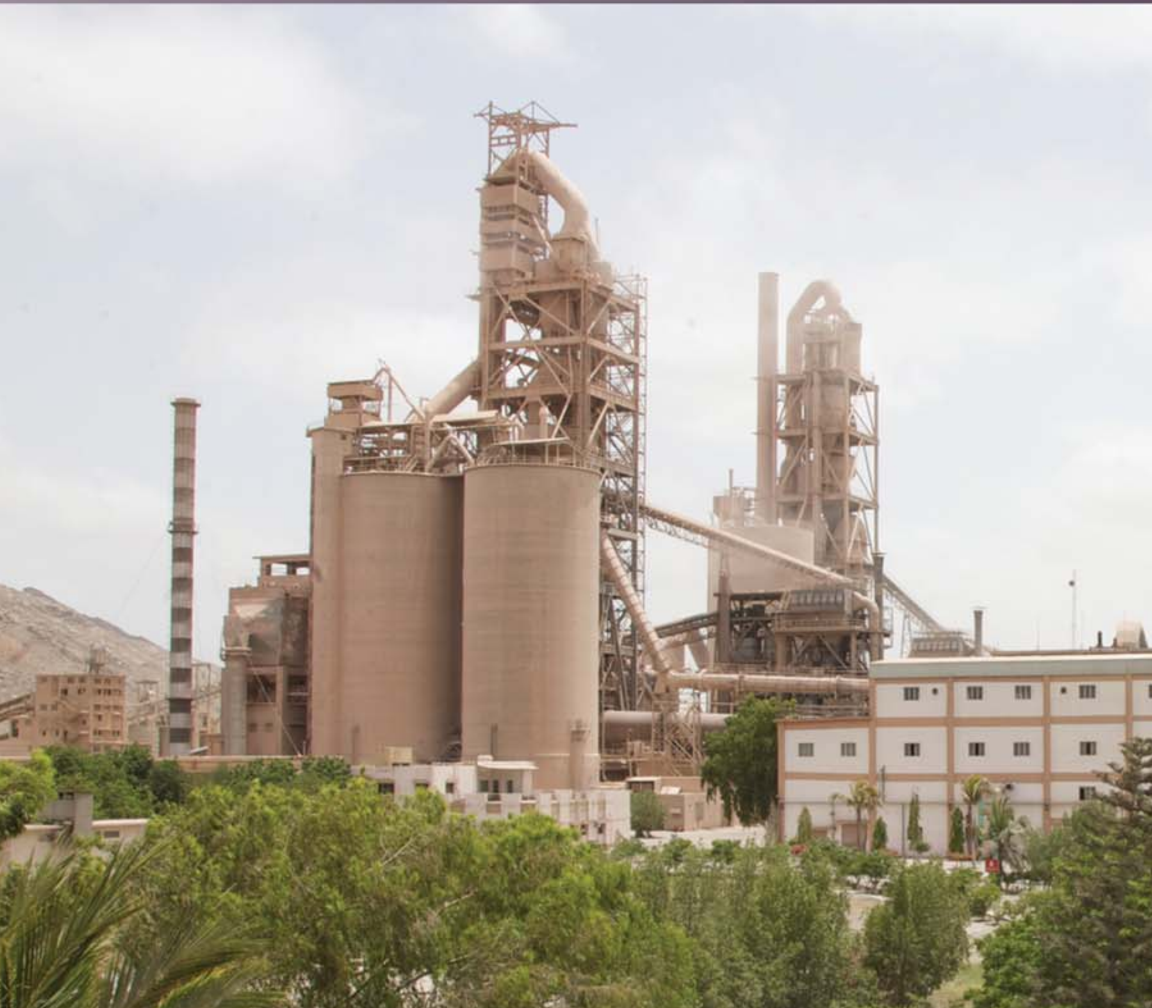
ATTOCK CEMENT PAKISTAN LIMITED

Half Yearly Report
December 31, 2017



FALCON CEMENT

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COMPANY INFORMATION

Board of Directors
Laith G. Pharaon - Chairman
Wael G. Pharaon
Shuaib A. Malik
Abdus Sattar
Agha Sher Shah
Sajid Nawaz
Babar Bashir Nawaz

Chief Executive
Babar Bashir Nawaz

Alternate Directors
Shuaib A. Malik
Irfan Amanullah

Audit Committee of the Board

Abdus Sattar	Chairman
Shuaib A. Malik	Member
Agha Sher Shah	Member

HR & Remuneration Committee

Shuaib A. Malik	Chairman
Abdus Sattar	Member
Babar Bashir Nawaz	Member

Company Secretary
Irfan Amanullah

Bankers
The Bank of Punjab Limited
Allied Bank Limited
MCB Bank Limited
Askari Bank Limited
United Bank Limited
Habib Bank Limited
Bank Al-Habib Limited
Meezan Bank Limited
National Bank of Pakistan Limited
Dubai Islamic Bank Limited
Faysal Bank Limited

Auditors
A.F. Ferguson & Co.
Chartered Accountants

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Plant
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Baluchistan

Legal Advisor
Sattar & Sattar
Attorneys at Law

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DIRECTORS' REVIEW

The Directors are pleased to announce the results of the Company for the half year ended December 31, 2017.

Operational & Financial Review

Production and sales figures for half year ended December 31, 2017 are as follows:

		July-Dec. 2017	July-Dec. 2016
		------------Tons------------	
Clinker Production		**990,469**	936,716
Cement Production		**1,085,055**	1,038,727
Cement Despatch	- Local	**841,745**	734,400
	- Export	**232,250**	293,443
Total Despatches		**1,073,995**	1,027,843
Clinker Capacity Utilization		**114%**	106%

During the half year under review the Company utilized 114% of its overall clinker production capacity and both the lines continued to operate well above their original rated capacities.

Industry Review

During the first half of fiscal year 2017-18, the local market of south, where your company is situated, witnessed a very healthy double digit growth of 14% owing to robust demand and improved law and order situation. Due to higher local demand the industry's focus shifted from export market to local market and accordingly the export sales registered negative growth of 36% as compared to corresponding period. Accordingly in the market of South, the net increase in despatches has been recorded at 2% in 1st half of 2017-18.

Sales Review

During the period under review, the company continued its concentration mainly on high price local sales considering the improved demand scenario in local markets and better net retention.

The local despatches of the company, therefore, increased by 107,345 M tons (15%) and exports reduced by 61,193 M tons (21%) as compared to corresponding period. The total cement despatches of the company increased by 46,152 M Tons (5%) as compared to same period last year.

Financial Review

The net sales revenue of the company increased by Rs. 341 million (5%) over corresponding period. This increase was mainly derived from volumetric growth and partially through the marginal improvement of Rs. 15 per ton in the overall net retention which was mainly achieved through change in market mix.

Due to stiff competition in the market and influx of various cement brands of North in the market of South, the ability of the company to increase the price and pass on the impact of higher excise duty & sales tax and increase in cost owing to rising coal prices in international market was badly affected. Similarly in terms of prices, export markets remained sluggish due to competition from regional capacities. Production cost per ton of cement sold increased by Rs. 357 per ton (8%) due to significant increase in coal prices in international market. As a result both gross and operating margins have reduced significantly from 39% and 29% respectively to 34% and 24% and the company recorded net profit after tax of Rs. 1,153 million which is lower by 16% as compared to same period last year.

Progress On Projects

Commencement of New Production Line

The management is pleased to inform its shareholders that the new production line has commenced its operations from January 9, 2018 and thus met the deadline set by the Board for its commencement.

Cement Grinding Unit in Basra, Iraq

The first three shipments of equipment have arrived at plant site and civil work has been commenced. The selection of contractor(s) for work on mechanical and electrical erection is now at final stages. Despite of hurdles, the management is striving to complete the project as per schedule.

Future Outlook

Though the overall growth in cement demand in the last six months was phenomenal and industry was virtually sold out but the level of profitability in the sector has been shrunk to a considerable extent owing to increase in the rates of excise duty and higher input costs. Going forward it is anticipated that upward surge in demand will remain intact however, stiff competition among manufacturers coupled with supply of cement from upcoming capacities will keep the prices under pressure. Beside this higher coal prices, impact of devaluation on other parameters of input cost and increase in diesel prices will keep the margins squeezed. Any upward change in bench mark interest rates would further affect the net profitability of the company. The political uncertainty currently prevailing in the country may also affect the demand side of the equation. However, the management is hopeful that current strong demand growth is sustainable in view of CPEC related investments and improved law and order situation across the country. On export front, finding new markets is a big challenge and company is striving to explore more avenues.

The management is fully alive to the situation and every effort is being made to ensure that the overall profitability of the company is maximized through better market mix and by utilizing maximum production capacity by selling in both local and export markets.

On behalf of the Board

BABAR BASHIR NAWAZ
Director & Chief Executive

January 23, 2018
Rawalpindi, Pakistan

AUDITORS' REPORT TO THE MEMBERS

on Review of Interim Financial Information

AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of Attock Cement Pakistan Limited as at December 31, 2017 and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof for the half year then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim profit and loss account for the quarters ended December 31, 2017 and 2016 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2017.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for the half year ended December 31, 2017 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Chartered Accountants
Karachi
Date: February 19, 2018
Name of Engagement Partner: Farrukh Rehman

STANDALONE CONDENSED INTERIM FINANCIAL INFORMATION

for the half year ended December 31, 2017 - unaudited

CONDENSED INTERIM BALANCE SHEET

as at December 31, 2017

	Note	(Unaudited) December 31, 2017	(Audited) June 30, 2017
		------------Rupees in '000------------	
ASSETS			
Non-current assets			
Fixed assets - property, plant and equipment	5	17,754,144	16,660,338
Long-term investment	6	1,269,211	786,112
Long-term loans and advances - considered good		44,914	48,588
Long-term deposits		99,940	42,980
		19,168,209	17,538,018
Current assets			
Stores, spares and loose tools	7	1,608,777	1,473,181
Stock-in-trade		442,822	456,601
Trade debts - considered good		265,907	180,490
Loans and advances - considered good		66,521	76,383
Short-term deposits and prepayments		52,363	23,655
Other receivables	8	121,922	105,787
Taxation - payments less provision		-	236,663
Tax refunds due from Government - Sales tax		275,744	496,755
Cash and bank balances		239,443	121,847
		3,073,499	3,171,362
Total assets		22,241,708	20,709,380
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital		1,145,225	1,145,225
Unappropriated profit		10,409,272	10,802,410
		11,554,497	11,947,635
LIABILITIES			
Non-current liabilities			
Long term loans	9	4,062,500	1,500,000
Liability against assets subject to finance lease		-	1,033
Deferred taxation		855,197	817,747
Retirement benefits - obligations		467,027	489,453
		5,384,724	2,808,233
Current liabilities			
Trade and other payables		3,298,197	3,823,679
Accrued mark-up		71,943	45,990
Short term borrowings	10	971,097	1,980,847
Current portion of long term loan		937,500	100,000
Current maturity of liability against assets subject to finance lease		2,066	2,996
Taxation - provision less payments		21,684	-
		5,302,487	5,953,512
Total liabilities		10,687,211	8,761,745
Contingency and commitments	11		
Total equity and liabilities		22,241,708	20,709,380

The annexed notes 1 to 20 form an integral part of this unconsolidated condensed interim financial information.

Irfan Amanullah	**Babar Bashir Nawaz**	**Abdus Sattar**
Chief Financial Officer	Chief Executive	Director

CONDENSED INTERIM PROFIT & LOSS ACCOUNT

for the half year ended December 31, 2017 - unaudited

	Note	Quarter ended		Half year ended	
		December 31, 2017	December 31, 2016	**December 31, 2017**	December 31, 2016
		Rupees in '000			
Net sales	12	**3,979,297**	3,869,737	**7,569,650**	7,228,732
Cost of sales		**(2,590,814)**	(2,420,165)	**(4,964,507)**	(4,384,082)
Gross profit		**1,388,483**	1,449,572	**2,605,143**	2,844,650
Distribution costs	13	**(201,454)**	(252,376)	**(485,923)**	(526,112)
Administrative expenses		**(134,127)**	(104,911)	**(241,743)**	(209,799)
Other expenses		**(56,741)**	(77,904)	**(91,741)**	(151,904)
Other income	14	**16,679**	42,752	**27,602**	103,936
Profit from operations		**1,012,840**	1,057,133	**1,813,338**	2,060,771
Finance cost		**(67,735)**	(6,653)	**(78,291)**	(16,442)
Profit before taxation		**945,105**	1,050,480	**1,735,047**	2,044,329
Taxation	15	**(397,132)**	(363,300)	**(582,132)**	(666,300)
Profit after taxation		**547,973**	687,180	**1,152,915**	1,378,029
Other comprehensive income		**-**	-	**-**	-
Total comprehensive income		**547,973**	687,180	**1,152,915**	1,378,029
Earnings per share (Rupees)		**4.78**	6.00	**10.07**	12.03

The annexed notes 1 to 20 form an integral part of this unconsolidated condensed interim financial information.

Irfan Amanullah Chief Financial Officer	**Babar Bashir Nawaz** Chief Executive	**Abdus Sattar** Director

CONDENSED INTERIM CASH FLOW STATEMENT

for the half year ended December 31, 2017 - unaudited

	Note	December 31, 2017	December 31, 2016
CASH FLOWS FROM OPERATING ACTIVITIES		-------------Rupees in '000---------------	
Cash generated from operations	16	1,368,867	2,780,110
Finance cost paid		(16,423)	(16,442)
Income tax paid		(286,335)	(747,321)
Decrease in long-term loans and advances		3,674	1,415
Increase in long-term deposits		(56,960)	-
Retirement benefit obligations paid		(70,337)	(65,995)
Net cash generated from operating activities		942,486	1,951,767
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure incurred		(1,196,653)	(5,840,943)
Investment in subsidiary company		(483,099)	-
Proceeds from disposal of operating assets		7,022	2,178
Purchase of open ended mutual fund units		-	(2,498,310)
Proceeds from sale of open ended mutual fund units		-	6,844,342
Interest received		3,455	8,564
Net cash used in investing activities		(1,669,275)	(1,484,169)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(1,543,902)	(1,429,442)
Long term loan received		3,400,000	-
Lease rentals paid		(1,963)	(1,964)
Net cash generated from / (used in) financing activities		1,854,135	(1,431,406)
Net increase / (decrease) in cash and cash equivalents		1,127,346	(963,808)
Cash and cash equivalents at beginning of the period		(1,859,000)	581,318
Cash and cash equivalents at end of the period	17	(731,654)	(382,490)

The annexed notes 1 to 20 form an integral part of this unconsolidated condensed interim financial information.

Irfan Amanullah	**Babar Bashir Nawaz**	**Abdus Sattar**
Chief Financial Officer	Chief Executive	Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

for the half year ended December 31, 2017 - unaudited

	Share capital	Unappropriated profit	Total
	-----------Rupees in '000-------------		
Balance as at July 1, 2016	1,145,225	9,301,618	10,446,843
Final dividend for the year ended June 30, 2016 @ Rs. 12.50 per share	-	(1,431,531)	(1,431,531)
Total comprehensive income for the half year ended December 31, 2016	-	1,378,029	1,378,029
Balance as at December 31, 2016 (unaudited)	1,145,225	9,248,116	10,393,341
Balance as at July 1, 2017	**1,145,225**	**10,802,410**	**11,947,635**
Final dividend for the year ended June 30, 2017 @ Rs. 13.50 per share	-	(1,546,053)	(1,546,053)
Total comprehensive income for the half year ended December 31, 2017	-	1,152,915	1,152,915
Balance as at December 31, 2017 (unaudited)	**1,145,225**	**10,409,272**	**11,554,497**

The annexed notes 1 to 20 form an integral part of this unconsolidated condensed interim financial information.

Irfan Amanullah
Chief Financial Officer

Babar Bashir Nawaz
Chief Executive

Abdus Sattar
Director

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

for the half year ended December 31, 2017 - unaudited

1. THE COMPANY AND ITS OPERATIONS

1.1 The Company was incorporated in Pakistan on October 14, 1981 as a public limited company and is listed on Pakistan Stock Exchange. Its main business activity is manufacturing and sale of cement. The registered office of the Company is at D-70, Block-4, Kehkashan-5, Clifton, Karachi. The Company's cement manufacturing plant is located in Tehsil Hub, District Lasbella, Balochistan. The Company also has a representative / liaison office in Dubai, UAE, to explore business opportunities in the growing markets of Middle East and Africa.

The Company is a subsidiary of Pharaon Investment Group Limited Holding S.A.L., Lebanon.

1.2 The Company had entered into a Joint Venture agreement with Al Geetan Commercial Agencies, Iraq, to form a limited liability company in Iraq. The principal activity of the company will be to build and operate a cement grinding plant having production capacity of approximately 900,000 metric tons per annum. The new limited liability company has been established and registered under the Iraqi law on November 3, 2014 by the name Saqr Al-Keetan for Cement Production Company Limited having share capital of 30,000,000 Iraqi Dinar. Attock Cement Pakistan Limited will hold 60% share in the company. The expected investment of the Company in foreign subsidiary would be USD 24 million. As at December 31, 2017, Company has invested USD 11.95 million.

As required under Section 208 of the Companies Ordinance 1984, equity investment in Saqr Al-Keetan for Cement Production Company Limited, Basra Iraq has been approved by the members in its Extra Ordinary General Meeting held on May 12, 2015.

1.3 The company had entered into an agreement with Hefei Cement Research & Design Institute (HCRDI), China, for installation of new production line of 4000 tons per day and Waste Heat Recovery System (WHRS) at its existing plant site. The total project cost would be approximately USD 130 million. The project is financed partially through syndicated loan. The cement production line has commenced its operations in January 2018. However, work on WHRS plant is under progress and expected to be completed by March 31, 2018.

1.4 This unconsolidated condensed interim financial information is the separate interim financial information of the Company in which investment in subsidiary has been accounted for at cost less accumulated impairment losses, if any.

2. BASIS OF PREPARATION

As per the requirements of circular no. CLD/CCD/PR(11)/2017 dated October 4, 2017 issued by the Securities & Exchange Commission of Pakistan (SECP), companies whose financial year, including quarterly and other interim periods, closes on or before December 31, 2017, shall prepare their financial statements, including interim financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984.

Accordingly, this unconsolidated condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34, Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the repealed Companies Ordinance, 1984 have been followed.

This unconsolidated condensed interim financial information does not include all the information required for full financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2017.

2.1. Changes in accounting standards, interpretations and pronouncements

a) Standards, interpretations and amendments to published approved accounting standards that are effective and relevant

IAS 7, 'Cashflow statements' - This amendment requires disclosure to explain changes in liabilities for which cashflows have been or will be classified as financing activities in the statement of cashflows. The amendment is part of the IAS's Disclosure Initiative. In the first year of adoption, comparative information need not be provided.

The change will impact the disclosures of the Company's annual financial statements.

b) Standards, interpretations and amendments to published approved accounting standards that are effective but not relevant

There are certain new standards, amendments to the approved accounting standards and new interpretations that are mandatory for accounting periods beginning on or after January 1, 2017, but are considered not to be relevant or have any significant effect on the Company's reporting and are therefore, not disclosed in this unconsolidated condensed interim financial information.

c) Standards, interpretations and amendments to published approved accounting standards that are not yet effective but relevant

The following are the new standards, amendments to existing approved accounting standards and new interpretations that will be effective for the periods beginning July 1, 2018 that may have an impact on the financial statements of the Company.

IFRS 9 'Financial instruments' - This standard replaces the guidance in IAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model.

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

for the half year ended December 31, 2017 - unaudited

IFRS 15 'Revenue from contracts with customers' - IFRS 15 replaces the previous revenue standards: IAS 18 Revenue, IAS 11 Construction Contracts, and the related interpretations on revenue recognition.

IFRS 15 introduces a single five-step model for revenue recognition and establishes a comprehensive framework for recognition of revenue from contracts with customers based on a core principle that an entity should recognise revenue representing the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The management is in the process of assessing the impact of changes laid down by these standards on its financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this unconsolidated condensed interim financial information are the same as those applied in the preparation of the preceding annual financial statements of the Company for the year ended June 30, 2017.

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANGEMENT

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affects the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

However, management believes that the change in outcome of judgements, estimates and assumptions would not have a material impact on the amounts disclosed in this unconsolidated condensed interim financial information.

Judgements and estimates made by the management in the preparation of this unconsolidated condensed interim financial information are the same as those that were applied to financial statements as at and for the year ended June 30, 2017 except stated below.

Until previous year depreciation on plant and machinery had been charged to income at useful life of 20 years, whereas with effect from July 1, 2017, the useful life of plant and machinery has been changed to 30 years (except for Waste Heat Recovery System and Alternate Fuel Project) in order to better reflect the pattern in which the economic benefits of the plant and machinery are consumed by the Company. Had this change in accounting estimates not been made, the depreciation for the period would have been higher by Rs. 62.81 million and profit before tax for the period would have been lower by the same amount.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2017.

5. FIXED ASSETS - property, plant and equipment

	(Unaudited) December 31, 2017	(Audited) June 30, 2017
	-------------Rupees in '000	---------------
Operating assets - note 5.1	**5,256,651**	5,327,230
Capital work-in-progress - note 5.2	**11,971,326**	10,803,079
Stores held for capital expenditures	**526,167**	530,029
	17,754,144	16,660,338

5.1 Additions to operating assets during the period were as follows:

	December 31, 2017	December 31, 2016
	-------------Rupees in '000	---------------
Buildings and roads on freehold land	**1,928**	4,704
Plant and machinery	**107,542**	132,772
Vehicles	**13,632**	17,625
Others	**2,390**	3,467
	125,492	158,568
Disposals during the period - Net book value	**3,629**	1,820
Transfer to stores during the period - Net book value	**28,226**	39,944

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

for the half year ended December 31, 2017 - unaudited

5.2 Capital work-in-progress

	(Unaudited) December 31, 2017			(Audited) June 30, 2017		
	Project - Line 3 (note 1.3)	Others	Total	Project - Line 3	Others	Total
	Rupees '000					
Civil works	2,888,637	-	2,888,637	2,385,322	-	2,385,322
Plant & machinery	8,706,207	8,094	8,714,301	8,112,502	48,305	8,160,807
Advances to suppliers	19,139	7,169	26,308	80,814	-	80,814
Others	341,746	334	342,080	176,136	-	176,136
	11,955,729	15,597	11,971,326	10,754,774	48,305	10,803,079

6. LONG-TERM INVESTMENT

	(Unaudited) December 31, 2017	(Audited) June 30, 2017
	Rupees in '000	
Investment in subsidiary company		
Sakr Al-Keetan For Cement Production Company Limited - at cost - note 6.1	1,264,711	781,612
Investment in associated company		
Attock Information Technology Services (Private) Limited - 450,000 (June 30, 2017: 450,000) fully paid ordinary shares of Rs. 10 each - at cost	4,500	4,500
	1,269,211	786,112

6.1 This represents USD 11.95 million (June 30, 2017: USD 7.45 million) invested in subsidiary, Sakr Al-Keetan For Cement Production Company Limited, out of agreed investment of USD 24 million. The company has obtained approval of State Bank of Pakistan prior to the remittance. Shares will be issued after completion of legal formalities in Iraq.

7. STORES, SPARES AND LOOSE TOOLS

Stores, spares and loose tools include Rs. 825.93 million (June 30, 2017: Rs. 801.86 million) in respect of coal stock.

8. OTHER RECEIVABLES

Other receivables include Rs. 93.9 million (June 30, 2017: Rs. 75.69 million) incurred by the Company for its Iraq project that are recoverable from the subsidiary.

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

for the half year ended December 31, 2017 - unaudited

	(Unaudited) December 31, 2017	(Audited) June 30, 2017
9. LONG TERM LOANS	-------------Rupees in '000---------------	
Long term loans	**5,000,000**	1,600,000
Less: Current portion of long term loans	**(937,500)**	(100,000)
	4,062,500	1,500,000

9.1 The company has entered into a syndicated finance agreement with a consortium of banks for a term finance facility of Rs. 7 billion for the installation of new production line and Waste Heat Recovery System. The facility carries a mark-up of 3 months KIBOR plus 0.25% p.a. which will be payable on quarterly basis. The tenure of this facility is 6 years including the grace period of 2 years. Upto December 31, 2017 Company has drawn Rs. 5 billion.

9.2 The above syndicated finance agreement is secured by first ranking hypothecation charge over all movable assets of the company.

10. SHORT TERM BORROWINGS

10.1 The facilities available from various banks amount to Rs. 3.73 billion (June 30, 2017: Rs. 3.24 billion). The arrangements are secured by way of pari-passu charge against hypothecation of Company's stock in trade and trade debts.

The rates of mark-up ranging between one month KIBOR minus 0.4% and one month KIBOR plus 0.5% (June 30, 2017: one month KIBOR minus 0.4% and three month KIBOR plus 0.25%) per annum.

11. CONTINGENCY AND COMMITMENTS

11.1 There has been no change in the status of contingency as reported in annual financial statements for the year ended June 30, 2017.

11.2 Commitments for capital expenditure outstanding as at December 31, 2017 amounted to Rs. 498.14 million (June 30, 2017: Rs. 981 million).

	December 31, 2017	December 31, 2016
12. NET SALES	-------------Rupees in '000---------------	
Gross local sales	**8,846,696**	7,602,612
Sales tax	**(1,430,952)**	(1,215,366)
Federal excise duty	**(1,049,611)**	(731,708)
	(2,480,563)	(1,947,074)
Commission	**(174,589)**	(168,839)
Net local sales	**6,191,544**	5,486,699
Export sales	**1,378,106**	1,742,033
	7,569,650	7,228,732

13. DISTRIBUTION COSTS

This includes Rs. 396.1 million (December 31, 2016: Rs. 433.43 million) incurred in respect of export sales.

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

for the half year ended December 31, 2017 - unaudited

	December 31, 2017	December 31, 2016
14. OTHER INCOME	-------------Rupees in '000	---------------
Interest on PLS savings accounts under interest / markup	3,455	8,564
Gain on sale of open ended mutual fund units	-	72,670
Scrap sales	12,541	12,794
Others	11,606	9,908
	27,602	103,936
15. TAXATION		
Current	544,682	676,000
Deferred	37,450	(9,700)
	582,132	666,300

15.1 The new production line has started operations in January 2018 and the applicable tax credit for investment amounting to Rs. 924 million under section 65B of the Income Tax Ordinance, 2001 will be recognised accordingly therefrom.

	December 31, 2017	December 31, 2016
	-------------Rupees in '000	---------------
16. CASH GENERATED FROM OPERATIONS		
Profit before taxation	1,735,047	2,044,329
Add / (Less): Adjustments for non-cash charges & other items		
Depreciation	164,216	215,622
Gain on disposal of fixed assets	(3,393)	(358)
Gain on sale of open ended mutual fund units	-	(72,670)
Provision for stores, spares and loose tools	177	3,912
Interest income	(3,455)	(8,564)
Finance cost	78,291	16,442
Retirement benefit obligations	47,911	42,885
Profit before working capital changes	2,018,794	2,241,598
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(135,773)	93,805
Stock-in-trade	13,779	154,876
Trade debts	(85,417)	(35,982)
Loans and advances	9,862	12,674
Short-term deposits and prepayments	(28,708)	(34,833)
Tax refunds due from Government - Sales tax	221,011	(311,814)
Other receivables	(16,135)	19,893
	(21,381)	(101,381)
(Decrease) / increase in current liabilities		
Trade and other payables	(628,546)	639,893
	(649,927)	538,512
Cash generated from operations	1,368,867	2,780,110

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

for the half year ended December 31, 2017 - unaudited

	Note	December 31, 2017	December 31, 2016
		-------------Rupees in '000---------------	
17. CASH AND CASH EQUIVALENTS			
Cash / cheques in hand		51,216	259
With banks on:			
- current accounts		115,955	256,416
- savings accounts		72,272	68,999
		188,227	325,415
Short term borrowings		(971,097)	(708,164)
		(731,654)	(382,490)
18. TRANSACTIONS WITH RELATED PARTIES			
Transactions with related parties during the period are as follows:			
Holding Company			
Dividend paid		1,299,671	1,203,400
Recovery of expenses		827	500
Subsidiary company			
Investment		483,099	-
Expense incurred on behalf of subsidiary company		18,205	3,352
Associated companies			
Purchase of goods		128,303	104,320
Reimbursement of expenses		1,648	1,696
Recovery of expenses		7,088	6,713
Other related parties			
Payments made to retirement benefit funds		70,337	65,995
Key management personnel			
Loans and advances recovered during the period		3,276	1,502
Salaries and other short-term employee benefits		71,921	59,440
Post-employment benefits		3,782	3,087

19. INTERIM DIVIDEND

The Board of Directors in its meeting held on January 23, 2018 recommended an interim cash dividend of NIL (December 31, 2016: Nil) per share amounting to Nil (December 31, 2016: Nil).

20. DATE OF AUTHORISATION FOR ISSUE

This unconsolidated condensed interim financial information was approved and authorised for issue by the Board of Directors of Company on January 23, 2018.

Irfan Amanullah	**Babar Bashir Nawaz**	**Abdus Sattar**
Chief Financial Officer	Chief Executive	Director

CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

for the half year ended December 31, 2017 - unaudited

CONSOLIDATED CONDENSED INTERIM BALANCE SHEET

as at December 31, 2017

	Note	(Unaudited) December 31, 2017	(Audited) JUNE 30, 2017
ASSETS		-----------Rupees in '000	-------------
Non-current assets			
Fixed assets - property, plant and equipment	5	18,523,426	17,019,667
Long-term investment	6	4,500	4,500
Long-term loans and advances - considered good		44,914	48,588
Long-term deposits		99,940	42,980
		18,672,780	17,115,735
Current assets			
Stores, spares and loose tools	7	1,608,777	1,473,181
Stock-in-trade		442,822	456,601
Trade debts - considered good		265,907	180,490
Loans and advances - considered good		66,521	76,383
Short-term deposits and prepayments		64,108	28,550
Other receivables		28,017	30,057
Taxation - payments less provision		-	236,663
Tax refunds due from Government - Sales tax		275,744	496,755
Cash and bank balances		1,688,111	1,246,125
		4,440,007	4,224,805
Total assets		23,112,787	21,340,540
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital		1,145,225	1,145,225
Unappropriated profit		10,409,272	10,802,410
Exchange revaluation reserve		57,287	(577)
Attributable to owners of Attock Cement Pakistan Limited - Holding company		11,611,784	11,947,058
Non-controlling interests		804,861	624,285
		12,416,645	12,571,343
LIABILITIES			
Non-current liabilities			
Long term loans	8	4,062,500	1,500,000
Liability against assets subject to finance lease		-	1,033
Deferred taxation		855,197	817,747
Retirement benefits - obligations		467,027	489,453
		5,384,724	2,808,233
Current liabilities			
Trade and other payables		3,307,128	3,831,131
Accrued mark-up		71,943	45,990
Short term borrowings	9	971,097	1,980,847
Current portion of long term loan		937,500	100,000
Current maturity of liability against assets subject to finance lease		2,066	2,996
Taxation - provision less payments		21,684	-
		5,311,418	5,960,964
Total liabilities		10,696,142	8,769,197
Contingency and commitments	10		
Total equity and liabilities		23,112,787	21,340,540

The annexed notes 1 to 19 form an integral part of this consolidated condensed interim financial information.

Irfan Amanullah	**Babar Bashir Nawaz**	**Abdus Sattar**
Chief Financial Officer	Chief Executive	Director

CONSOLIDATED CONDENSED INTERIM PROFIT & LOSS ACCOUNT

for the half year ended December 31, 2017 - unaudited

	Note	Quarter ended		Half year ended	
		December 31, 2017	December 31, 2016	December 31. 2017	December 31, 2016
		-----Rupees in '000-----			
Net sales	11	3,979,297	3,869,737	7,569,650	7,228,732
Cost of sales		(2,590,814)	(2,420,165)	(4,964,507)	(4,384,082)
Gross profit		1,388,483	1,449,572	2,605,143	2,844,650
Distribution costs	12	(201,454)	(252,376)	(485,923)	(526,112)
Administrative expenses		(134,127)	(104,911)	(241,743)	(209,799)
Other expenses		(56,741)	(77,904)	(91,741)	(151,904)
Other income	13	16,679	42,752	27,602	103,936
Profit from operations		1,012,840	1,057,133	1,813,338	2,060,771
Finance cost		(67,735)	(6,653)	(78,291)	(16,442)
Profit before taxation		945,105	1,050,480	1,735,047	2,044,329
Taxation	14	(397,132)	(363,300)	(582,132)	(666,300)
Profit after taxation		547,973	687,180	1,152,915	1,378,029
Other comprehensive income:					
Items that will be reclassified to profit or loss account					
Exchange revaluation reserve		90,318	-	94,368	-
Total comprehensive income		638,291	687,180	1,247,283	1,378,029
Total comprehensive income attributable to:					
Owners of Attock Cement Pakistan Limited - Holding Company		603,407	687,180	1,210,779	1,378,029
Non-controlling interests		34,884	-	36,504	-
		638,291	687,180	1,247,283	1,378,029
Earnings per share (Rupees)		4.78	6.00	10.07	12.03

The annexed notes 1 to 19 form an integral part of this consolidated condensed interim financial information.

Irfan Amanullah
Chief Financial Officer

Babar Bashir Nawaz
Chief Executive

Abdus Sattar
Director

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT

for the half year ended December 31, 2017 - unaudited

	Note	December 31, 2017	December 31, 2016
		-----------Rupees in '000-------------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	15	1,382,686	2,780,110
Finance cost paid		(16,423)	(16,442)
Income tax paid		(286,335)	(747,321)
Decrease in long-term loans and advances		3,674	1,415
Increase in long-term deposits		(56,960)	-
Retirement benefit obligations paid		(70,337)	(65,995)
Net cash generated from operating activities		956,305	1,951,767
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure incurred		(1,578,262)	(5,840,943)
Proceeds from disposal of operating assets		7,022	2,178
Purchase of open ended mutual fund units		-	(2,498,310)
Proceeds from sale of open ended mutual fund units		-	6,844,342
Interest received		3,455	8,564
Net cash used in investing activities		(1,567,785)	(1,484,169)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(1,543,902)	(1,429,442)
Long term loan received		3,400,000	-
Amount received from non-controlling interests		144,072	-
Lease rental paid		(1,963)	(1,964)
Net cash generated from / (used in) financing activities		1,998,207	(1,431,406)
Net increase / (decrease) in cash and cash equivalents		1,386,727	(963,808)
Cash and cash equivalents at beginning of the period		(734,722)	581,318
Effects of exchange rate changes on cash and cash equivalent		65,009	-
Cash and cash equivalents at end of the period	16	717,014	(382,490)

The annexed notes 1 to 19 form an integral part of this consolidated condensed interim financial information.

Irfan Amanullah
Chief Financial Officer

Babar Bashir Nawaz
Chief Executive

Abdus Sattar
Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

for the half year ended December 31, 2017 - unaudited

	Attributable to the owners of the Holding Company					
	Share capital	Unappropriated profit	Exchange revaluation reserve	Sub - Total	Non-controlling interests	Total Equity
	----------------------------Rupees in '000	----------------------------------				
Balance as at July 1, 2016	1,145,225	9,301,618	-	10,446,843	-	10,446,843
Final dividend for the year ended June 30, 2016 @ Rs. 12.50 per share	-	(1,431,531)	-	(1,431,531)	-	(1,431,531)
Total comprehensive income for the half year ended December 31, 2016	-	1,378,029	-	1,378,029	-	1,378,029
Balance as at 31 December, 2016 (unaudited)	1,145,225	9,248,116	-	10,393,341	-	10,393,341
Balance as at July 1, 2017	**1,145,225**	**10,802,410**	**(577)**	**11,947,058**	**624,285**	**12,571,343**
Final dividend for the year ended June 30, 2017 @ Rs. 13.50 per share	-	(1,546,053)	-	(1,546,053)	-	(1,546,053)
Equity contribution by non-controlling interests	-	-	-	-	144,072	144,072
Total comprehensive income for the half year ended December 31, 2017						
Profit for the half year ended December 31, 2017	-	1,152,915	-	1,152,915	-	1,152,915
Other comprehensive income for half year ended December 31, 2017	-	-	57,864	57,864	36,504	94,368
	-	1,152,915	57,864	1,210,779	36,504	1,247,283
Balance as at December 31, 2017 (unaudited)	**1,145,225**	**10,409,272**	**57,287**	**11,611,784**	**804,861**	**12,416,645**

The annexed notes 1 to 19 form an integral part of this consolidated condensed interim financial information.

Irfan Amanullah
Chief Financial Officer

Babar Bashir Nawaz
Chief Executive

Abdus Sattar
Director

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

for the half year ended December 31, 2017 - unaudited

1. THE GROUP AND ITS OPERATIONS

1.1 The group consists of:

Holding Company - Attock Cement Pakistan Limited (the "Company")

The Holding Company was incorporated in Pakistan on October 14, 1981 as a public limited Company and is listed on Pakistan Stock Exchange. Its main business activity is manufacturing and sale of cement. The registered office of the Holding Company is at D-70, Block-4, Kehkashan-5, Clifton, Karachi. The Holding Company's cement manufacturing plant is located in Tehsil Hub, District Lasbella, Balochistan. The Holding Company also has a representative / liaison office in Dubai, UAE, to explore business opportunities in the growing markets of Middle East and Africa.

Pharaon Investment Group Limited Holding S.A.L., Lebanon is the ultimate holding company as it holds 84.06% of the total paid-up share capital of the company.

Subsidiary Company - Saqr Al-Keetan for Cement Production Company Limited (SAKCPCL)

SAKCPCL was incorporated under the Iraqi law on November 3, 2014 by the name Saqr Al-Keetan For Cement Production Company Limited. Its principal place of business is in Iraq. The registered office of the company is at House # 35, Square 29, Near Al Buradia Super Market, Al Rbeea District Al Buradia, Basra. The company's cement manufacturing plant is located in Industrial Sector, Land No. 1/7, Sector 56, Al-Arquli Al-Janobi, Khor Al-Zubair, Basra, Iraq.

SAKCPCL is in its construction phase and has established letters of credit for plant and machinery in favor of Chinese and European suppliers. Upto December 31, 2017 major shipments have arrived at Basra, Iraq.

1.2 The Holding Company had entered into a Joint Venture agreement with Al Geetan Commercial Agencies, Iraq, to form a limited liability company in Iraq. The principal activity of the company will be to build and operate a cement grinding plant having production capacity of approximately 900,000 metric tons per annum. The new limited liability company has been established and registered under the Iraqi law on November 3, 2014 by the name Saqr Al-Keetan for Cement Production Company Limited having share capital of 30,000,000 Iraqi Dinar. Attock Cement Pakistan Limited will hold 60% share in the Subsidiary Company. The expected investment of the company in foreign subsidiary would be USD 24 million. As at December 31, 2017, Holding Company has invested USD 11.95 million.

The Holding Company has obtained approval of State Bank of Pakistan prior to the remittance of equity. Shares will be issued after completion of legal formalities in Iraq.

1.3 The Holding Company had entered into an agreement with Hefei Cement Research & Design Institute (HCRDI), China, for installation of new production line of 4000 tons per day and Waste Heat Recovery System (WHRS) at its existing plant site. The total project cost would be approximately USD 130 million. The project is financed partially through syndicated loan. The cement production line has started operations in January 2018. However, work on WHRS plant is under progress and expected to be completed by March 31, 2018.

2. Basis of preparation

These consolidated condensed interim financial information have been prepared in accordance with approved accounting standards as applicable in Pakistan. As per the requirements of circular no. CLD/CCD/PR(11)/2017 dated October 4, 2017 issued by the Securities & Exchange Commission of Pakistan (SECP), companies whose financial year, including quarterly and other interim periods, closes on or before December 31, 2017, shall prepare their financial statements, including interim financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984.

Accordingly, this consolidated condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34, Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the repealed Companies Ordinance, 1984 have been followed.

This consolidated condensed interim financial information does not include all the information required for full financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2017.

2.1. Changes in accounting standards, interpretations and pronouncements

a) Standards, interpretations and amendments to published approved accounting standards that are effective and relevant

IAS 7, 'Cashflow statements' - This amendment requires disclosure to explain changes in liabilities for which cashflows have been or will be classified as financing activities in the statement of cashflows. The amendment is part of the IAS's Disclosure Initiative. In the first year of adoption, comparative information need not be provided.

The change will impact the disclosures of the Group's annual financial statements.

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

for the half year ended December 31, 2017 - unaudited

b) Standards, interpretations and amendments to published approved accounting standards that are effective but not relevant

There are certain new standards, amendments to the approved accounting standards and new interpretations that are mandatory for accounting periods beginning on or after January 1, 2017, but are considered not to be relevant or have any significant effect on the Group's reporting and are therefore, not disclosed in this consolidated condensed interim financial information.

c) Standards, interpretations and amendments to published approved accounting standards that are not yet effective but relevant

The following are the new standards, amendments to existing approved accounting standards and new interpretations that will be effective for the periods beginning July 1, 2018 that may have an impact on the Group's financial statements.

IFRS 9 'Financial instruments' - This standard replaces the guidance in IAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model.

IFRS 15 'Revenue from contracts with customers' - IFRS 15 replaces the previous revenue standards: IAS 18 Revenue, IAS 11 Construction Contracts, and the related interpretations on revenue recognition.

IFRS 15 introduces a single five-step model for revenue recognition and establishes a comprehensive framework for recognition of revenue from contracts with customers based on a core principle that an entity should recognise revenue representing the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The management is in the process of assessing the impact of changes laid down by these standards on its financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this consolidated condensed interim financial information are the same as those applied in the preparation of the preceding annual financial statements of the Group for the year ended June 30, 2017.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANGEMENT

The preparation of consolidated interim financial information requires management to make judgements, estimates and assumptions that affects the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

However, management believes that the change in outcome of judgements, estimates and assumptions would not have a material impact on the amounts disclosed in this consolidated condensed interim financial information.

Judgements and estimates made by the management in the preparation of this consolidated condensed interim financial information are the same as those that were applied to financial statements as at and for the year ended June 30, 2017 except stated below.

Until previous year depreciation on plant and machinery of the Holding Company had been charged to income at useful life of 20 years, whereas with effect from July 1, 2017, the useful life of plant and machinery has been changed to 30 years (except for Waste Heat Recovery System and Alternate Fuel Project) in order to better reflect the pattern in which the economic benefits of the plant and machinery are consumed by the Holding Company. Had this change in accounting estimates not been made, the depreciation for the period would have been higher by Rs. 62.81 million and profit before tax for the period would have been lower by the same amount.

The Group's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2017.

	(Unaudited) December 31, 2017	(Audited) June 30, 2017
5. FIXED ASSETS - property, plant and equipment	---------------Rs. in '000	-------------
Operating assets - note 5.1	**5,278,076**	5,343,547
Capital work-in-progress - note 5.2	**12,719,183**	11,146,091
Stores held for capital expenditures	**526,167**	530,029
	18,523,426	17,019,667

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

for the half year ended December 31, 2017 - unaudited

	December 31, 2017	December 31, 2016
	---------------Rs. in '000-------------	
5.1 Additions to operating assets during the period were as follows:		
Buildings and roads on freehold land	1,928	4,704
Plant and machinery	107,542	132,772
Vehicles	13,632	17,625
Others	9,276	3,467
	132,378	158,568
Disposals during the period - Net book value	3,629	1,820
Transfer to stores during the period - Net book value	28,226	39,944

5.2 Capital work-in-progress

	(Unaudited) December 31, 2017			(Audited) June 30, 2017		
	Project - Line 3 (note 1.3)	**Others**	**Total**	Project - Line 3	Others	Total
	-----------------------------			Rupees '000	-------------------------	
Civil works	2,888,637	269,124	3,157,761	2,385,322	69,724	2,455,046
Plant & machinery	8,706,207	268,227	8,974,434	8,112,502	167,740	8,280,242
Advances to suppliers	19,139	7,169	26,308	80,814	-	80,814
Others	341,746	218,934	560,680	176,136	153,853	329,989
	11,955,729	763,454	12,719,183	10,754,774	391,317	11,146,091

	(Unaudited) December 31, 2017	(Audited) June 30, 2017
	---------------Rs. in '000-------------	
6. LONG-TERM INVESTMENT		
Investment in associated company		
Attock Information Technology Services (Private) Limited - 450,000 (June 30, 2017: 450,000) fully paid ordinary shares of Rs. 10 each - at cost	4,500	4,500
	4,500	4,500

7. STORES, SPARES AND LOOSE TOOLS

Stores, spares and loose tools include Rs. 825.93 million (June 30, 2017: Rs. 801.86 million) in respect of coal stock.

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

for the half year ended December 31, 2017 - unaudited

	(Unaudited) December 31, 2017	(Audited) June 30, 2017
	---------------Rs. in '000-------------	
8. LONG TERM LOANS		
Long term loans	5,000,000	1,600,000
Less: Current portion of long term loans	(937,500)	(100,000)
	4,062,500	1,500,000

8.1 The Holding Company has entered into a syndicated finance agreement with a consortium of banks for a term finance facility of Rs. 7 billion for the installation of new production line and Waste Heat Recovery System. The facility carries a mark-up of 3 months KIBOR plus 0.25% p.a. which will be payable on quarterly basis. The tenure of this facility is 6 years including the grace period of 2 years. Upto December 31, 2017 Holding Company has drawn Rs. 5 billion.

8.2 The above syndicated finance agreement is secured by first ranking hypothecation charge over all movable assets of the Holding Company.

9. SHORT TERM BORROWINGS

9.1 The facilities available from various banks amount to Rs. 3.73 billion (June 30, 2017: Rs. 3.24 billion). The arrangements are secured by way of pari-passu charge against hypothecation of Holding Company's stock in trade and trade debts.

The rates of mark-up ranging between one month KIBOR minus 0.4% and one month KIBOR plus 0.5% (June 30, 2017: one month KIBOR minus 0.4% and three month KIBOR plus 0.25%) per annum.

10. CONTINGENCY AND COMMITMENTS

10.1 There has been no change in the status of contingency as reported in annual financial statements for the year ended June 30, 2017.

10.2 Commitments for capital expenditure outstanding as at December 31, 2017 amounted to Rs. 1,953 million (June 30, 2017: Rs. 1,901 million).

	December 31, 2017	December 31, 2016
	---------------Rs. in '000-------------	
11. NET SALES		
Gross local sales	8,846,696	7,602,612
Sales tax	(1,430,952)	(1,215,366)
Federal excise duty	(1,049,611)	(731,708)
	(2,480,563)	(1,947,074)
Commission	(174,589)	(168,839)
Net local sales	6,191,544	5,486,699
Export sales	1,378,106	1,742,033
	7,569,650	7,228,732

12. DISTRIBUTION COSTS

This includes Rs. 396.1 million (December 31, 2016: Rs. 433.43 million) incurred in respect of export sales.

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

for the half year ended December 31, 2017 - unaudited

	December 31, 2017	December 31, 2016
13. OTHER INCOME	Rs. in '000	
Interest on PLS savings accounts under interest / markup	3,455	8,564
Gain on sale of open ended mutual fund units	-	72,670
Scrap sales	12,541	12,794
Others	11,606	9,908
	27,602	103,936

	December 31, 2017	December 31, 2016
14. TAXATION		
Current	544,682	676,000
Deferred	37,450	(9,700)
	582,132	666,300

14.1 The new production line has started operations in January 2018 and the applicable tax credit for investment amounting to Rs. 924 million under section 65B of the Income Tax Ordinance, 2001 will be recognised accordingly therefrom.

	December 31, 2017	December 31, 2016
	Rs. in '000	
15. CASH GENERATED FROM OPERATIONS		
Profit before taxation	1,735,047	2,044,329
Add / (Less): Adjustments for non-cash charges & other items		
Depreciation	164,216	215,622
Gain on disposal of fixed assets	(3,393)	(358)
Gain on sale of open ended mutual fund units	-	(72,670)
Provision for stores, spares and loose tools	177	3,912
Interest income	(3,455)	(8,564)
Finance cost	78,291	16,442
Retirement benefit obligations	47,911	42,885
Profit before working capital changes	2,018,794	2,241,598
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(135,773)	93,805
Stock-in-trade	13,779	154,876
Trade debts	(85,417)	(35,982)
Loans and advances	9,862	12,674
Short-term deposits and prepayments	(34,129)	(34,833)
Tax refunds due from Government - Sales tax	221,011	(311,814)
Other receivables	2,040	19,893
	(8,627)	(101,381)
(Decrease) / increase in current liabilities		
Trade and other payables	(627,481)	639,893
	(636,108)	538,512
Cash generated from operations	1,382,686	2,780,110

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

for the half year ended December 31, 2017 - unaudited

	December 31, 2017	December 31, 2016
	---------------Rs. in '000-------------	
16. CASH AND CASH EQUIVALENTS		
Cash / cheques in hand	**56,362**	259
With banks on:		
- current accounts	**1,559,477**	256,416
- savings accounts	**72,272**	68,999
	1,631,749	325,415
Short term borrowings	**(971,097)**	(708,164)
	717,014	(382,490)

	December 31, 2017	December 31, 2016
17. TRANSACTIONS WITH RELATED PARTIES		
Transactions with related parties during the period are as follows:		
Ultimate Holding Company		
Dividend paid	**1,299,671**	1,203,400
Recovery of expenses	**827**	500
Associated companies		
Purchase of goods	**128,303**	104,320
Reimbursement of expenses	**1,648**	1,696
Recovery of expenses	**7,088**	6,713
Other related parties		
Payments made to retirement benefit funds	**70,337**	65,995
Key management personnel		
Loans and advances recovered during the period	**3,276**	1,502
Salaries and other short-term employee benefits	**71,921**	59,440
Post-employment benefits	**3,782**	3,087

18. INTERIM DIVIDEND

The Board of Directors in its meeting held on January 23, 2018 recommended an interim cash dividend of Nil (December 31, 2016: Nil) per share amounting to Nil (December 31, 2016: Nil).

19. DATE OF AUTHORISATION FOR ISSUE

This consolidated condensed interim financial information was approved and authorised for issue by the Board of Directors of Holding Company on January 23, 2018.

Irfan Amanullah
Chief Financial Officer

Babar Bashir Nawaz
Chief Executive

Abdus Sattar
Director

NOTES:

Date:

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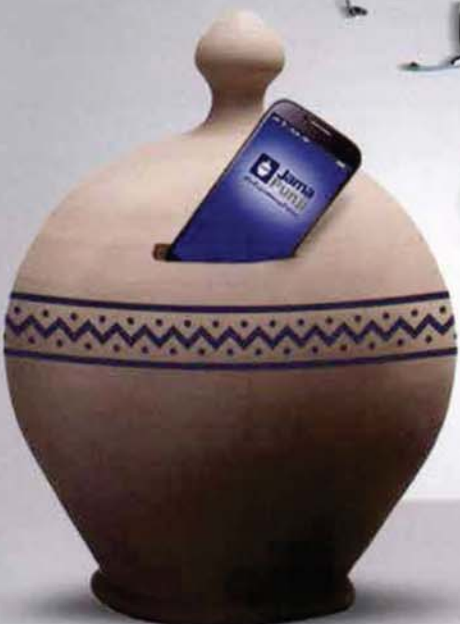

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