Director

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED NOVEMBER 30, 2011

	November 30, 2011	November 30, 2010
	(Rupees in '000)	
Profit after taxation	**175,320**	26,459
Other comprehensive income	-	-
Total comprehensive income	**175,320**	26,459

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

Abdul Majeed
Chief Executive

S. M. Wajeehuddin
Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED NOVEMBER 30, 2011

	Note	November 30, 2011	November 30, 2010
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	31	**(75,545)**	279,045
Profit received on deposit accounts		**27,322**	7,868
Decrease in long-term loans		**1,427**	3,958
Increase in long-term deposits		**(976)**	(301)
Taxes paid		**(93,494)**	(79,901)
Net cash (outflow) / inflow from operating activities		**(141,266)**	210,669
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(17,781)**	(4,979)
Proceeds from disposal of property, plant and equipment		**1,154**	683
Net cash outflow from investing activities		**(16,627)**	(4,296)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash outflow from financing activities - dividends paid		**(14,238)**	(93)
Net (decrease) / increase in cash and cash equivalents		**(172,131)**	206,280
Cash and cash equivalents at beginning of the year		**241,928**	35,648
Cash and cash equivalents at end of the year	32	**69,797**	241,928

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

Abdul Majeed
Chief Executive

S. M. Wajeehuddin
Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED NOVEMBER 30, 2011

	Share capital	----------- Reserves ----------				
	Issued, subscribed and paid-up capital	General reserve	*Others	Sub total	Unappro-priated profit	Total
	----------	----------	(Rupees in '000)	----------	----------	----------
Balance as at November 30, 2009	142,161	911,753	15,187	926,940	(86,838)	982,263
Total comprehensive income for the year						
Profit for the year	-	-	-	-	26,459	26,459
Other comprehensive income for the year	-	-	-	-	-	-
	-	-	-	-	26,459	26,459
Transactions with owners						
Share-based payments	-	-	101	101	-	101
Balance as at November 30, 2010	142,161	911,753	15,288	927,041	(60,379)	1,008,823
Total comprehensive income for the year						
Profit for the year	-	-	-	-	175,320	175,320
Other comprehensive income for the year	-	-	-	-	-	-
	-	-	-	-	175,320	175,320
Transactions with owners						
Final dividend for the year ended November 30, 2010 at Rs. 10 per share	-	-	-	-	(14,216)	(14,216)
Share-based payments	-	-	457	457	-	457
	-	-	457	457	(14,216)	(13,759)
Transfer from general reserve	-	(80,000)	-	(80,000)	80,000	-
Balance as at November 30, 2011	**142,161**	**831,753**	**15,745**	**847,498**	**180,725**	**1,170,384**

* Others represent reserve for share based payment plan.

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

Abdul Majeed
Chief Executive

S. M. Wajeehuddin
Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED NOVEMBER 30, 2011

1. STATUS AND NATURE OF BUSINESS

Wyeth Pakistan Limited (the Company) is a public limited Company incorporated in 1949 in Pakistan. The address of its registered office is S-33, Hawkes Bay Road, S.I.T.E., Karachi, Pakistan. The Company is listed on the Karachi and Lahore Stock Exchanges. The Company is engaged in manufacturing and marketing of research based ethical specialties and other pharmaceutical products.

With effect from October 15, 2009 Pfizer Inc. has acquired Wyeth LLC, USA. Accordingly, Pfizer Inc. has become the ultimate parent of the Company. However, Wyeth LLC, USA continues to be the principal shareholder of the Company.

2. BASIS OF PREPARATION

2.1 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 or directives of the Companies Ordinance, 1984 shall prevail.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except as otherwise disclosed.

2.3 Functional and presentation currency

These financial statements are presented in Pakistan Rupee which is the functional currency of the Company and rounded off to the nearest thousand rupees.

2.4 Use of 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 involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows:

(a) Property, plant and equipment (note 4).

(b) Stock-in-trade and write down to net realisable values (note 6).

(c) Deferred taxation (note 13).

(d) Provision for sales return (note 14).

(e) Defined benefit plans (note 28).

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Initial application of a standard amendment or an interpretation

Certain amendments to published standards and interpretations of accounting standards became effective during the year, however, they do not affect the Company's financial statements.

3.2 Standards and interpretations not yet effective:

The following standards, amendments and interpretations of approved accounting standards are effective for accounting periods beginning on or after January 1, 2012:

- Amendments to IAS 12 – deferred tax on investment property (effective for annual periods beginning on or after 1 January 2012). The 2010 amendment provides an exception to the measurement principle in respect of investment property measured using the fair value model in accordance with IAS 40 Investment Property. The measurement of deferred tax assets and liabilities, in this limited circumstance, is based on a rebuttable presumption that the carrying amount of the investment property will be recovered entirely through sale. The presumption can be rebutted only if the investment property is depreciable and held within a business model whose objective is to consume substantially all of the asset's economic benefits over the life of the asset. The amendment has no impact on financial statements of the Company.

- IAS 27 Separate Financial Statements (2011) - (effective for annual periods beginning on or after 1 January 2013). IAS 27 (2011) supersedes IAS 27 (2008). Three new standards IFRS 10 - Consolidated Financial Statements, IFRS 11- Joint Arrangements and IFRS 12- Disclosure of Interest in Other Entities dealing with IAS 27 would be applicable effective 1 January 2013. IAS 27 (2011) carries forward the existing accounting and disclosure requirements for separate financial statements, with some minor clarifications. The amendments have no impact on financial statements of the Company.

- IAS 28 Investments in Associates and Joint Ventures (2011) - (effective for annual periods beginning on or after 1 January 2013). IAS 28 (2011) supersedes IAS 28 (2008). IAS 28 (2011) makes the amendments to apply IFRS 5 to an investment, or a portion of an investment, in an associate or a joint venture that meets the criteria to be classified as held for sale; and on cessation of significant influence or joint control, even if an investment in an associate becomes an investment in a joint venture. The amendments have no impact on financial statements of the Company.

- IAS 19 Employee Benefits (amended 2011) - (effective for annual periods beginning on or after 1 January 2013). The amended IAS 19 includes the amendments that require actuarial gains and losses to be recognised immediately in other comprehensive income; this change will remove the corridor method and eliminate the ability for entities to recognise all changes in the defined benefit obligation and in plan assets in profit or loss, which currently is allowed under IAS 19; and that the expected return on plan assets recognised in profit or loss is calculated based on the rate used to discount the defined benefit obligation.

- Presentation of Items of Other Comprehensive Income (Amendments to IAS 1) - (effective for annual periods beginning on or after 1 July 2012). The amendments require that an entity present separately the items of other comprehensive income that would be reclassified to profit or loss in the future if certain conditions are met from those that would never be reclassified to profit or loss. The amendments do not address which items are presented in other comprehensive income or which items need to be reclassified. The requirements of other IFRSs continue to apply in this regard. The amendments have no impact on financial statements of the Company.

- Disclosures – Transfers of Financial Assets (Amendments to IFRS 7) - (effective for annual periods beginning on or after 1 July 2011). The amendments introduce new disclosure requirements about transfers of financial assets, including disclosures for financial assets that are not derecognised in their entirety; and financial assets that are derecognised in their entirety but for which the entity retains continuing involvement. The amendments have no impact on financial statements of the Company.

- Offsetting Financial Assets and Financial Liabilities (Amendments to IAS 32) – (effective for annual periods beginning on or after 1 January 2014). The amendments address inconsistencies in current practice when applying the offsetting criteria in IAS 32 Financial Instruments: Presentation. The amendments clarify the meaning of 'currently has a legally enforceable right of set-off'; and that some gross settlement systems may be considered equivalent to net settlement.

- Offsetting Financial Assets and Financial Liabilities (Amendments to IFRS 7) – (effective for annual periods beginning on or after 1 January 2013). The amendments to IFRS 7 contain new disclosure requirements for financial assets and liabilities that are offset in the statement of financial position or subject to master netting agreement or similar arrangement.

- IFRIC 20 - Stripping cost in the production phase of a surface mining (effective for annual periods beginning on or after 1 January 2013). The interpretation requires production stripping cost in a surface mine to be capitalized if certain criteria are met. The amendments have no impact on financial statements of the Company.

3.3 Property, plant and equipment

These assets are stated at cost less accumulated depreciation and impairment, if any, except for capital work-in-progress which are stated at cost. Assets having cost exceeding the minimum threshold as determined by the management are capitalized. All other assets are charged in the year of acquisition.

Depreciation is charged to income applying the straight line method whereby the cost less residual value of an asset is written off over its estimated useful life. Residual values, depreciation rates and method are reviewed at each balance sheet date and adjusted if the impact is significant.

Useful lives are determined by the management based on expected usage of assets, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of the assets and other similar factors.

Depreciation on additions is charged from the month in which the asset is available for use while no depreciation is charged in the month of disposal. The rates of depreciation are stated in note 4.4 to the financial statements.

No depreciation is charged if the asset's residual value exceeds its carrying amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses on disposal of property, plant and equipment are included in income currently.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and improvements are capitalised.

All expenditure connected with specific assets incurred during installation and construction period are included under capital work in progress. These are transferred to specific assets as and when assets are available for use.

3.4 Spares

Spares are valued at cost using moving average method. Items in transit are valued at cost comprising invoice value and other charges incurred thereon. Provision, if any, for obsolete items is based on management's estimate.

3.5 Stock-in-trade

These are valued at the lower of cost and net realisable value. Cost is determined using first-in first-out method.

Cost of raw and packing materials comprise of purchase price including directly related expenses less trade discounts. Cost of work-in-process and finished goods include cost of raw and packing materials, direct labour and related production overheads.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and cost necessary to make the sale.

Provision is made for slow moving and obsolete items wherever necessary and is recognised in profit and loss account.

3.6 Trade debts

Trade debts are initially measured at fair value and subsequently at amortised cost using the effective interest method, less provision for impairment, if any. A provision for impairment of trade debts is established where there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Trade debts and receivable are written off when considered irrecoverable.

3.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, with banks in deposit accounts and term deposit receipts.

3.8 Provisions

Provisions are recognised when, the Company has a present obligation (legal or constructive) as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and reliable estimates of the obligations can be made. Provisions are reviewed periodically and adjusted to reflect the current best estimates.

3.9 Revenue recognition

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably and there is no continuing management involvement with the goods.

Returns on bank deposits and investments are recognised on an accrual basis using effective rate of return.

3.10 Staff retirement benefits

3.10.1 Defined benefit schemes

The Company operates the following defined benefit schemes:

- An approved and funded pension scheme for management staff. Pension is payable for life and thereafter to surviving spouses and / or dependent children; and

- An approved and funded gratuity scheme for all its permanent employees.

The contributions to the above schemes are made as per the actuarial valuations carried out every year using the Projected Unit Credit Method.

Actuarial gains and losses are recognised if the net cumulative unrecognised actuarial gains and losses at the end of the previous year exceeds the greater of:

i) 10% of the present value of the defined benefit obligations; and

ii) 10% of the fair value of plan assets.

Actuarial gains and losses are expected to spread over the average remaining working lives of employees and are accounted for accordingly.

Retirement benefits are payable to employees on completion of prescribed qualifying period of service under gratuity schemes.

3.10.2 Defined contribution plan

The Company also operates an approved funded contributory provident fund for all eligible employees. Equal monthly contributions are made both by the Company and the employee at the rate of 8.33% to 12.5% per annum of the basic salary.

3.10.3 Employees' compensated absences

The Company accounts for liability against employees' compensated absences, in accordance with the actuarial valuation carried out every year.

3.11 Share-based payment plans

The Company operates a time-vested share plan whereby Pfizer Inc, (the ultimate parent company) grants rights of its shares to the eligible employees of the Company. The primary share-based awards and their general terms and conditions are as follows:

- Stock options, which, when vested, entitle the holder to purchase a specified number of shares of Pfizer common stock at a price per share equal to the market price of Pfizer Inc, share on the date of grant.

- Restricted stock units (RSUs), which, when vested, entitle the holder to receive a specified number of shares of Pfizer Inc, including shares resulting from dividend equivalents paid on such RSUs.

- The Company recognises as expense the services acquired over the vesting period of three years and the corresponding increase in equity at the fair value of the shares of the ultimate parent company granted, which are measured at the grant date.

3.12 Taxation

Current

Provision for current taxation is the amount computed on taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustments to tax payable in respect of previous 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.

Deferred tax liability is recognised for all taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences, tax credits and unused tax losses can be utilised.

3.13 Borrowing costs

Borrowing costs are recognised as an expense in the year in which these are incurred except where such costs are directly attributable to the acquisition, construction or production of a qualifying asset in which case such costs are capitalised as part of the cost of that asset. Borrowing costs eligible for capitalisation are determined using effective interest method.

3.14 Foreign currency transactions

Foreign currency transactions are recorded into Pak Rupee using the exchange rates prevailing at the dates of transaction. Monetary assets and liabilities in foreign currency are translated into Pak Rupee at the rates of exchange prevailing at the balance sheet date. Exchange gains and losses are included in profit and loss account.

3.15 Financial instruments

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received respectively. These are subsequently measured at fair value, amortised cost or cost as the case may be.

A financial asset and a financial liability are offset and the net amount is reported in the balance sheet if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.16 Dividends and appropriation of profit

Dividend and appropriation to reserves are recognised in the financial statements in the period in which these are approved.

3.17 Impairment

The carrying amounts of the Company's non-current 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 the impairment loss, if any. An impairment loss is recognised for the amount by which the assets carrying amount exceeds its recoverable amount.

4. PROPERTY, PLANT AND EQUIPMENT

4.1 The following is a breakup of property, plant and equipment:

	Note	**November 30, 2011**	November 30, 2010
		(Rupees in '000)	
Operating fixed assets	4.2	**132,874**	144,728
Capital work in progress	4.3	**2,090**	159
		134,964	144,887

4.2 Operating fixed assets

The following is a statement of operating fixed assets:

	Leasehold land	Factory building on leasehold land	Improvements to warehouse	Plant and machinery	Furniture and fittings	Vehicles	Office equipment	Total
	---------------	---------------	---------------	---Rupees in '000---	---------------	---------------	---------------	---------------
At November 30, 2009								
Cost	258	44,128	4,365	250,847	9,960	44,376	37,804	391,738
Accumulated depreciation	-	9,417	2,777	154,598	8,030	9,816	27,419	212,057
Net book value	258	34,711	1,588	96,249	1,930	34,560	10,385	179,681
Year ended November 30, 2010								
Opening net book value	258	34,711	1,588	96,249	1,930	34,560	10,385	179,681
Additions	-	-	-	3,465	820	-	535	4,820
Reclassifications								
Cost	-	1,318	5,256	(42,699)	13,574	(1,226)	23,777	-
Accumulated depreciation	-	14,321	3,399	(25,044)	10,825	1,597	(5,098)	-
	-	(13,003)	1,857	(17,655)	2,749	(2,823)	28,875	-
Disposals								
Cost	-	-	-	-	-	830	-	830
Accumulated depreciation	-	-	-	-	-	318	-	318
	-	-	-	-	-	512	-	512
Depreciation charge for the year	88	3,954	551	15,832	697	13,342	4,797	39,261
Closing net book value	170	17,754	2,894	66,227	4,802	17,883	34,998	144,728
At November 30, 2010								
Cost	258	45,446	9,621	211,613	24,354	42,320	62,116	395,728
Accumulated depreciation	88	27,692	6,727	145,386	19,552	24,437	27,118	251,000
	170	17,754	2,894	66,227	4,802	17,883	34,998	144,728
Year ended November 30, 2011								
Opening net book value	170	17,754	2,894	66,227	4,802	17,883	34,998	144,728
Additions	-	1,409	-	8,993	-	5,003	445	15,850
Disposals								
Cost	-	-	-	-	-	1,419	-	1,419
Accumulated depreciation	-	-	-	-	-	1,419	-	1,419
	-	-	-	-	-	-	-	-
Depreciation charge for the year	2	1,056	475	11,637	748	9,592	4,194	27,704
Closing net book value	168	18,107	2,419	63,583	4,054	13,294	31,249	132,874
At November 30, 2011								
Cost	258	46,855	9,621	220,606	24,354	45,904	62,561	410,159
Accumulated depreciation	90	28,748	7,202	157,023	20,300	32,610	31,312	277,285
Net book value	168	18,107	2,419	63,583	4,054	13,294	31,249	132,874

	November 30, 2011	November 30, 2010
4.3 Capital work in progress	(Rupees in '000)	
Factory building	-	159
Office equipment	555	-
Vehicles	1,535	-
	2,090	159

4.4 Depreciation on operating fixed assets is charged at the following rates:

	Annual rate of depreciation (%)
Leasehold land	1
Factory building on leasehold land	3
Improvements to warehouse	3
Plant and machinery	8
Furniture and fittings	8
Vehicles	25
Office equipment	8 to 33.33

4.5 The depreciation charge for the year has been allocated as under:

	Note	November 30, 2011	November 30, 2010
		(Rupees in '000)	
Cost of sales	18.1	19,488	27,924
Selling, marketing and distribution expenses	19	2,525	3,023
Administrative expenses	20	5,691	8,314
		27,704	39,261

4.6 The following operating fixed assets (vehicles) were disposed off during the year:

	Cost	Accumulated depreciation	Book value	Sale proceeds	Gain	Mode of disposal	Particulars
	(Rupees in '000)						
	555	555	-	463	463	Negotiation	Mr. Mukhtar - Employee
	864	864	-	691	691	Negotiation	Mr. Abdul Hameed - Employee
2011	**1,419**	**1,419**	**-**	**1,154**	**1,154**		
2010	830	318	512	683	171		

5. LONG-TERM LOANS - considered good

	Note	November 30, 2011	November 30, 2010
		(Rupees in '000)	
Long-term loans to employees	5.1	10,367	12,336
Less: Receivable within one year	8	3,591	4,133
		6,776	8,203

5.1 These represent interest free loans to employees for purchase of motor cars, motor cycles, home appliances and for house building in accordance with the Company's policy and are recoverable in two to six years in monthly installments. Vehicles purchased under this scheme are registered in the name of the Company and the title is transferred when the loan is fully repaid. Other loans are secured against employees' retirement benefits.

	Note	**November 30, 2011**	November 30, 2010
6. STOCK-IN-TRADE		**(Rupees in '000)**	
Raw and packing materials	6.1	**912,376**	400,758
Work-in-process	6.1	**83,398**	65,917
Finished goods	6.2	**253,115**	291,026
Stock-in-transit		**21,379**	102,225
		1,270,268	859,926
Less: Provision for slow moving and obsolete stocks		**24,003**	31,538
		1,246,265	828,388

6.1 Raw and packing materials and work-in-process include Rs. 176.492 million (2010: Rs. 98.921 million) and Rs. 4.740 million (2010: Rs. 5.093 million) respectively held with third parties for outside manufacturing purposes.

6.2 Includes physician's samples of Rs. 1.054 million (2010: Rs. 3.243 million).

	Note	**November 30, 2011**	November 30, 2010
7. TRADE DEBTS		**(Rupees in '000)**	
Considered good - unsecured			
From related parties	7.1	**28,151**	2,092
Others		**16,149**	48,339
		44,300	50,431
Considered doubtful		**12,653**	17,378
		56,953	67,809
Less: Provision for doubtful debts	7.2	**12,653**	17,378
		44,300	50,431

7.1 This represents amount due from Wyeth Philippines, Inc.

7.2 During the year provision for doubtful debts was reversed amounting to Rs 4.725 million.

	Note	**November 30, 2011**	November 30, 2010
8. LOANS AND ADVANCES - considered good		**(Rupees in '000)**	
Current portion of long-term loans to employees	5	**3,591**	4,133
Advances-unsecured			
- Suppliers		**34,104**	49,217
- For expenses		**10**	1,455
- Employees	8.1 & 8.2	**2,141**	2,750
- Others		**64**	852
		36,319	54,274
		39,910	58,407

8.1 This includes amounts due from Executives amounting to Rs. 0.613 million (2010: Rs 0.37 million).

8.2 The maximum aggregate amount is Rs. 1.064 million (2010: Rs. 0.37 million) of advances due from executives at the end of any month during the year.

9. DEPOSITS AND PREPAYMENTS

	Note	November 30, 2011	November 30, 2010
		(Rupees in '000)	
Deposits		**11,769**	13,281
Prepayments		**17**	191
		11,786	13,472

10. OTHER RECEIVABLES

	Note	November 30, 2011	November 30, 2010
Margin deposits for guarantees and letters of credit		**16,157**	20,654
Balances with statutory authorities for customs and excise duty		**999**	999
Sales tax refundable	10.1	**6,560**	4,301
Receivable from gratuity and pension funds		**-**	3,661
Export rebate claim		**2,686**	1,626
Others		**359**	36
		26,761	31,277

10.1 This includes Rs. 3.214 million representing sales tax paid on pharmaceutical products in the year 2002 which is refundable to the company.

11. CASH AND BANK BALANCES

	Note	November 30, 2011	November 30, 2010
		(Rupees in '000)	
With banks			
- Term deposit receipts	11.1	**25,000**	205,000
- In saving accounts	11.2	**44,585**	36,757
Cash in hand		**212**	171
		69,797	241,928

11.1 These carry mark-up at the rate of 10.05% (2010: 11 to 11.6%) per annum.

11.2 These carry mark-up at the rate of 5% (2010: 5%) per annum.

12. SHARE CAPITAL

	November 30, 2011	November 30, 2010
	(Rupees in '000)	
Authorised capital		
5,000,000 ordinary shares of Rs 100 each	**500,000**	500,000

Issued, subscribed and paid-up capital

November 30, 2011	November 30, 2010		November 30, 2011	November 30, 2010
(Number of shares)			(Rupees in '000)	
		Ordinary shares of Rs 100 each		
386,711	386,711	Shares fully paid in cash	**38,671**	38,671
477,493	477,493	Shares issued as fully paid for consideration other than cash - note 12.2	**47,749**	47,749
557,405	557,405	Shares issued as fully paid bonus shares	**55,741**	55,741
1,421,609	1,421,609		**142,161**	142,161

12.1 Wyeth LLC, USA and Wyeth Holdings Corporation, USA held 576,470 (2010: 576,470) and 448,560 (2010: 448,560) shares of Rs 100 each respectively as on November 30, 2011. On October 15, 2009 Pfizer Inc. has acquired Wyeth LLC, USA and has become the ultimate parent of the Company.

12.2 These shares include 473,529 shares issued under the scheme of arrangement for amalgamation of Wyeth Laboratories (Pakistan) Limited and Cynamid (Pakistan) Limited in the year 1996.

13. DEFERRED TAXATION

	November 30, 2011	November 30, 2010
	(Rupees in '000)	
Accelerated tax depreciation	**(16,480)**	(9,603)
Provision for Gratuity and Pension	**1,564**	-
Provision for slow moving and obsolete stocks	**8,401**	7,690
Provision for doubtful debts	**4,428**	4,433
Provision for sales return	**1,903**	3,911
Liability against long term incentive	**472**	-
Others	**9,668**	-
Deferred tax asset	**9,956**	6,431

	Note	November 30, 2011	November 30, 2010
		(Rupees in '000)	

14. TRADE AND OTHER PAYABLES

	Note	2011	2010
Creditors	14.1	**283,829**	331,126
Accrued liabilities		**154,593**	138,097
Liability against long term incentive		**1,348**	722
Advances from customers		**46,805**	19,614
Accumulated compensated absences		**25,222**	21,976
Payable to gratuity and pension funds	28.2	**4,470**	-
Workers' Welfare Fund		**9,870**	6,090
Central research fund	23	**2,965**	467
Workers' Profit Participation Fund	14.2	**16,008**	2,300
Sales tax payable		**-**	2,986
Unclaimed dividend		**2,836**	2,858
Provision for sales return		**5,439**	16,038
Others		**445**	1,813
		553,830	544,087

14.1 Creditors include the following amounts due to related parties:

	2011	2010
Wyeth Medica Ireland	**8,426**	43,111
Wyeth Ayerst International	**2,331**	1,960
Wyeth Ayerst Lederle, Inc.	**24,126**	37,029
Wyeth Ayerst Pharma	**12,232**	12,689
Pfizer Export Company	**53,055**	-
Wyeth Manufacturing Singapore (PTE) Ltd.	**-**	26,867
John Wyeth and Brothers	**-**	20,730
Wyeth (Malaysia) Sdn. Bhd	**4**	4
Wyeth Corporate U.S.A	**2,759**	2,535
Pfizer Pakistan Limited	**124,880**	62,604
	227,813	207,529

14.2 Workers' Profit Participation Fund

	Note	2011	2010
Opening balance		**2,300**	-
Allocation for the year	23	**16,008**	2,300
		18,308	2,300
Less: Payments made during the year		**2,300**	-
Closing balance		**16,008**	2,300

15. SHORT-TERM RUNNING FINANCE

15.1 The company has a running finance facility amounting to Rs. 283.840 million (2010: Rs. 384.900 million) from a commercial bank under mark-up arrangement. The facility carries mark-up at KIBOR plus 2%. The facility is available for a maximum period of 12 months and expires on November 28, 2012.

15.2 The facilities for opening letters of credit as at November 30, 2011 amount to Rs. 330 million (2010: Rs. 336.360 million) of which the amount remaining unutilised at the year end was Rs. 193 million (2010: Rs. 270.356 million).

16. CONTINGENCIES AND COMMITMENTS

16.1 Certain ex-employees of the Company have filed claims aggregating to Rs. 247.572 million (2010: Rs. 247.572 million) against the Company. The Company is contesting the claims in the courts and the management is confident that the ultimate decision of the subject suit will be in favour of the Company. Accordingly, no provision has been made in these financial statements in respect of these claims.

16.2 Two ex-distributors have filed claims against the Company aggregating to Rs. 84.929 million (2010: Rs. 84.929 million) for recovery of damages. The management is confident that the cases will be decided in the Company's favour and therefore no provision has been made in this respect.

16.3 The Company has filed income tax returns under section 120 of the Income Tax Ordinance up to and including the tax year 2011. However, the income tax authorities have made arbitrary additions and disallowances to taxable income in respect of previous years, from assessment years 1997-98 to 2002-03 and for tax years 2003 to 2005 and 2008, which have resulted in an aggregate tax demand of Rs. 231.962 million (2010: Rs. 231.962 million). The tax demand has arisen mainly due to the following reasons:

- The assessing officer has made additions to the income based on the contention that the Company has allegedly paid excessive amount on import of raw materials.

- The assessing officer charged tax on purchases related to agriculture business of the Company under presumptive tax regime by treating all purchases as commercial imports.

- The assessing officer also charged tax on gain on sale of the Company's agriculture business and has also arbitrarily disallowed certain expenses attributed to that segment of the business.

- The assessing officer has disallowed the credit for adjustment of tax refunds and adjustment of compensation on delayed refunds.

Although the Company has filed appeals with various appellate authorities in respect of the above, however, a provision of Rs. 125.562 million (2010: Rs. 88.294 million) is being carried against the above demands on grounds of prudence. In consultation with their tax advisors, the management is confident that the ultimate decision of the appeals will be in the Company's favour.

16.4 The Assistant Collector, Sales Tax and Federal Excise has issued an order requiring the Company to pay Federal Excise Duty (FED) along with penalty and default surcharge amounting to approximately Rs. 1 million in respect of technical services availed by the Company.

The Company filed an appeal against this order. The Commissioner Inland Revenue Appeals (CIRA) passed an order in favour of the Company. However, the Tax Department has now filed an appeal before the Tribunal, which is still pending. The management, in consultation with their tax advisors, is confident that the ultimate decision of the appeal will be in favor of the Company.

		Note	November 30, 2011	November 30, 2010
			(Rupees in '000)	
16.5	**Commitments**			
16.5.1	Commitments for capital expenditure		**157**	1,341
16.5.2	Guarantees and indemnity bonds issued to Collector of Customs against duty on imported raw materials and other guarantees		**166**	166
16.5.3	Outstanding letter of credit		**136,894**	38,189
17.	**NET SALES**			
	Sales - Domestic		**3,394,099**	2,418,641
	- Export		**159,440**	127,940
			3,553,539	2,546,581
	Less: Discounts and commission		**430,853**	127,478
	Returns		**5,442**	50,384
	Sales tax		**32,090**	29,216
	Federal excise duty and special excise duty		**31,220**	29,312
			499,605	236,390
			3,053,934	2,310,191
18.	**COST OF SALES**			
	Opening stock of finished goods		**291,026**	378,977
	Cost of goods manufactured	18.1	**1,791,270**	1,371,475
	Purchases of finished goods		**438,669**	379,203
	Closing stock of finished goods		**(253,115)**	(291,026)
	Physician samples charged to advertising and sales promotion		**(13,303)**	(8,976)
			2,254,547	1,829,653

		Note	November 30, 2011	November 30, 2010
			(Rupees in '000)	
18.1	**Cost of goods manufactured**			
	Opening stock of raw and packing materials		**400,758**	346,824
	Purchases of raw and packing materials		**1,821,294**	1,037,965
	Closing stock of raw and packing materials		**(912,376)**	(400,758)
	Raw and packing materials consumed		**1,309,676**	984,031
	Salaries, wages and other benefits	18.2	**175,824**	173,100
	Depreciation	4.5	**19,488**	27,924
	Fuel and power		**43,317**	24,818
	Rent, rates and taxes		**13,134**	2,621
	Repairs and maintenance		**46,799**	17,196
	Production and other supplies		**24,784**	17,016
	IT and quality support services		**18,096**	39,605
	Spare parts consumed		**4,880**	1,896
	Travelling and vehicles running expenses		**7,839**	8,356
	Provision for slow moving and obsolete stocks		**74,553**	22,912
	Outside manufacturing charges		**68,804**	49,963
	Postage, communication and stationery		**777**	730
	Insurance		**630**	895
	Others		**150**	219
			499,075	387,251
			1,808,751	1,371,282
	Opening stock of work-in-process		**65,917**	66,110
	Closing stock of work-in-process		**(83,398)**	(65,917)
	Cost of goods manufactured		**1,791,270**	1,371,475

18.2 Salaries, wages and other benefits include a net charge of Rs. 14.382 million (2010: Rs. 5.718 million) in respect of staff retirement benefits.

19. SELLING , MARKETING AND DISTRIBUTION EXPENSES

	Note	November 30, 2011	November 30, 2010
		(Rupees in '000)	
Salaries, wages and other benefits	19.1	**140,987**	135,101
Fuel and power		**8,500**	3,846
Rent, rates and taxes		**4,542**	2,577
Insurance		**893**	1,267
Repairs and maintenance		**2,258**	1,392
Transportation		**45,531**	31,728
Travelling and living		**32,278**	34,166
Postage, communication and stationery		**6,683**	5,461
Depreciation	4.5	**2,525**	3,023
Advertising and sales promotion		**166,345**	120,419
Shipping and packing cartons consumed		**249**	133
Others		**868**	1,101
		411,659	340,214

19.1 Salaries, wages and other benefits include a net charge of Rs. 10.532 million (2010: Rs. 4.187 million) in respect of staff retirement benefits.

20. ADMINISTRATIVE EXPENSES

	Note	November 30, 2011	November 30, 2010
		(Rupees in '000)	
Salaries, wages and other benefits	20.1	**62,654**	59,388
Fuel and power		**1,748**	2,821
Rent, rates and taxes		**837**	405
Insurance		**965**	1,368
Travelling and living		**5,198**	5,759
Postage, communication and stationery		**1,396**	1,410
Provision for doubtful debts		**-**	12,848
Legal and professional charges		**8,069**	5,798
Auditors' remuneration	20.2	**1,007**	952
Depreciation	4.5	**5,691**	8,314
IT and quality support services		**-**	2,587
Donations	20.3	**3,665**	-
Others		**1,414**	6,288
		92,644	107,938

20.1 Salaries, wages and other benefits include a net charge of Rs. 4.452 million (2010: Rs. 1.770 million) in respect of staff retirement benefits.

20.2 Auditors' remuneration

	November 30, 2011	November 30, 2010
	(Rupees in '000)	
Audit fee - annual	**578**	578
Fee for half yearly review	**224**	224
Other certifications	**130**	-
Out of pocket expenses	**75**	150
	1,007	952

20.3 No directors and their spouses were interested in the donees.

21. VOLUNTARY SEPARATION SCHEME

VSS programme is in place for the past few years to achieve rationalisation and corporate restructuring of the company. The aggregate cost of Rs 13.488 million (2010: Rs 35.308 million) incurred during the year on account of VSS has been allocated as follows:

	November 30, 2011	November 30, 2010
	(Rupees in '000)	
Cost of sales	**-**	27,808
Sharing, marketing and distribution expenses	**1,367**	-
Administrative expenses	**12,121**	7,500
	13,488	35,308

	Note	November 30, 2011	November 30, 2010
		(Rupees in '000)	
22. OTHER OPERATING INCOME			
Gain on disposal of property, plant and equipment	4.6	**1,154**	171
Scrap sales		**7,655**	4,043
Profit on saving accounts and term deposits		**23,831**	11,608
Export rebate claims		**2,564**	1,893
Reversal of bad debts provision		**4,725**	-
Recovery of export freight		**-**	2,264
		39,929	19,979
23. OTHER OPERATING EXPENSES			
Workers' Profits Participation Fund	14.2	**16,008**	2,300
Workers' Welfare Fund		**3,781**	707
Central research fund	14	**3,034**	467
Net exchange loss		**12,688**	2,648
		35,511	6,122
24. FINANCE COST			
Mark-up on running finance		**-**	2,158
Bank charges		**870**	856
		870	3,014
25. TAXATION			
Profit before taxation		**298,632**	43,229
Tax at the applicable rate of 35% (2010: 35%)		**104,521**	15,130
Tax effect of items that are disallowed in determining taxable income		**-**	6,431
Tax effect on income under presumptive tax regime		**(9,472)**	16,305
Tax effect of others items		**(9,005)**	(21,096)
Tax charge for prior years		**37,268**	-
		123,312	16,770
26. EARNINGS PER SHARE			
Profit after taxation		**175,320**	26,459
		(Number of shares)	
Average number of ordinary shares outstanding during the year	26.1	**1,421,609**	1,421,609
		(Rupees)	
Earnings per share - basic and diluted		**123.33**	18.61

26.1 There are no dilutive potential ordinary shares outstanding as at November 30, 2011 and November 30, 2010.

27. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	November 30, 2011			November 30, 2010		
	***Chief Executive**	***Directors**	**Executives**	*Chief Executive	*Directors	Executives
	(Rupees in '000)					
Managerial remuneration	**-**	**-**	**30,762**	-	5,367	23,288
Bonus	**-**	**-**	**9,520**	-	2,208	9,077
Medical expenses	**-**	**-**	**776**	-	158	1,602
Retirement benefits	**-**	**-**	**3,180**	-	581	2,407
	-	**-**	**44,238**	-	8,314	36,374
Number of persons	**2**	**4**	**23**	1	4	23

In addition to the above, the directors and some of the executives are provided with Company owned and maintained cars and their residential telephone bills are also paid by the Company.

Further, the impacts of benefits available to executives recognised by the Company in the expenses during the year on account of share-based payment plan aggregate to Rs. 0.457 million.

* In addition to above, Rs. 4.059 million (2010: Rs. 1.153 million) and Rs. 10.4 million (2010: Rs. 5.502 million) have been charged in these accounts on account of allocation of cost of services provided by Chief Executive and two Directors respectively of associated company. Further, aggregate amount charged in these financial statements in respect of fee for attending Board meetings to four (4) {2010: four (4)} non-executive directors was Rs. 0.340 million (2010: Rs. 0.130 million).

28. DEFINED BENEFIT PLANS

As mentioned in note 3.10, the company operates approved funded pension and gratuity schemes. The latest actuarial valuations of the schemes were carried out as at November 30, 2011. Projected Unit Credit Method using the following significant assumptions was used for these valuations:

	November 30, 2011	November 30, 2010
Discount rate	**13.00% per annum**	14.00% per annum
Expected rate of return on plan assets	**13.00% per annum**	14.00% per annum
Expected rate of increase in salary	**10.75% per annum**	11.75% per annum

28.1 The disclosures made in notes 28.2 to 28.7 and 28.10 are based on the information included in the actuarial valuation as of November 30, 2011/ November 30, 2010.

28.2 Balance sheet reconciliation

	November 30, 2011 Gratuity	November 30, 2011 Pension	November 30, 2010 Gratuity	November 30, 2010 Pension
	(Rupees in '000)			
Present value of defined benefit obligation	106,184	131,242	97,643	122,053
Fair value of plan assets	113,264	145,360	110,901	127,170
Funded status	(7,080)	(14,118)	(13,258)	(5,117)
Unrecognised net actuarial gain	11,258	14,410	13,034	1,680
Recognised liability / (asset)	4,178	292	(224)	(3,437)

28.3 Movement in the fair value of plan assets

	Gratuity 2011	Pension 2011	Gratuity 2010	Pension 2010
Fair value of plan assets at beginning of the year	110,901	127,170	98,328	121,484
Expected return on plan assets	12,677	16,757	12,775	14,795
Actuarial (losses) / gains	(4,160)	8,551	7,395	(3,693)
Contribution paid / (received) by the company	-	-	7,717	(938)
Benefits paid	(6,154)	(7,118)	(15,314)	(4,478)
Fair value of plan assets at end of the year	113,264	145,360	110,901	127,170

28.4 Movement in defined benefit obligation

	Gratuity 2011	Pension 2011	Gratuity 2010	Pension 2010
Present value of defined benefit obligation at beginning of the year	97,643	122,053	110,834	84,206
Current service cost	3,759	3,760	5,678	2,901
Interest cost	13,455	16,726	14,283	10,608
Actuarial losses / (gains)	(2,519)	(4,179)	(17,837)	28,816
Benefits paid	(6,154)	(7,118)	(15,315)	(4,478)
Present value of defined benefit obligation at end of the year	106,184	131,242	97,643	122,053

28.5 Expenses

	Gratuity 2011	Pension 2011	Gratuity 2010	Pension 2010
Current service cost	3,759	3,760	5,678	2,901
Interest cost	13,455	16,726	14,283	10,608
Expected return on plan assets	(12,677)	(16,757)	(12,775)	(14,795)
Recognition of actuarial gain	(135)	-	112	(1,695)
Expenses	4,402	3,729	7,298	(2,981)
Actual return on plan assets	8,517	25,308	20,170	11,102

28.6 Principal actuarial assumptions used are disclosed in note 3.11 to these financial statements.

28.7 Amounts for the current year and previous four annual periods of the fair value of plan assets, present value of defined benefit obligation and surplus arising thereon is as follows:

As at November 30 / December 31	2011	2010	2009	2008	2007
	(Rupees in '000)				
Present value of defined benefit obligation	237,426	219,696	195,040	164,405	173,183
Fair value of plan assets	258,624	238,071	219,812	207,381	208,648
Surplus	(21,198)	(18,375)	(24,772)	(42,976)	(35,465)

	November 30, 2011	November 30, 2010
	(Rupees in '000)	

28.8 Plan assets comprise the following :

Debt instruments	**250,000**	227,706
Bank balances, term deposits and others (net)	**8,624**	10,365
	258,624	238,071

28.9 The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment policy.

28.10 The actuary conducts separate valuations for calculating contribution rates and the Company contributes to the pension and gratuity funds according to the actuary's advice. Expense of the defined benefit plans is calculated by the actuary.

28.11 During the year Company contributed Rs. 7.531 million (2010: Rs. 7.358 million) to the provident fund.

29. SHARE-BASED PAYMENT PLANS

29.1 Details of the share-based payment plans are as follows:

	November 30, 2011		November 30, 2010	
	Stock Options	RSU's	Stock Options	RSU's
	(Number of shares)			
Outstanding as at December 1	**1,535**	**298**	-	-
Granted during the year	**1,321**	**283**	1,535	298
Dividend Equivalent Units	**-**	**10**		
Exercised during the year	**-**	**-**	-	-
Outstanding as at November 30	**2,856**	**591**	1,535	298
Exercisable as at November 30	**-**	**-**	-	-

29.2 The weighted average exercise price of stock options are as follows:

	November 30, 2011		November 30, 2010	
	Stock Options	RSU's	Stock Options	RSU's
	(in US$)			
Outstanding as at December 1	**30.77**	**18.39**	32.04	21.33
Granted during the year	**18.90**	**11.62**	17.69	17.69
Outstanding as at November 30	**30.77**	**17.04**	30.77	18.39

29.3 Share based payments

The fair value of services received in return for share options granted is based on the fair value of share options granted, measured using a Black scholes model, with the following inputs:

	November 30, 2011	November 30, 2010
Fair value of share options and assumptions		
Share price	**$18.90**	$17.69
Expected volatility (weighted average volatility)	**25.55%**	26.73%
Option life (expected weighted average life)	**6.25 years**	6.25 years
Expected dividends	**$4.15**	$3.99

Expected volatility of share price of Pfizer Inc., USA, (the ultimate parent company) was determined using both implied and historical volatility rates.

The total expense recognised for the year arising from share-based payment transactions is Rs. 457,461.

30. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise the ultimate parent company (Pfizer Inc., USA), related group companies, staff retirement benefits, directors, key management personnel and close members of the family of all the aforementioned related parties. The Company in the normal course of business carries out transactions with various related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in the financial statements are as follows:

Nature of transaction	**Note**	**November 30, 2011**	November 30, 2010
		(Rupees in '000)	
Sale of goods to associated undertaking / transfer of inventory to associated undertakings	30.1	**144,814**	94,208
Goods purchased / transfer of inventory from associated undertakings	30.2	**358,983**	347,172
Services from associated companies	30.2	**63,189**	102,325
Dividend to parent company		**10,250**	-
Contribution to the Gratuity and Provident Fund		**7,531**	15,075
Payable to / (Receivable from) Gratuity and Pension fund		**4,470**	(3,661)
Remuneration of key management personnel	30.3	**4,678**	12,731

30.1 Out of this, Rs. 28.151 million (2010 : Rs. 2.092 million) is outstanding as at November 30, 2011 from an associated undertaking.

30.2 Out of this, Rs. 227.813 million (2010: Rs. 207.529 million) is payable as at November 30, 2011 to associated undertakings.

30.3 Remuneration of key management personnel has been included in note 27.

31. CASH (USED IN) / GENERATED FROM OPERATING ACTIVITIES

	Note	November 30, 2011	November 30, 2010
		(Rupees in '000)	
Profit before taxation		**298,632**	43,229
Adjustments for non-cash charges and other items:			
Net increase in reserve for share-based payment plans		**457**	101
Depreciation		**27,704**	39,261
Provision for slow moving and obsolete stock		**74,553**	22,912
(Written back of) / provision for doubtful debts		**(4,725)**	12,848
Provision for potential expired stock claims		**(10,599)**	(262)
Gain on disposal of property, plant and equipment		**(1,154)**	(171)
Profit on deposit accounts		**(23,831)**	(11,608)
Working capital changes	31.1	**(436,582)**	172,735
		(75,545)	279,045

31.1 Working capital changes

(Increase) / decrease in current assets:		
Spares	**(71)**	(11,490)
Stocks-in-trade	**(492,430)**	(50,532)
Trade debts	**10,856**	214,168
Loans and advances	**18,497**	(42,663)
Deposits and prepayments	**1,686**	(10)
Other receivables	**4,516**	(16,387)
	(456,946)	93,086
Increase / (decrease) in current liabilities:		
Trade and other payables	**20,364**	79,649
	(436,582)	172,735

32. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of term deposit receipts, balances in saving accounts and cash in hand amounting to Rs. 69.797 million (2010: Rs. 241.928 million).

33. OPERATING SEGMENTS

The financial information has been prepared on the basis of a single reportable segment.

33.1 Sales from pharmaceutical products and others represent 94.9% and 5.1% (2010: 92.5% and 7.5%) of total revenue of the Company respectively.

33.2 The sales percentage by geographic region is as follows:

	November 30, 2011	November 30, 2010
	(Percentage)	
Pakistan	**95.5%**	95.0%
Other Asian countries	**4.5%**	5.0%
	100.0%	100.0%

33.3 All non-current assets of the Company as at November 30, 2011 are located in Pakistan.

33.4 Sales to four major customers of the Company is around 47.9% during the year ended November 30, 2011 (2010: 55.2%).

34. FINANCIAL INSTRUMENTS

The Company has exposures to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

34.1 Credit risk

Exposure to credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the trade debts, loans and advances, trade deposits and other receivables.

The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk at the reporting date are given below.

	November 30, 2011	November 30, 2010
	(Rupees in '000)	
Long-term loans	**6,776**	8,203
Long-term deposits	**3,156**	2,180
Trade debts	**56,953**	67,809
Loans and advances	**5,732**	6,883
Trade deposits	**11,769**	13,281
Interest accrued	**255**	3,746
Other receivables	**26,761**	31,277
Bank balances	**69,585**	241,757
	180,987	375,136

To mitigate the credit risk effective from June 2010, the Company is on advance cash receipt model for all its domestic distributors. Accordingly, the Company believes that it is not exposed to major credit risk in respect of trade debtors.

The bank balances represents low credit risk as they are placed with reputed banks with strong credit ratings.

34.2 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The following are the contractual maturities of financial liabilities, including estimated interest payments:

	November 30, 2011				
	Carrying Amount	**Contractual cash flows**	**Six months or less**	**Six to twelve months**	**One to two years**
Financial liabilities	**(Rupees in '000)**				
Trade and other payables	**548,391**	**548,391**	**320,578**	**227,813**	**-**

	November 30, 2010				
	Carrying Amount	Contractual cash flows	Six months or less	Six to twelve months	One to two years
Financial liabilities	(Rupees in '000)				
Trade and other payables	528,494	528,494	320,053	207,529	912

34.3 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and equity price risks. The objective of market risk management is to manage and control market risk exposures within an acceptable range.

34.3.1 Currency risk

The Company is exposed to currency risk on import of raw and packing materials and finished goods mainly denominated in US Dollars. The Company's net payable exposed to foreign currency risk for US Dollars as at 30 November 2011 is Rs. 185 million (2010: Rs. 184 million).

34.3.2 Sensitivity analysis

At reporting date, if the Pak Rupee had strengthened / weakened by 10% against the US Dollar with all other variables held constant, post-tax profit for the year would have been higher / lower by Rs. 18.5 million (2010: Rs. 18.439 million).

34.3.3 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to change in the market interest rate. As at November 30, 2011 Rs. 69.585 million (2010: Rs. 241.757 million) interest bearing financial assets are on fixed interest rates, hence management believes that the company is not materially exposed to interest rate changes.

34.4 Fair value of financial assets and liabilities

The major portion of the Company's financial instruments are short term in nature and would be settled in the near future. The fair values of these instruments are not materially different from their carrying values.

35. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

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

36. EVENT AFTER THE BALANCE SHEET DATE

The board of directors have proposed a final cash dividend for the year ended 30 November 2011 of Rs. 40 per share (2010: Rs. 10 per share), amounting to Rs 56.864 million (2010: Rs. 14.216 million) at their meeting held on 21 February 2012 subject to the approval of members in the forthcoming annual meeting. These financial statements do not reflect the final cash dividend proposed and approved to the balance sheet date.

37. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 21 February 2012 by the Board of Directors of the Company.

Abdul Majeed
Chief Executive

S. M. Wajeehuddin
Director

SIX YEARS AT A GLANCE
from 2006 to 2011

(Rupees in '000)

	2006	2007	2008	2009*	2010	**2011**
Sales	1,945,494	2,107,585	2,383,639	2,306,323	2,310,191	**3,053,934**
Cost of sales	1,189,203	1,372,325	1,678,989	1,805,262	1,829,653	**2,254,547**
Gross profit	756,291	735,260	704,650	501,061	480,538	**799,387**
Selling, marketing, distribution and administrative expenses	392,257	410,339	450,571	500,154	448,152	**504,303**
Other operating income / (expenses) - net	25,327	35,007	(23,884)	(28,748)	13,857	**4,418**
Operating profit / (loss)	389,361	359,928	230,195	(27,841)	46,243	**299,502**
Finance cost	845	861	1,106	3,752	3,014	**870**
Profit / (loss) before taxation	388,516	359,067	229,089	(31,593)	43,229	**298,632**
Taxation	64,150	113,996	84,797	55,256	16,770	**123,312**
Profit / (loss) after taxation	324,366	245,071	144,292	(86,849)	26,459	**175,320**
Shareholders' equity	1,262,927	1,411,453	1,130,852	982,263	1,008,823	**1,170,384**
Property, plant and equipment	179,707	217,458	226,632	179,681	144,887	**134,964**
Current assets	1,494,873	1,591,728	1,271,621	1,258,573	1,391,209	**1,569,362**
Current liabilities	417,469	406,520	370,635	464,793	544,087	**553,830**
Current ratio	3.58	3.93	3.43	2.71	2.56	**2.83**
Dividend	65%	130%	250%	-	10%	**40%**
Number of employees as at December 31/ November 30	355	357	344	341	304	**279**

*Profit and Loss Account items reflect eleven months' period.
All Balance Sheet Items for the years 2006 - 2008 show the position as at December 31 while for the years 2009 - 2011 show the position as at November 30.

PATTERN OF SHAREHOLDING
AS AT NOVEMBER 30, 2011

NO. OF SHAREHOLDERS	HAVING SHARES FROM	TO	SHARES HELD	PERCENTAGE
587	1	100	13,941	0.98
83	101	500	19,225	1.35
12	501	1000	8,445	0.59
13	1001	5000	26,502	1.87
1	10001	15000	10,621	0.75
2	15001	20000	35,999	2.53
1	20001	25000	23,875	1.68
1	35001	40000	37,165	2.62
1	50001	55000	52,374	3.68
1	55001	60000	56,858	4.00
1	110001	115000	111,574	7.85
1	445001	450000	448,560	31.55
1	575001	580000	576,470	40.55
705			**1,421,609**	**100.00**

CATEGORIES OF SHAREHOLDERS
AS AT NOVEMBER 30, 2011

PARTICULARS	SHAREHOLDERS	SHAREHOLDING	PERCENTAGE
Associated companies	2	1,025,030	72.10
NIT	8	187,483	13.19
Directors, Chief Executive and their spouses and minor children	6	110	0.01
Banks, DFI & NBFI	3	63,597	4.47
Insurance companies	2	70,094	4.93
Modarbas and Mutual Funds	1	18,279	1.29
Residents Individuals	664	50,550	3.56
Non - resident Individuals	7	2,102	0.15
Others	12	4,364	0.30
COMPANY TOTAL	**705**	**1,421,609**	**100.00**

CATEGORIES OF SHAREHOLDERS
AS AT NOVEMBER 30, 2011

Information under clause xix (i) of the Code of Corporate Governance

Category No.	Categories of Shareholders	Number of shares held	Percentage
1	**Associated companies, undertakings and related parties**		
	Wyeth LLC, U.S.A	576,470	40.5505
	Wyeth Holdings Corporation, U.S.A.	448,560	31.5530
2	**NIT**		
	National Bank of Pakistan (Trustee Department)	187,483	13.1881
3	**Directors, Chief Executive and their spouses and minor children**		
	Abdul Majeed	2	0.0001
	Badaruddin F. Vellani	100	0.0070
	Ifthikhar Soomro	2	0.0001
	Iqbal Bengali	2	0.0001
	Ifthikhar Ahmed Jafri	2	0.0001
	S. M. Wajeehuddin	2	0.0001
4	**Public Sectors Companies and corporations**	Nil	Nil
5	**Banks, Development Financial Institutions, Non-Banking Financial Institutions, Insurance Companies, Modarabas and Mutual Funds**		
	State Life Insurance Corporation of Pakistan	52,374	3.6841
	EFU General Insurance Co. Ltd.	17,720	1.2465
	Faisal Bank Limited	37,165	2.6143
	The Bank of Khyber	2,557	0.1799
	MC FSL-Trustee JS Growth Fund	18,279	1.2858
	The Bank of Punjab, Treasury Division	23,875	1.6794
6	**Shareholders holding ten percent or more voting interest in the Listed Company**		
	Wyeth LLC, U.S.A	576,470	40.5505
	Wyeth Holdings Corporation, U.S.A.	448,560	31.5530
	National Bank of Pakistan (Trustee Department)	187,483	13.1881

Wyeth

FORM OF PROXY
Sixty Third Annual General Meeting

I, We ______________________________ of ____________________

______________________(full address) being a member of **Wyeth Pakistan Limited**

hereby appoint ____

of ______________________________ (full address) or failing him

______________________________ of ______________________________ (full address) as my / our Proxy to attend and vote for me / us and on my / our behalf at the Sixty Third Annual General Meeting of the Company to be held on Tuesday, March 27, 2012 at 10:00 a.m. and any adjournment thereof.

As witness my/our hand this ____________ **day of** ____________ **2012 signed**

by ______________________________ **in presence of** ____________________

____

Please affix Revenue Stamp of Rs 5.00

Signature and address of Witness

Signature of Member

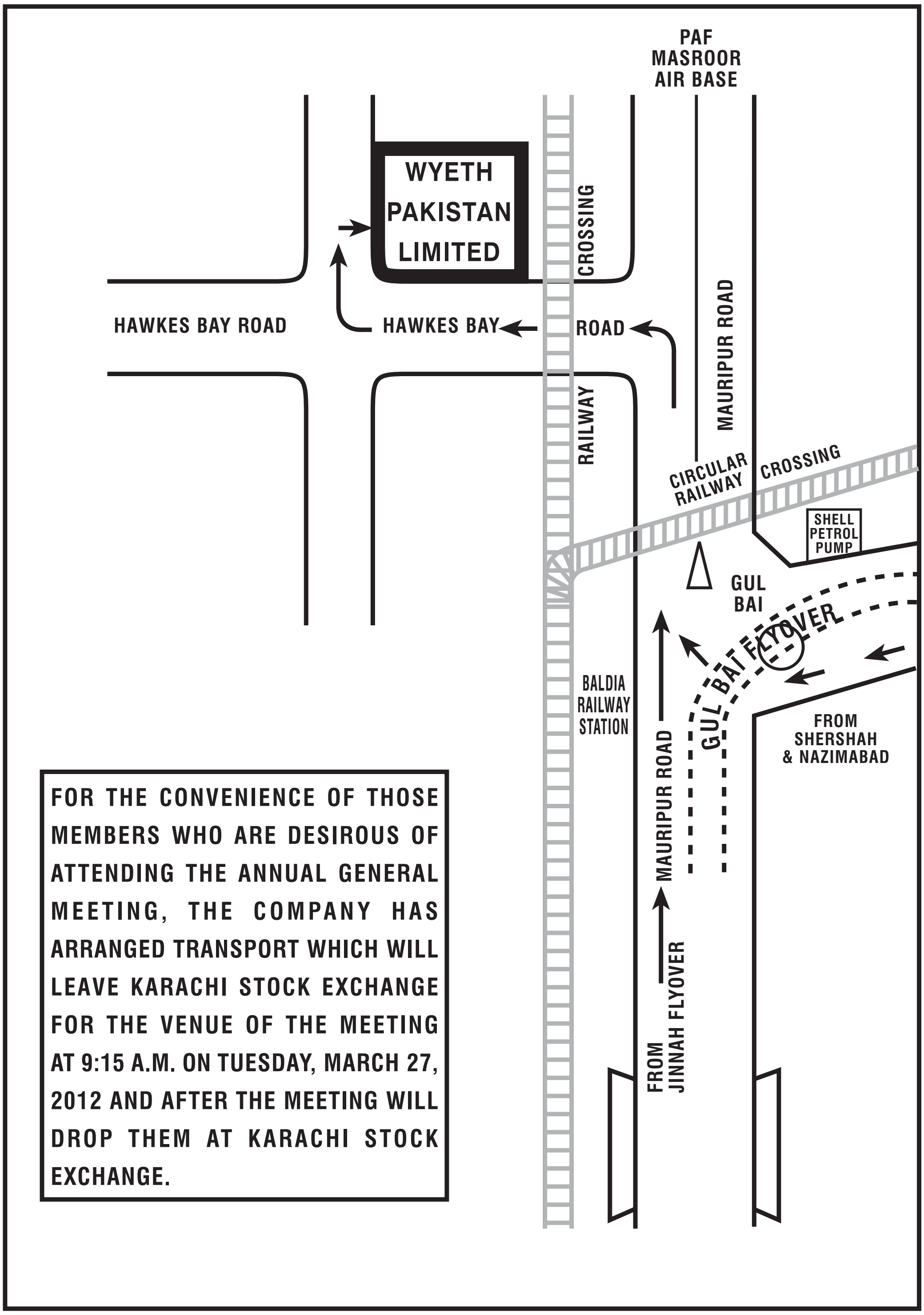
Folio No. / CDC Account and Participant's CNIC Number

Number of Shares held

1. A member entitled to attend and vote at Annual General Meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy must be a member of the Company.
2. The instrument appointing a proxy should be signed by the member or by his attorney duly authorized in writing. If the member is a corporation its common seal should be affixed to the instrument.
3. The instrument appointing a proxy, together with the Power of Attorney if any under which it is signed or a notarily certified copy thereof, should be deposited at the Registered Office of the Company not less that 48 hours before the time for holding the meeting.
4. In case of Proxy for any individual beneficial owner of CDC, entitled to attend and vote at this meeting, it is necessary to deposit the attested copies of beneficial owner's Computerized National Identity Card (CNIC), Account and Participant's CNIC numbers. The Proxy shall produce his original CNIC at the time of the meeting. Representative of corporate members should bring the usual documents for such purpose.

TRANSPORT ARRANGEMENT TO ATTEND THE 63RD ANNUAL GENERAL MEETING OF WYETH PAKISTAN LIMITED ON TUESDAY, MARCH 27, 2012 AT 10:00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY, S-33, HAWKES BAY ROAD, S.I.T.E., KARACHI.

LOCATION PLAN



FOR THE CONVENIENCE OF THOSE MEMBERS WHO ARE DESIROUS OF ATTENDING THE ANNUAL GENERAL MEETING, THE COMPANY HAS ARRANGED TRANSPORT WHICH WILL LEAVE KARACHI STOCK EXCHANGE FOR THE VENUE OF THE MEETING AT 9:15 A.M. ON TUESDAY, MARCH 27, 2012 AND AFTER THE MEETING WILL DROP THEM AT KARACHI STOCK EXCHANGE.