

Corporate Information

BOARD OF DIRECTORS	Mr. Manzoor Hayat Noon <i>Chairman and Chief Executive</i> Mr. K. Iqbal Talib Mr. Javed Ali Khan Mr. Safdar M. Hayat Qureshi Mr. Salman Hayat Noon Mr. Adnan Hayat Noon Mr. Zaheer Ahmad Khan
COMPANY SECRETARY	Syed Anwar Ali
AUDIT COMMITTEE	Mr. Salman Hayat Noon <i>Chairman</i> Mr. K. Iqbal Talib <i>Member</i> Mr. Adnan Hayat Noon <i>Member</i>
AUDITORS	Hameed Chaudhri & Co. <i>Chartered Accountants</i>
LEGAL ADVISERS	Hamid Law Associates
BANKERS	Habib Bank Limited United Bank Limited National Bank of Pakistan Bank Alfalah Limited The Royal Bank of Scotland (formerly ABN-AMRO Bank) The Bank of Punjab NIB Bank Limited MCB Bank Limited Askari Bank Limited Allied Bank Limited
REGISTERED OFFICE	1st Floor, Alfalah Building, Shahrah-e-Quaid-e-Azam, Lahore.
SHARES DEPARTMENT	66 - Garden Block, New Garden Town, Lahore. Tel : 5831462 – 3 E-mail: shares@noonpak.com
WEBSITE	www.nurpurfoods.com www.noonpak.com
PLANT	Bhalwal, District Sargodha.

DIRECTORS' REPORT TO THE SHAREHOLDERS

We are pleased to present the un-audited financial statements of your Company for the period July 2008 to March 2009.

The Company has been able to achieve net sales revenue of Rs. 1,284.336 million during the period under review compared to Rs. 1,150.944 million for the corresponding period of last year. We earned a net profit of Rs. 37.323 million, which is less than last year's profit of Rs. 45.211 million, yet keeping in view the adverse economic conditions, the law & order situation in the country and very severe competition in the market, it can be termed a good achievement.

The Management has made strenuous efforts to overcome the impact of recession and high operating costs in the quarter of January / March 2009 and managed to make a reasonable profit of Rs. 46.091 million, thus not only wiping off the loss of Rs. 8.768 million suffered in the first half of the year but converting it into a profit for the nine months period ended March 31, 2009. This became possible mainly because we decided to pass on part of the impact of high input costs to the Consumer, reduction in the procurement price of raw milk and adopting stringent austerity measures. The Management of the Company envisages very tough market conditions in the coming months due to load shedding, worsening of law & order situation and our competitors' very aggressive marketing strategies. We have also made marketing plans to counter the impact of these activities and would endeavor to maintain our profitability level in the last quarter of the year.

The Directors wish to express their appreciation to the team of dedicated officers and staff / workers, who had continued to make concerted efforts for growth of the Company's business. We would also like to thank our valued customers, share holders and financial institutions for their continued support.

For and on behalf of the Board

MANZOOR HAYAT NOON
Chairman & Chief Executive

Dated : April 28, 2009

CONDENSED INTERIM BALANCE SHEET

	Un-Audited 31 Mar., 2009 Rupees	Audited 30 June, 2008 Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised capital	<u>120,000,000</u>	<u>120,000,000</u>
Issued, subscribed and paid-up capital	115,200,000	115,200,000
Capital redemption reserve	15,879,507	15,879,507
Unappropriated profit	<u>69,565,418</u>	<u>38,756,695</u>
	200,644,925	169,836,202
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT	22,149,334	22,460,649
DEFERRED INCOME	7,835,992	8,088,531
NON-CURRENT LIABILITIES		
Term and demand finances	51,055,484	70,201,292
Loan from chief executive	56,545,200	56,545,200
Liabilities against assets subject to finance lease	14,619,877	20,158,259
Deferred taxation	15,174,322	19,657,422
	137,394,883	166,562,173
CURRENT LIABILITIES		
Current portion of :		
– term and demand finances	25,527,744	17,085,527
– liabilities against assets subject to finance lease	14,586,432	11,158,139
Short term finances	126,107,326	123,943,137
Short term loan from chief executive	0	4,500,000
Trade and other payables	216,524,237	186,343,072
Accrued mark-up and interest	11,037,790	9,896,304
Taxation	260,475	8,259,200
Dividends	18,227,184	20,114,334
	412,271,188	381,299,713
CONTINGENCIES AND COMMITMENTS	780,296,322	748,247,268

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

MANZOOR HAYAT NOON
Chief Executive

AS AT 31 MARCH, 2009

	Un-Audited 31 Mar., 2009 Rupees	Audited 30 June, 2008 Rupees
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	399,174,156	422,206,158
Loans to employees	0	35,850
Security deposits	508,823	489,923
	399,682,979	422,731,931
CURRENT ASSETS		
Stores, spares and loose tools	87,468,756	93,216,438
Stock-in-trade	130,705,000	73,428,000
Trade debts – unsecured considered good	85,224,959	50,952,033
Loans and advances	1,323,798	1,818,674
Short term security deposits and Prepayments	11,161,199	5,983,111
Other receivables	474,295	770,716
Sales tax refundable	45,745,674	61,252,396
Advance income tax, tax deducted at source and income tax refundable	5,946,386	8,801,714
Cash and bank balances	12,563,276	29,292,255
	380,613,343	325,515,337
	780,296,322	748,247,268

SAFDAR M. HAYAT QURESHI
Director

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE QUARTER AND NINE MONTHS
ENDED 31 MARCH, 2009
(Un-Audited)**

	For the 3rd Quarter		For the nine months	
	Jan. – Mar. 2009	Jan. – Mar. 2008	July – Mar. 2009	July – Mar. 2008
	----- Rupees -----			
Sales – Net	440,765,933	460,861,489	1,284,336,708	1,150,944,555
Cost of sales	365,064,318	391,388,688	1,128,749,606	979,379,412
Gross profit	75,701,615	69,472,801	155,587,102	171,565,143
Administrative expenses	8,996,848	8,718,087	28,484,721	26,799,851
Distribution cost	21,462,466	26,547,613	76,050,671	73,210,692
Other operating expenses	2,150	1,712,119	13,950	3,247,621
	30,461,464	36,977,819	104,549,342	103,258,164
Other operating income	13,531,016	8,330,964	20,447,578	18,511,442
Operating profit	58,771,167	40,825,946	71,485,338	86,818,421
Finance cost	12,341,472	8,312,777	38,478,541	25,216,217
Profit before taxation	46,429,695	32,513,169	33,006,797	61,602,204
Taxation				
– current	126,425	2,338,000	166,275	5,834,000
– prior years	614	0	614	(491)
– deferred	211,518	8,332,165	(4,483,100)	10,557,646
	338,557	10,670,165	(4,316,211)	16,391,155
profit for the period	46,091,138	21,843,004	37,323,008	45,211,049
Earnings per share:				
– Basic	10.29	5.12	7.06	9.95
– Diluted	4.00	1.98	3.24	4.09

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

Appropriations have been reflected in the statement of changes in equity.

MANZOOR HAYAT NOON
Chief Executive

SAFDAR M. HAYAT QURESHI
Director

CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED 31 MARCH, 2009
(Un-Audited)

	31 Mar., 2009 Rupees	31 Mar., 2008 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period – before taxation	33,006,797	61,602,204
Adjustments for non-cash charges and other items:		
Depreciation	32,123,282	28,261,465
Gain on sale of operating fixed assets	(10,119,278)	(1,620,612)
Finance cost	38,478,541	25,216,217
Deferred cost amortised	0	198,500
Deferred income recognized	(3,151,233)	(924,400)
Profit on bank deposits	0	(10,760)
	90,338,109	112,722,614
CASH INFLOW FROM OPERATING ACTIVITIES		
– Before working capital changes	90,338,109	112,722,614
(Increase) / decrease in current assets:		
Stores, spares and loose tools	5,747,682	(3,542,835)
Stock-in-trade	(57,277,000)	(36,771,000)
Trade debts	(34,272,926)	(31,373,881)
Loans and advances	494,876	(1,316,824)
Short term security deposits and prepayments	(5,178,088)	(3,399,621)
Other receivables	295,658	126,656
Sales tax refundable	15,506,722	(17,373,568)
Increase in trade and other payables	30,181,165	38,520,513
	(44,501,911)	(55,130,560)
CASH INFLOW FROM OPERATING ACTIVITIES – Before taxation	45,836,198	57,592,054
Taxes paid	(5,310,286)	(5,514,900)
NET CASH INFLOW FROM OPERATING ACTIVITIES – After taxation	40,525,912	52,077,154
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(21,761,252)	(80,099,358)
Sale proceeds of operating fixed assets	25,687,944	15,959,998
Loans to employees – net	35,850	486
Security deposits	(18,900)	(685,199)
Profit on bank deposits received	763	10,760
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	3,944,405	(64,813,313)
CASH FLOW FROM FINANCING ACTIVITIES		
Term and demand finances – net	(10,703,591)	(36,556,784)
Proceeds from right issue of shares	0	36,000,000
Loan from chief executive	0	2,545,200
Lease finances – net	(2,110,089)	22,462,589
Short term finances – net	2,164,189	24,135,269
Short term loan from chief executive	(4,500,000)	0
Finance cost paid	(37,337,055)	(24,513,332)
Dividends paid	(8,712,750)	(9,238,233)
NET CASH (OUTFLOW) / INFLOW FROM FINANCING ACTIVITIES	(61,199,296)	14,834,709
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(16,728,979)	2,098,550
CASH AND CASH EQUIVALENTS		
– At the beginning of the period	29,292,255	14,335,447
CASH AND CASH EQUIVALENTS		
– At the end of the period	12,563,276	16,433,997

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

MANZOOR HAYAT NOON
Chief Executive

SAFDAR M. HAYAT QURESHI
Director

**CONDENSED INTERIM
STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 31 MARCH, 2009 (Un-Audited)**

	Share Capital	Capital redemption reserve	Unappropri- ated profit	Total
	----- (Rupees) -----			
Balance as at 30 June, 2007	79,200,000	15,879,507	13,678,117	108,757,624
Nominal value of right ordinary shares issued	36,000,000	0	0	36,000,000
Dividend on preference shares	0	0	(6,998,400)	(6,998,400)
Profit for the nine months ended 31 March, 2008	0	0	45,211,049	45,211,049
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the period				
– net of deferred taxation	0	0	345,905	345,905
Balance as at 31 March, 2008	115,200,000	15,879,507	52,236,671	183,316,178
Dividend on preference shares	0	0	(3,196,800)	(3,196,800)
Profit for the three months ended 30 June, 2008	0	0	(10,398,478)	(10,398,478)
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the period				
– net of deferred taxation	0	0	115,302	115,302
Balance as at 30 June, 2008	115,200,000	15,879,507	38,756,695	169,836,202
Dividend on preference shares	0	0	(6,825,600)	(6,825,600)
Profit for the nine months ended 31 March, 2009	0	0	37,323,008	37,323,008
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the period				
– net of deferred taxation	0	0	311,315	311,315
Balance as at 31 March, 2009	115,200,000	15,879,507	69,565,418	200,856,443

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

MANZOOR HAYAT NOON
Chief Executive

SAFDAR M. HAYAT QURESHI
Director

**NOTES TO THE CONDENSED
INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS ENDED 31 MARCH, 2009
(Un-Audited)**

1. The Company was incorporated in Pakistan on 26 September, 1966 as a Public Company and its shares are quoted on Karachi and Lahore Stock Exchanges. It is principally engaged in processing and sale of toned milk, milk powder, fruit juices, allied dairy and food products. The registered office of the Company is situated at 1st Floor, Alfalah Building, Shahrah-e-Quaid-e-Azam, Lahore and the plant is located at Bhalwal, District Sargodha.
2. The condensed interim financial information does not include all the information required for full financial statements and should be read in conjunction with the preceding published annual financial statements of the Company for the year ended 30 June, 2008.
3. The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding published annual financial statements of the Company for the year ended 30 June, 2008.
4. The significant judgment, estimates and assumptions used by the management in preparation of this condensed interim financial information are the same as those applied to the preceding published annual financial statements of the Company for the year ended 30 June, 2008.
5. This condensed interim financial information has been authorized for issue by the Board of Directors of the Company in its meeting held on 28 April, 2009.
6. Figures in the condensed interim financial information have been rounded-off to the nearest Rupee except stated otherwise. Corresponding figures have neither been re-arranged nor re-classified in this condensed interim financial information.

MANZOOR HAYAT NOON
Chief Executive

SAFDAR M. HAYAT QURESHI
Director