



Attock

ATTOCK PETROLEUM LIMITED

*Interim Report
& Financial
Statements*

For the Quarter Ended March 31, 2009

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COMPANY INFORMATION

Directors

Dr. Ghaith R. Pharaon
Chairman
(Alternate Director
Mr. Shuaib A. Malik)

Mr. Laith G. Pharaon
(Alternate Director
Mr. Bilal A. Khan)

Mr. Wael G. Pharaon
(Alternate Director
Mr. Rehmat Ullah Bardaie)

Mr. Babar Bashir Nawaz

Mr. M. Adil Khattak

Mr. Munaf Ibrahim

Mr. Shuaib A. Malik
Chief Executive

Company Secretary

Mr. Rehmat Ullah Bardaie

Audit Committee

Mr. Babar Bashir Nawaz
Chairman

Mr. M. Adil Khattak

Mr. Bilal A. Khan
(Alternate Director to
Mr. Laith G. Pharaon)

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Registered Office

6, Faisal Avenue, F-7/1, Islamabad

Bankers

Faysal Bank Limited
Habib Bank Limited

Share Registrar

THK Associates (Pvt.) Limited
Ground Floor, State Life Building-3
Dr. Ziauddin Ahmed Road, Karachi
Tel: 92-21-111-000-322
Fax: 92-21-5655595

Legal Advisor

Ali Sibtain Fazli & Associates
Mall Mansions, 30-The Mall, Lahore

Correspondence Address

6, Faisal Avenue, F-7/1, Islamabad
Tel: 92-51-2611600
Email: contact@apl.com.pk
Website: www.apl.com.pk

DIRECTORS' REVIEW

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

The Board of Directors of Attock Petroleum Limited feel pleasure in presenting the report on the affairs of the Company together with financial statements for the nine months ended March 31, 2009.

Due to improved product mix and better fund management your Company's profit after tax increased by 33% to Rs. 2,218 million as against the profit of Rs. 1,665 million during the corresponding period last year translated into earnings per share of Rs. 38.51 against Rs. 28.91 during same period last year.

Following the fall in the global prices of the commodities, average crude oil prices announced by the Organization of the Petroleum Exporting Countries' (OPEC) also came down to US \$ 45/bbl in March 2009 from US \$ 128/bbl in June 2008. Consequently, the subsidy given by the GoP in the form of Price Differential Claim (PDC) on Diesel was reduced to zero in October 2008. Nevertheless, an amount of Rs. 720 million was still receivable from GoP as at March 31, 2009 on account of PDC related to prior period.

Due to deteriorating macro-economic indicators, liquidity crisis and circular debt in the country, substantial receivables on account of supplies to Government owned entities have been accumulated. In this regard, Rs. 6.0 billion was receivable from these entities as at March 31, 2009 and management is making all the possible efforts for recovering this amount.

Adopting a proactive approach and focusing on improving efficiency in the business, 30 new retail outlets were commissioned during the period bringing the total number of operational retail outlets to 239 as on March 31, 2009. Restructuring of our existing retail outlets in terms of looks and services is in progress and the Company is making significant investment in order to better address the needs of customers by providing state-of-the-art facilities.

Continuing its thrust on the up-gradation, enhancement and development of infrastructure, work is in progress for setting up new storage terminals. The bulk oil terminal at Machike is near completion and is expected to be commissioned by the end of current fiscal year. The Company

is making all the endeavours to start construction of terminal at Port Qasim which has been held in abeyance due to certain possession related legal issues.

The Board would like to extend its gratitude to the staff members, customers, suppliers, contractors, shareholders and Government authorities for their continued interest, support and loyalty to the Company.

Islamabad,
April 20, 2009

On behalf of the Board



SHUAIB A. MALIK
CHIEF EXECUTIVE

CONDENSED INTERIM BALANCE SHEET (UNAUDITED)

AS AT MARCH 31, 2009

	Note	March 31, 2009	June 30, 2008
		Rupees ('000)	
SHARE CAPITAL AND RESERVES			
Authorised capital 150,000,000 (June 30, 2008: 75,000,000) ordinary shares of Rs 10 each		<u>1,500,000</u>	<u>750,000</u>
Issued, subscribed and paid up capital 57,600,000 (June 30, 2008: 48,000,000) ordinary shares of Rs 10 each		576,000	480,000
Reserves			
Special reserve		34,097	53,272
Revenue reserve			
Unappropriated profit		<u>5,607,732</u>	<u>5,002,577</u>
		<u>6,217,829</u>	<u>5,535,849</u>
NON CURRENT LIABILITIES			
Long term deposits		<u>146,077</u>	<u>121,137</u>
Deferred income tax liability		<u>29,000</u>	<u>14,000</u>
		<u>175,077</u>	<u>135,137</u>
CURRENT LIABILITIES			
Trade and other payables	3	<u>9,373,598</u>	<u>9,813,929</u>
Dividend Payable		<u>556,197</u>	<u>-</u>
Provision for income tax		<u>342,167</u>	<u>28,421</u>
		<u>10,271,962</u>	<u>9,842,350</u>
CONTINGENCIES AND COMMITMENTS			
	4	<u>16,664,868</u>	<u>15,513,336</u>

	Note	March 31, 2009	June 30, 2008
		Rupees ('000)	
PROPERTY, PLANT AND EQUIPMENT	5	1,066,121	922,621
LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES	6	719,591	709,081
CURRENT ASSETS			
Stores and spares		19,056	5,164
Stock in trade		446,492	299,092
Trade debts	7	6,839,215	5,825,869
Advances, deposits, prepayments and other receivables	8	1,008,087	1,303,249
Short term investments		-	330,369
Cash and bank balances	9	6,566,306	6,117,891
		14,879,156	13,881,634
		<u>16,664,868</u>	<u>15,513,336</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.


Chief Executive


Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2009

	Note	Quarter ended		Nine Months ended	
		March 31 2009	March 31 2008	March 31 2009	March 31 2008
		Rupees ('000)		Rupees ('000)	
SALES		13,765,010	14,987,107	51,434,802	40,593,743
Sales tax		<u>(1,776,487)</u>	<u>(1,760,959)</u>	<u>(6,390,363)</u>	<u>(4,639,360)</u>
NET SALES		11,988,523	13,226,148	45,044,439	35,954,383
Cost of products sold		<u>(11,304,059)</u>	<u>(12,611,606)</u>	<u>(42,741,607)</u>	<u>(34,161,172)</u>
GROSS PROFIT		684,464	614,542	2,302,832	1,793,211
Other operating income	10	176,936	246,816	622,634	616,479
Operating expenses		<u>(100,237)</u>	<u>(82,174)</u>	<u>(378,495)</u>	<u>(226,501)</u>
OPERATING PROFIT		761,163	779,184	2,546,971	2,183,189
Income on bank deposits and investments		251,994	83,145	629,892	265,714
Share of profit of associated companies		43,949	13,277	12,704	33,322
Workers' profit participation fund		<u>(50,658)</u>	<u>(43,117)</u>	<u>(160,087)</u>	<u>(123,112)</u>
PROFIT BEFORE TAXATION		1,006,448	832,489	3,029,480	2,359,113
Provision for taxation - Current		<u>(246,500)</u>	<u>(250,000)</u>	<u>(796,500)</u>	<u>(692,000)</u>
- Deferred		<u>(10,000)</u>	<u>(1,000)</u>	<u>(15,000)</u>	<u>(2,000)</u>
		<u>(256,500)</u>	<u>(251,000)</u>	<u>(811,500)</u>	<u>(694,000)</u>
PROFIT FOR THE PERIOD		749,948	581,489	2,217,980	1,665,113
Earnings per share (Rupees)	12	13.02	10.10	38.51	28.91

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.


Chief Executive


Director

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2009

	Nine Months ended	
	March 31 2009	March 31 2008
	Rupees ('000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,029,480	2,359,113
Adjustment for		
Depreciation	64,722	55,249
Gain on sale of property, plant and equipment	(1,937)	(186)
Income on bank deposits and investments	(629,892)	(265,714)
Share in (profit) of associated companies	(12,704)	(33,322)
	<u>2,449,669</u>	<u>2,115,140</u>
Changes in working capital		
(Increase) in stores and spares	(13,892)	(10,664)
(Increase) in stock in trade	(147,401)	(170,743)
(Increase) in trade debts	(1,013,346)	(2,097,538)
Decrease/(Increase) in advances, deposits, prepayments and other receivables	362,325	(1,244,625)
(Decrease)/Increase in trade and other payables	(442,208)	1,461,902
	<u>(1,254,522)</u>	<u>(2,061,668)</u>
Taxes paid	<u>(482,754)</u>	<u>(432,995)</u>
Net cash flow from operating activities	<u>712,393</u>	<u>(379,523)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(208,432)	(319,758)
Proceeds from sale of property, plant and equipment	2,148	265
Long term investment in associated company	(22,679)	-
Short term investments	330,369	(100,000)
Income received on bank deposits and short term investments	561,860	262,785
Dividend received from associated companies	24,873	13,328
Net cash flow from investing activities	<u>688,139</u>	<u>(143,380)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(977,057)	(559,035)
Long term deposits received	24,940	4,300
Net cash flow from financing activities	<u>(952,117)</u>	<u>(554,735)</u>
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	<u>448,415</u>	<u>(1,077,638)</u>
CASH AND CASH EQUIVALENTS AT JULY 1	<u>6,117,891</u>	<u>4,066,809</u>
CASH AND CASH EQUIVALENTS AT MARCH 31	<u>6,566,306</u>	<u>2,989,171</u>

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.


Chief Executive


Director

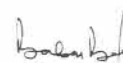
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2009

	Share capital	Special reserve	Unappropriated profit	Total
	Rupees ('000)			
Balance at June 30, 2007	400,000	18,004	3,036,293	3,454,297
Final dividend @ 140% relating to the year ended June 30, 2007	-	-	(560,000)	(560,000)
Issue of bonus shares	80,000	-	(80,000)	-
Profit for the nine months ended March 31, 2008	-	-	1,665,113	1,665,113
Balance at March 31, 2008	480,000	18,004	4,061,406	4,559,410
Profit for the three months ended June 30, 2008	-	-	976,439	976,439
Transfer to special reserve by associated companies	-	35,268	(35,268)	-
Balance at June 30, 2008	480,000	53,272	5,002,577	5,535,849
Final dividend @ 200% relating to the year ended June 30, 2008	-	-	(960,000)	(960,000)
Issue of bonus shares	96,000	-	(96,000)	-
Interim dividend @ 100% relating to the year ending June 30, 2009	-	-	(576,000)	(576,000)
Profit for the nine months ended March 31, 2009	-	-	2,217,980	2,217,980
Transfer from special reserve by associated companies	-	(19,175)	19,175	-
Balance at March 31, 2009	576,000	34,097	5,607,732	6,217,829

The annexed notes 1 to 13 form an integral part of these condensed interim financial statements.



Chief Executive



Director

SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2009

1. LEGAL STATUS AND OPERATIONS

Attock Petroleum Limited (the Company) was incorporated in Pakistan as a public limited company on December 3, 1995, commenced its operations in 1998 and was listed on Karachi Stock Exchange on March 7, 2005. The Company is engaged in marketing of petroleum products. Pharaon Investment Group Limited Holding s.a.l holds 34.38% (June 30, 2008: 34.38%) shares of the Company.

2. BASIS OF PREPARATION

- 2.1 These financial statements have been prepared in accordance with the requirements of International Accounting Standard 34 'Interim Financial Reporting'.
- 2.2 All accounting policies as adopted for the preparation of these financial statements are the same as those applied in preparation of the preceding annual published financial statements of the Company.

	March 31, 2009	June 30, 2008
	Rupees ('000)	
3. TRADE AND OTHER PAYABLES		
Creditors	105,023	190,476
Due to related parties (note 3.1)	7,840,966	8,087,993
Accrued liabilities	379,388	562,221
Advance from customers	814,652	951,526
Payable to oil marketing companies under freight pool	41,040	-
Retention money	26,174	18,955
Workers' profit participation fund	160,087	-
Unclaimed dividend	6,268	3,523
Staff Pension Fund payable/(receivable)	-	(765)
	<u>9,373,598</u>	<u>9,813,929</u>
3.1 Due to related parties		
National Refinery Limited	6,181,188	5,567,988
Attock Refinery Limited	1,649,693	2,512,462
Pakistan Oilfields Limited	9,990	6,988
The Attock Oil Company Limited	-	365
Attock Cement Pakistan Limited	95	190
	<u>7,840,966</u>	<u>8,087,993</u>
4. CONTINGENCIES AND COMMITMENTS		
(i) Claims of Government levies not accepted by the Company and currently under appeal	10,044	23,064
(ii) Corporate guarantees and indemnity bonds issued by the Company to the Collector Sales Tax and Federal Excise, Islamabad	3,874,490	3,078,111
(iii) Guarantees issued by bank on behalf of the Company	43,287	34,392
(iv) Capital expenditure commitments	25,981	102,678

	Nine months ended March 31, 2009	Year ended June 30, 2008
	Rupees ('000)	
5. PROPERTY, PLANT AND EQUIPMENT		
Cost		
Opening balance	822,138	706,217
Additions during the period / year	161,332	119,309
Disposals during the period / year	(2,592)	(3,388)
Closing balance	<u>980,878</u>	<u>822,138</u>
Accumulated depreciation		
Opening balance	289,626	215,111
Charge for the period / year	64,722	77,187
Relating to disposals	(2,382)	(2,672)
Closing balance	<u>351,966</u>	<u>289,626</u>
Operating assets - written down value	<u>628,912</u>	<u>532,512</u>
Capital work in progress	<u>437,209</u>	<u>390,109</u>
	<u>1,066,121</u>	<u>922,621</u>
6. LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES		
Balance at beginning of the period / year	709,081	387,246
Investment in associated company during the period/year	22,679	276,245
Share of profit for the period/year	25,562	105,734
Impairment loss-National Refinery Limited	(12,858)	(46,816)
	12,704	58,918
Dividend received during the period/year	(24,873)	(13,328)
Balance at end of the period / year	<u>719,591</u>	<u>709,081</u>

	March 31, 2009		June 30, 2008	
	Holding %	Amount Rs ('000)	Holding %	Amount Rs ('000)
6.1 The Company's interest in associated companies is as follows:				
Quoted				
National Refinery Limited	1	361,925	1	382,240
Attock Refinery Limited	1.56	352,024	1.41	321,454
Unquoted				
Attock Information Technology Services (Private) Limited	10	<u>5,642</u>	10	<u>5,387</u>
		<u>719,591</u>		<u>709,081</u>

	Nine months ended March 31, 2009	Year ended June 30, 2008
	Rupees ('000)	
7. TRADE DEBTS		
Considered good		
Secured	6,011,326	4,845,529
Unsecured	48,201	946,180
Due from related parties (note 7.1)	779,688	34,160
	<u>6,839,215</u>	<u>5,825,869</u>
Considered doubtful - unsecured	31,000	31,000
Provision for doubtful debts	(31,000)	(31,000)
	<u>-</u>	<u>-</u>
	<u>6,839,215</u>	<u>5,825,869</u>
7.1 Due from related parties		
Pakistan Oilfields Limited	31,659	30,030
Attock Cement Pakistan Limited	11,735	3,778
Attock Refinery Limited	805	352
Attock Gen Limited	735,489	-
	<u>779,688</u>	<u>34,160</u>
8. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Loans and advances	26,381	71,386
Trade deposits and short term prepayments	13,800	10,955
Current account balances with statutory authorities	156,360	308,415
Accrued income	84,864	16,833
Price differential claim receivable from the Government	719,848	872,542
Receivable from oil marketing companies under freight pool	-	16,581
Claims receivable	4,283	515
Due from related parties		
Attock Information Technology Services (Private) Limited	1,019	4,044
The Attock Oil Company Limited	163	-
Staff provident fund	857	-
Workers' profit participation fund	-	1,634
Other	512	344
	<u>1,008,087</u>	<u>1,303,249</u>
9. CASH AND BANK BALANCES		
Cash in hand	1,915	904
Bank balances on		
Short term deposits	5,451,100	3,359,689
Interest/mark-up bearing saving accounts	1,105,047	2,753,771
Current account	8,244	3,527
	<u>6,564,391</u>	<u>6,116,987</u>
	<u>6,566,306</u>	<u>6,117,891</u>

9.1 Short term deposits of Rs 43,287 thousand (June 30, 2008: Rs 47,986 thousand) were under lien with banks against letters of guarantees and letters of credits.

10. OTHER OPERATING INCOME

Commission and handling income
Other income

Quarter ended		Nine Months ended	
March 31, 2009	March 31, 2008	March 31, 2009	March 31, 2008
Rupees ('000)		Rupees ('000)	
173,063	244,112	611,625	606,688
3,873	2,704	11,009	9,791
<u>176,936</u>	<u>246,816</u>	<u>622,634</u>	<u>616,479</u>

11. TRANSACTIONS WITH RELATED PARTIES

Associated companies

Purchase of petroleum products	9,148,337	12,833,993	39,110,496	33,173,310
Sale of petroleum products	980,295	171,984	1,554,314	399,571
Commission and handling income	173,012	244,112	611,573	589,258
Administrative services expense	16,061	2,954	27,401	12,913

Other related parties

Remuneration of Chief Executive and key management personnel including benefits and perquisites	5,813	2,998	22,480	16,917
Contribution to staff retirement benefits plans				
Staff Pension fund trust	1,834	1,607	4,097	4,110
Staff Provident fund trust	841	683	2,371	1,890
Contribution to workers' profit participation fund	48,158	43,117	157,587	123,112

12. EARNINGS PER SHARE

Basic earnings per share previously reported at Rs 34.69 in the financial statements for the nine months ended March 31, 2008 has been restated to Rs 28.91 for 9,600,000 bonus shares issued during the nine months ended March 31, 2009.

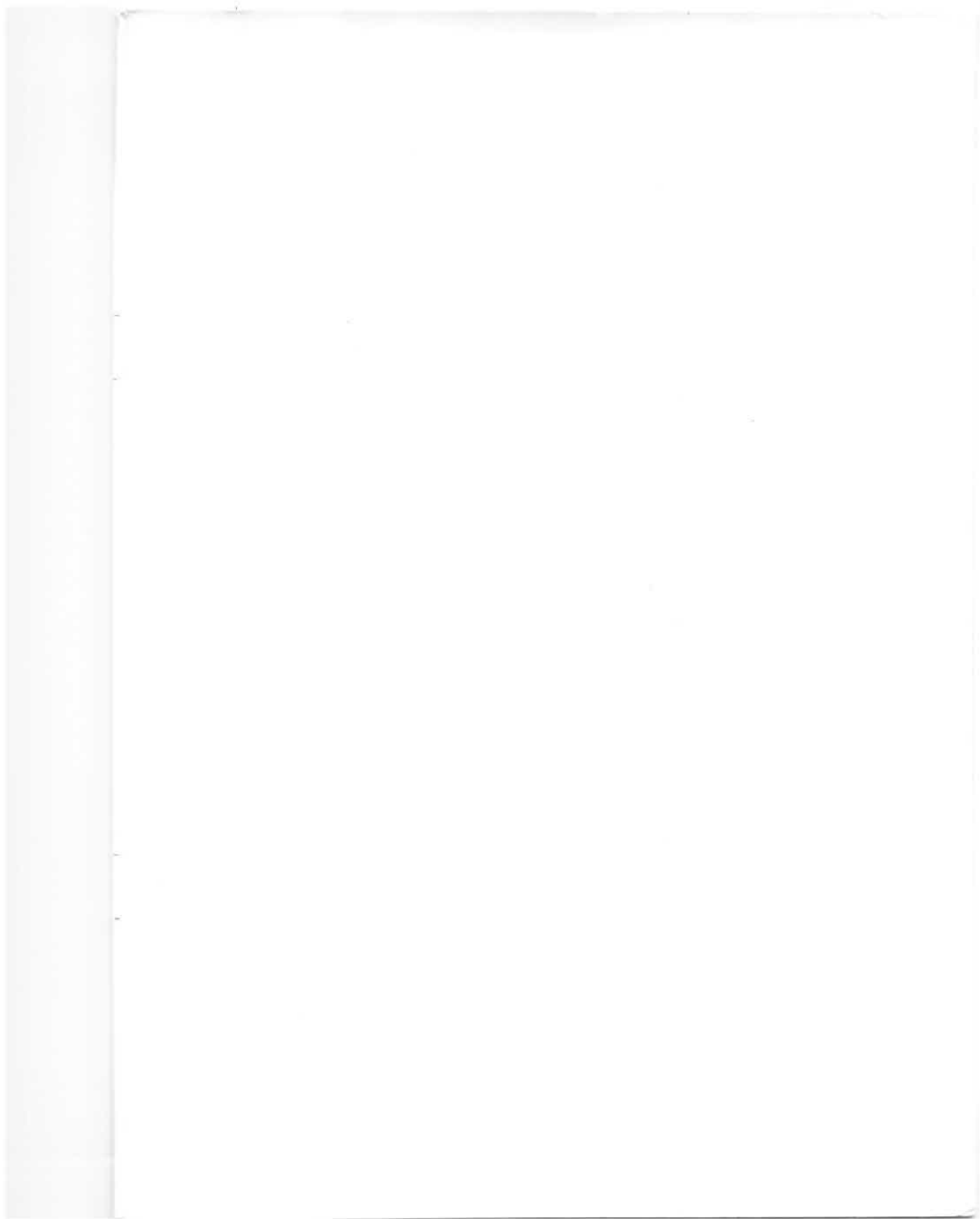
A diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at March 31, 2008 and 2009 which would have any effect on the earnings per share if the option to convert is exercised.

13. DATE OF AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

These condensed interim financial statements were authorised for issue by the Board of Directors of the Company on April 20, 2009.


Chief Executive


Director



Attock Petroleum Limited
6, Faisal Avenue, F-7/1, Islamabad-Pakistan.
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