

ANNUAL REPORT 2010

Growing Strong, Shaping Future



Attock Petroleum Limited
6, Faisal Avenue, F-7/1,
Islamabad, Pakistan.
Tel: 92 51 2611600-2
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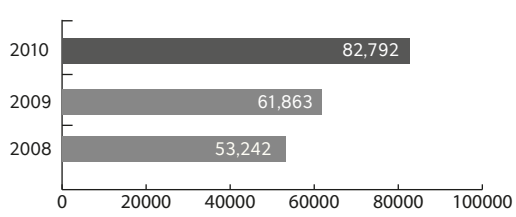


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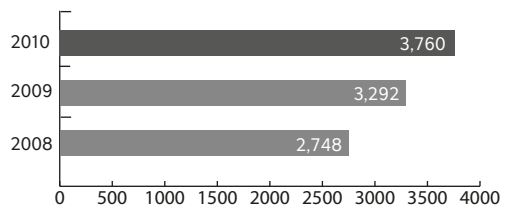


<p>Net Sales Revenue (Rs 82,792 Million)</p> <p>+ 34%</p>	<p>Gross Profit (Rs 3,760 Million)</p> <p>+ 14%</p>
<p>Operating Profit (Rs 4,588 Million)</p> <p>+ 25%</p>	<p>Profit After Tax (Rs 3,594 Million)</p> <p>+ 17%</p>

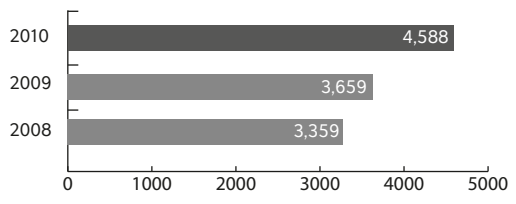
Net Sales (Rs. in Million)



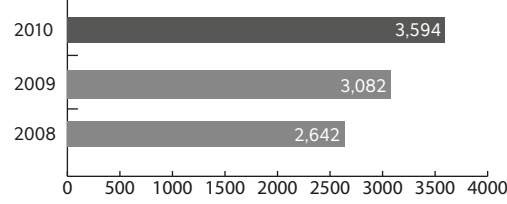
Gross Profit (Rs. in Million)



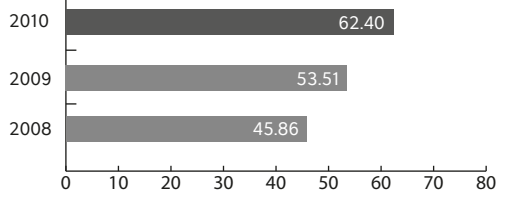
Operating Profit (Rs. in Million)



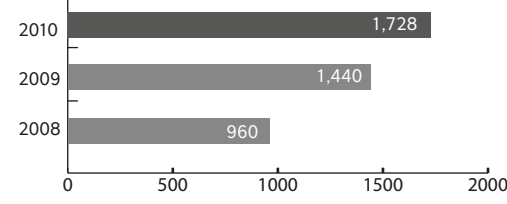
Profit After Tax (Rs. in Million)



Earnings Per Share (Rs.)



Cash Dividend (Rs. in Million)





To become a world class, professionally managed, fully integrated, customer focused, Oil Marketing Company, offering Value added quality and environment friendly products and services to its customers in Pakistan and beyond.



OUR VISION



To continuously provide quality and environment friendly petroleum products and related services to industrial, commercial and retail consumers, and exceeding their expectations through reliability, economy and quality of products and services. We are committed to benefiting the community and ensuring the creation of a safe, responsible and innovative environment geared to client satisfaction, end user gratification, employees' motivation and shareholders value.



OUR MISSION



Core Values

ETHICAL PRINCIPLES AND MORAL VALUES

We promote a commitment to the highest moral values and ethical principles, demanding both personal and professional dedication towards the realization of these values and principles.

COMMITMENT AND COOPERATION

Two core fundamentals for the success of any business are complete employee commitment and cooperation. At APL we foster an environment of solid teamwork and professionalism to ensure that our employees engage in both personal and professional development.

ENVIRONMENT CONSCIOUSNESS

We believe that it is our responsibility to safeguard our natural resources for future generations and actively engage in environment friendly practices, policies and management techniques.

CORPORATE SOCIAL CITIZENSHIP

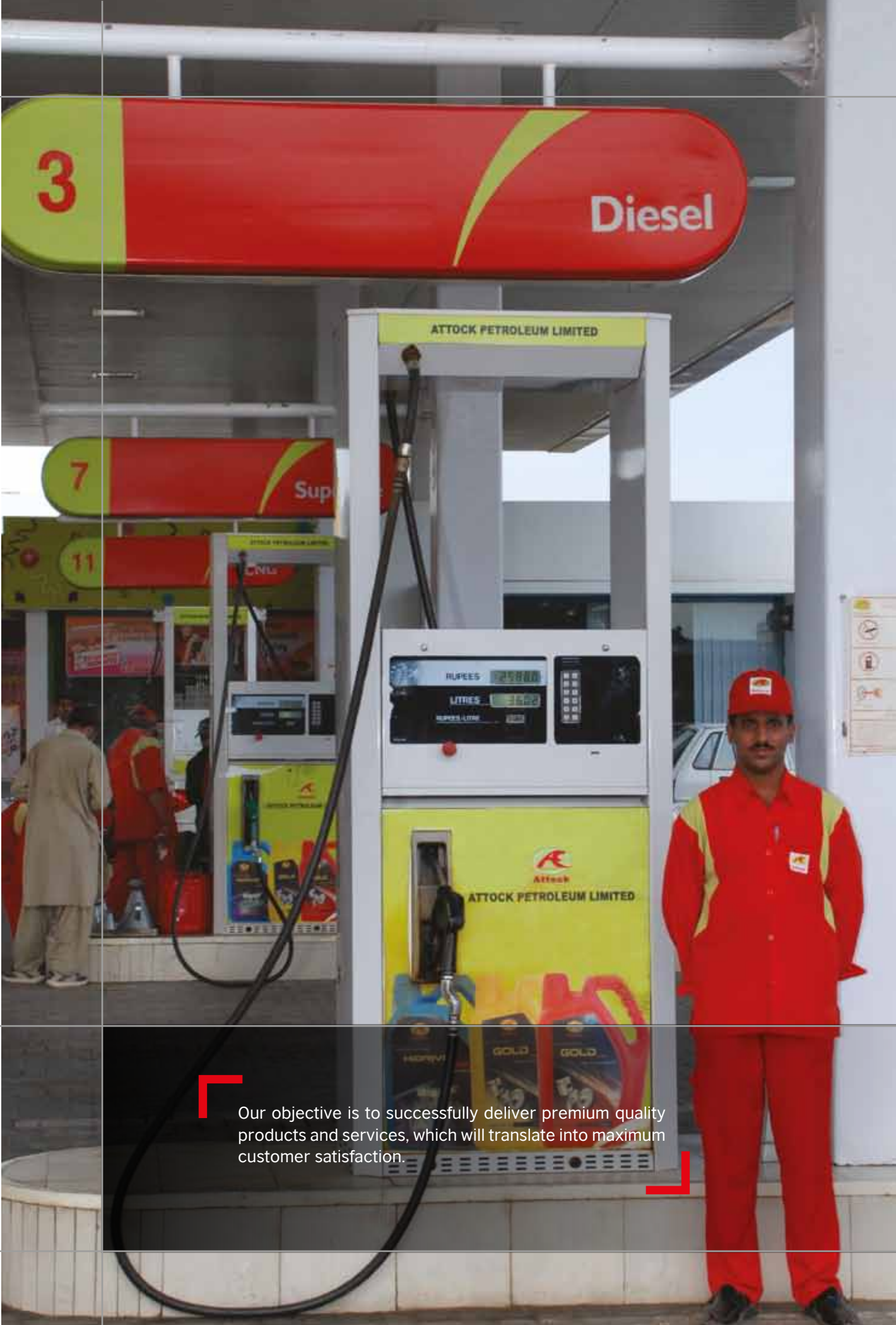
We strongly believe in the promotion of societal well-being and awareness within ones community, actively engaging in activities and initiatives to meet this objective.

MAXIMUM STAKEHOLDER RETURN

Through our streamlined business processes and commitment to total quality management we seek to ensure maximum company performance and rewards for shareholders and stakeholders alike.

Corporate Strategy

To enable APL to attain new heights of success through investment in human capital, implementation of lean production methods and a commitment to Total Quality and Environment Management, we plan, with the help of Almighty Allah, to further expand our existing retail network and penetrate untapped markets with pro-active measures and effective planning, implementation and execution. Our objective is to successfully deliver premium quality products and services, which will translate into maximum customer satisfaction. Beyond the technical excellence of our products, we intend to set an example in all dimensions of our entrepreneurial activities. We see ourselves committed to the self-defined models of economic, social and ecological responsibility, which means not only economic success but also conscientious interaction with our employees, people and the environment.



Our objective is to successfully deliver premium quality products and services, which will translate into maximum customer satisfaction.



Quality Policy Statement

To further enhance its commitment towards Quality, APL management has set the following quality objectives:

1. The primary objective of the Quality Management System is to ensure conformance to product specifications of all goods shipped to customers.
2. Clearly identify and understand our internal and external customers stated and hidden needs, to develop a way of working to meet and exceed the expectations of customers.
3. Provide confidence to management, our employees, clients, and stakeholders that the requirements for quality are being fulfilled and maintained and that quality improvement is continuously taking place.
4. To develop measurement techniques to gauge performance for improving effectiveness of our services, operations and quality management system.
5. Fulfill all quality system requirements stated in our Quality Manual, including the requirements of ISO 9001:2000.
6. To be a trustworthy and leading oil marketing organization for providing consistent high quality products and services in the market.

With this vision we want to create a culture of continuous quality improvement at APL.



┌ The Company places great emphasis on increasing efficiency, output and streamlining business processes. ┐





Business Process Re-engineering

Integral to the success of any business is a commitment to continual improvement and innovation. The Company places great emphasis on increasing efficiency, output and streamlining business processes. The Company has successfully managed to increase its process efficiencies and engaged in the effectual time management.

In order to meet the mid country fuel demands, a terminal is build and commissioned at Machike. This terminal connects APL with MFM (Mehmoodkot-Faisalabad-Machike) pipeline and WOPP (white oil pipeline). This terminal has a storage capacity of HSD, PMG & SKO. This storage / dispatch facility has further increased APL market share & is a step towards company's prosperous future.

The other major achievements are in the sector of quality assurance unit, by setting up of quality control lab at Machike & mobilization of another quality control mobile unit for central Punjab. This helped us in meeting the requirement of our quality policy to assure supply of quality product to our customers & end users at our retail outlets in right quantity & quality.



THE COMPANY HAS SUCCESSFULLY MANAGED TO INCREASE ITS PROCESS EFFICIENCIES AND ENGAGED IN **EFFECTUAL TIME MANAGEMENT**



The primary objective of the Quality Management System is to ensure conformance to product specifications of all goods shipped to customers.



Statement of Ethics & Business Practices

Introduction

Attock Petroleum Limited has committed itself to conduct its business in an honest, ethical and legal manner. The Company wants to be seen as a role model in the community by its conduct and business practices. All this depends on the Company's personnel, as they are the ones who are at the forefront of Company's affairs with the outside world. Every member of the Company has to be familiar with his / her obligations in this regard and has to conduct himself / herself accordingly.

This statement in general is in accordance with Company goals and principles that must be interpreted and applied within the framework of laws and customs in which the Company operates. This statement will be referred to as the "Statement of Ethics and Business Practices" and obligatory for each employee / director to adhere to.

1. INTEGRITY

Employees are expected to exercise honesty, objectivity and due diligence in the performance of their duties and responsibilities. They are also directed to perform their work with due professionalism.

2. CONFIDENTIALITY

All employees, both during and after their employment, must respect the exclusivity and trade secrets of the Company, its customers and suppliers and may not disclose any such information unless the individual or firm owning the information properly authorizes the release or disclosure.

All the Company's assets (processes, data, designs, etc) are considered as certified information of the Company. Any disclosure will be considered as grounds, not only for termination of employment, but also for criminal prosecution, legal action or other legal remedies available during or after employment with the Company to recover the damages and losses sustained.

3. WORK ENVIRONMENT

All employees are to be treated with respect. The Company is highly committed to providing its employees with a safe, healthy and open work environment, free from harassment, intimidation, or personal behavior not conducive to a productive work climate. In response the Company expects consummate employee allegiance to the Company and due diligence in his job.

The Company also encourages constructive reasonable criticism by the employees of the management and its policies. Such an atmosphere can only be encouraged in an environment free from any prospects of retaliation due to the expression of honest opinion.

Statement of Ethics & Business Practices

4. COMMUNICATION

All communications, whether internal or external, should be accurate, forthright and where ever required, confidential. The Company is committed to conduct business in an open and honest manner and provide open communication channels that encourage candid dialogue relative to employee concerns. The Company strongly believes in a clean desk policy, and expects its employees to adhere to it not only for neatness but also security purposes.

5. CONFLICTS OF INTEREST

Each employee is expected to conduct him/her self in an honest and ethical manner to avoid actual or apparent conflict of interest. A conflict of interest occurs when an individual's private interest interferes in any way with the interests of the Company as a whole. Also no employee will perform any kind of work (involving monetary benefit directly or otherwise) for a third party without proper approval of CEO. Conflicts of interest also arise when an employee, or a member of his or her family, receives improper personal benefits as a result of his or her position in the Company.

Every person should disclose any existing or potential conflict of interest with which he is directly or indirectly involved by presenting a written report to his departmental head.

6. CORPORATE OPPORTUNITIES

Employees are expected not to:

- a) Take personal use of opportunities that are discovered through the use of Company property, information or position.
- b) Use Company property, information, or position for personal gains.

Employees are expected to put aside their personal interests in favor of the Company interests.

7. EQUAL EMPLOYMENT OPPORTUNITY

APL believes in providing equal opportunity to everyone around. The Company laws in this regard have to be complied with and no discrimination upon race, religion, age, national origin, gender, or disability is acceptable.



THE COMPANY WANTS BE SEEN AS A **ROLE MODEL** IN THE COMMUNITY BY ITS CONDUCT AND BUSINESS PRACTICES.

Statement of Ethics & Business Practices



8. BUSINESS CONTROLS AND RESPONSIBILITIES

Each employee is expected to deal fairly with Company's customers, suppliers, competitors, and other employees. No one is to take unfair advantage of anyone through manipulation, abuse of privileged information, or any other unfair practice.

We are committed to selling our products and services honestly and will not pursue any activity that requires us to act unlawfully or in violation of this Code.

Bribes, kickbacks, and other improper payments shall not be made on behalf of the Company in connection with any of its businesses. However, tip, gratuity or hospitality may be offered if such act is customary and is not illegal under applicable law. All such expenses should be reported and recorded in the Company's books of account.

9. COMPLIANCE WITH LAWS

The Company is committed to comply, and take all reasonable actions for compliance, with all applicable laws, rules and regulations of state or local jurisdiction in which the Company conducts business. Every employee, no matter what position he or she holds, is responsible for ensuring compliance with applicable laws.

10. EMPLOYEE RETENTION

High quality employee's attraction and retention is very important. The Company will offer competitive wages and benefits to the deserving candidates. The Company strongly believes in personnel development and employee-training programs are arranged regularly.

11. PROTECTION AND PROPER USE OF COMPANY ASSETS/DATA

Each employee is expected to be the guardian of the Company's assets and should ensure its efficient use. Theft, carelessness and waste have a direct and negative impact on the Company's profitability. All the Company assets should be used for legitimate business purposes only.

12. GIFT RECEIVING

Employees will not accept gifts or favors from existing or potential customers, vendors or anyone doing or seeking to do business with the Company.

However, this does not preclude giving or receiving gifts or entertainment which are customary and proper in the circumstances, provided that no obligation could be, or be perceived to be, expected in connection with the gifts or entertainment.

13. COMPLIANCE

It is the responsibility of each employee to comply with this policy. Failure to do so will result in appropriate disciplinary action, including possible warning issuance, suspension, termination of employment, legal action and reimbursement of the Company for any losses or damages resulting from such violation. Compliance also includes, the responsibility to promptly report any apparent violation of the provisions of this policy.

Any person meeting with difficulties in the application of this policy should refer to the management.



We consider that none of our activities are more important than health and safety of any individual or protection of environment.




Environment, Health & Safety Policy

Attock Petroleum Limited's overriding objective is to ensure that none of our activities harm our employees, the public or the environment

In order to achieve this objective...

We embrace a comprehensive policy on the Environment, Safety and Health that includes:

1. We consider that none of our activities are more important than health and safety of any individual or protection of environment.
2. As a minimum we will comply with all relevant legislation and any other requirements to which we subscribe.
3. We will encourage a pro-active safety culture and ensure that each employee is trained, experienced and competent to perform his or her duties.
4. We will strive to remove all causes of accidents and events and to minimize the consequences of such if they occur.
5. We will ensure that all our operations are performed, and seen to be performed safely.
6. We will strive to continually improve performances in all areas of EHS performance and priorities on the basis of risk.
7. We will apply our EHS policy, standards, objectives and targets to our Retail Outlets, Distributors, Dealers and Contractors.



The unmatched quality of our assets both human and otherwise, underpinned by our financial position, secures our future cash flows and allows us to continue our vision and mission that could bring very significant benefits.

Chairman's Review

IN THE NAME OF ALLAH, THE MOST BENEVOLENT, THE MOST GRACIOUS.

On behalf of the Board of Directors, it gives me an immense pleasure and feeling of great satisfaction to welcome you to the 15th Annual General Meeting of the Company and to present APL's annual report for the year ended June 30, 2010.

Your Company has continued following the path of success and growth and has once more achieved the best ever financial results. Sales revenue increased more than 34% to an all time high of Rs. 94,898 million thereby setting new standards & challenges for the industry. The improved performance mainly attributable to increase in the sales volume and average price coupled with improved product mix.

The annual oil industry trade for Petroleum Oil Lubricant products increased by 8.4% from 19.130 million M. Tons to 20.742 million M. Tons. The increase in trade was mainly driven by increase in Furnace Oil due to gas load shedding and ongoing robust demand from the power generating sector. White oil sales grew by 4% mainly due to increase in sale of petrol and jet fuels. However, diesel underperformed mainly due to slower economic recovery and lower margins. Nevertheless, APL's sales volume of both diesel and petrol increased significantly in total contrast to its peers on back of its aggressive retail fuelling strategies and expansion of its retail distribution network. Overall, APL recorded the highest volumetric sales at 1.5 million M. Tons for the year under review up by 7% over last year, thereby improving its market share from 6.6% to 7.0%.

The on-going global financial crisis and sharp slowdown of economic activity in developing countries resulted in disturbance in all economies and also caused turmoil in oil industry. Nevertheless, during this year oil consumption showed some improvements from the extremely low base and the recovery in oil demand remained relatively modest. The pace of economic growth, in short to medium term, is projected to be slow indicating that oil demand growth will remain moderate.

In Pakistan, the outgoing fiscal year witnessed a modest recovery, the security risks, power shortages, circular debt and reduced inflow of foreign direct investment prevented any meaningful improvement in economic performance thereby reducing the overall GDP growth.

The unmatched quality of our assets both human and otherwise, underpinned by our financial position, secures our future cash flows and allows us to continue our vision and mission that could bring very significant benefits. As we move ahead, our Company is on firm footing and well positioned for long term growth.

I wish to put on record my appreciation and thanks for the support received by the Company from Ministry of Petroleum and Natural Resources, Oil and Gas Regulatory Authority and other Government organizations.

Finally, I want to extend my continued appreciation to investors, employees, Board of Directors and all other business partners who have supported us during our journey.



Dr. Ghaith R. Pharaon
Chairman

Damascus, Syria.
September 29, 2010.



Notice Of Annual General Meeting

14th Annual General Meeting in progress

Notice is hereby given that the 15th Annual General Meeting (being 25th General Meeting) of the Company will be held at Islamabad Club, Islamabad on October 29, 2010 at 10:00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements of the Company together with Directors' and Auditor's Reports for the year ended June 30, 2010.
2. To approve a final cash dividend of 200% i.e. Rs. 20/- per share of Rs.10/- each, as recommended by the Board of Directors in addition to the interim dividend of Rs. 10/- per share i.e. 100% already paid to the shareholders, thus making a total dividend of Rs. 30/- per share i.e. 300% for the year ended June 30, 2010.
3. To appoint auditors for the year ending June 30, 2011 and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass the following Resolution as an ordinary resolution:

"Resolved:

- a. that a sum of Rs. 115.2 million out of profits of the Company available for appropriation as at June 30, 2010, be capitalized and applied for issue of 11.52 million ordinary shares of Rs. 10/- each allotted as fully paid bonus shares to the members of the Company whose names appear on the register of members as at close of business on October 19, 2010 in the proportion of one share for every five shares held;
- b. that the bonus shares so allotted shall not be entitled for final cash dividend for the year 2009-10;
- c. that the bonus shares so allotted shall rank pari passu in every respect with the existing shares;
- d. that the members entitled to fractions of a share shall be given sale proceeds of their fractional entitlement for which purpose the fractions shall be consolidated into whole shares and sold in the stock market; and
- e. that the Company Secretary be authorised and empowered to give effect to this resolution and to do or cause to do all acts, deeds and things that may be necessary or required for issue, allotment and distribution of bonus shares. In the case of non resident member(s),

Notice of Annual General Meeting

the Secretary is further authorised to issue/export the bonus shares after fulfilling the statutory requirements.”

By Order of The Board



Rehmat Ullah Bardaie
Company Secretary
Registered Office:
6, Faisal Avenue, F-7/1, Islamabad
October 06, 2010

NOTES:

PARTICIPATION IN THE ANNUAL MEETING:

A member entitled to attend and vote at the meeting is entitled to appoint any other person/representative as his/her proxy to attend and vote. Proxies in order to be effective must be received at the Registered Office of the Company duly stamped and signed not less than 48 hours before the meeting.

CDC Account Holders will further have to follow the under mentioned guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan.

A. FOR ATTENDING THE MEETING:

- i. In case of individuals, the account holders or sub-account holders and/or the persons whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate their identity by showing their original National Identity Card (CNIC) or original passport at the time of attending the meeting.
- ii. In case of corporate entities, the Board of Directors' resolution/power of attorney with specimen signature of the nominees shall be produced (unless it has been provided earlier) at the time of meeting.

B. FOR APPOINTING PROXIES:

- i. In case of individuals, the account holders or sub-account holders and/or the persons 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 requirements.
- 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 proxies shall produce their original CNIC or original passport at the time of meeting.
- v. In case of corporate entities, the Board of Directors' resolution/power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

Notice of Annual General Meeting



Board of Directors

Members who may be seeking exemption from deduction of income-tax or are eligible for deduction at a reduce rate are requested to submit a valid tax certificate or necessary documentary evidence as the case may be. Members desiring non-deduction of zakat are also requested to submit a declaration for non-deduction of zakat. Necessary advice in either case must be submitted within not more than 15 days from the date of dividend entitlement.

CLOSURE OF SHARE TRANSFER BOOKS:

The Share Transfer Books of the Company will remain closed and no transfer of shares will be accepted for registration from October 20, 2010 to October 29, 2010 (both days inclusive). Transfers received in order at the office of the Company's Share Registrar, THK Associates (Private) Limited, Ground Floor, State Life Building-3, Dr. Ziauddin Ahmed Road, Karachi at the close of business on October 19, 2010 will be treated in time for the purpose of payment of final cash dividend and issue of bonus share, if approved by the Shareholders.

CHANGES IN ADDRESS:

Members are requested to promptly notify any change of address to the Company's Share Registrar.

STATEMENT UNDER SECTION 160(1)(b) OF THE COMPANIES ORDINANCE, 1984

A. ISSUE OF BONUS SHARE:

The Directors are of the view that with the existing profitability, the Company's financial position justifies capitalization of Rs. 115.2 million out of profits available for the appropriation as at June 30, 2010, by issuing fully paid bonus shares in the proportion of one share for every five share held. The Directors of the Company, directly or indirectly, are not personally interested in this issue, except to the extend of their shareholding in the Company.

B. STATEMENT UNDER SRO 865(1)/2000 DATED DECEMBER 6, 2000

In the AGM held on September 27, 2007 shareholders approved investment in following Associated Companies:

National Refinery Limited	(NRL)
Attock Refinery Limited	(ARL)
Pakistan Oilfields Limited	(POL)
Attock Cement Pakistan Limited	(ACPL)

Except for ARL, no investment has been made in any other associated concern.

Notice of Annual General Meeting

1. Reasons for not having investment made:

Due to change in the Government policies, liquidity crisis and less than satisfactory growth and improvement in GDP and macro economic indicators respectively.

2. Major change in financial position of investee companies since the date of last resolution.

CHANGES IN FINANCIAL POSITION ARE AS FOLLOWS:

i. EARNINGS PER SHARE:

Name of the Company	Year ended June 30, 2006	Year ended June 30, 2007	Year ended June 30, 2008	Year ended June 30, 2009	Nine Month ended March 31, 2010*
Rs. Per Share					
NRL	42.64	52.57	75.09	19.17	24.60
ARL	3.56	8.78	72.08	11.92	00.81
POL	25.90	25.11	36.42	23.75	23.66
ACPL	10.50	9.19	5.02	17.24	10.32

ii. BREAK-UP VALUE PER SHARE:

Name of the Company	March 31, 2007	June 30, 2007	June 30, 2008	June 30, 2009	March 31, 2010
Rs. Per Share					
NRL	136.84	159.40	217.83	217.00	229.10
ARL	60.42	66.85	136.26	141.51	142.33
POL	77.50	83.33	107.25	109.64	115.33
ACPL	44.52	47.06	48.94	66.21	60.88

* The above figures are based on latest available financial statements.

Note: The figures have been restated after taking impact of bonus shares issued during the above financial years.



THE COMPANY HAS A VISION TO **CONTINUOUSLY ENHANCE** ITS OPERATIONAL CAPACITY AT VARIOUS TERMINALS ACROSS PAKISTAN



Dr. Ghaith R. Pharaon
Chairman
Non Executive Director



Mr. Shuaib A. Malik
Chief Executive Officer
& Alternate Director to
Dr. Ghaith R. Pharaon
Executive Director



Mr. Laith G. Pharaon
Non Executive Director



Mr. Wael G. Pharaon
Non Executive Director



Mr. Babar Bashir Nawaz
Non Executive Director



Mr. M. Adil Khattak
Non Executive Director



Mr. Munaf Ibrahim
Non Executive Director



Mr. Iqbal A. Khwaja
Alternate Director to
Mr. Laith G. Pharaon



Mr. Rehmat Ullah Bardaie
Company Secretary &
Alternate Director to
Mr. Wael G. Pharaon



Company Information

AUDIT COMMITTEE

Mr. Babar Bashir Nawaz
Chairman
Non Executive Director

Mr. M. Adil Khattak
Non Executive Director

Mr. Iqbal A. Khwaja
Alternate Director to Mr. Laith G. Pharaon
Non Executive Director

AUDITORS

A. F. Ferguson & Co.
Chartered Accountants

REGISTERED OFFICE

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

BANKERS

Allied Bank Limited
Faysal Bank Limited
Habib Bank Limited
My Bank Limited
National Bank of Pakistan
NIB Bank Limited
Silk Bank
Standard Chartered Bank
The Bank of Punjab
The Bank of Tokyo Mitsubishi
United 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 Mansion, 30-The Mall, Lahore.

CORRESPONDENCE ADDRESS

6, Faisal Avenue,
F-7/1, Islamabad
Tel: +92-51-2611601
+92-51-2215630-2
Fax: +92-51-2611605
Email: contact@apl.com.pk
Website: www.apl.com.pk

Board of Directors & its Committees

The Board is responsible to the Company's shareholders for a multitude of tasks: its corporate governance, the strategic objectives, stewardship of the Company's resources, the organizational structure, core activities, succession planning of senior executives and ultimately, the social, environmental and ethical considerations. The Board reviews key activities of the business and receives papers and presentations to enable it to do so effectively. The Board comprises of the Chairman, Chief Executive and five non-executive directors. The role of non-executive directors is to enhance independence and objectivity of the Board's deliberations and decisions.

Board meetings are held at least once every quarter to monitor and review performance of the Company. The following Board Committees have been formed to assist the Board in fulfilling its responsibilities.

THE BOARD AUDIT COMMITTEE

The objective of the Committee is to assist the Board in the effective execution of responsibilities related to financial reporting, monitoring risk management, corporate control and ensuring operation in accordance with the requirements of the Code of Corporate Governance and under the terms of reference, as agreed with the Board. It consists of three non-executive directors.

THE BOARD BUDGET COMMITTEE

Comprising of three directors and their responsibility is to assist the Board in formulating the corporate budget & reviewing analysis of actual figures with those budgeted.

THE SHARE TRANSFER COMMITTEE

Consisting of three directors and they are responsible for dealing with all matters relating to the shares of the Company.



THE BOARD REVIEWS KEY
ACTIVITIES OF THE BUSINESS
AND RECEIVES PAPERS AND
PRESENTATIONS TO ENABLE IT
TO DO SO **EFFECTIVELY**.



Board of Directors' meeting in progress to review and approve the financial statements

Management Committees

EXECUTIVE COMMITTEE

Consist of all departmental heads and chaired by the CEO, they meet regularly to coordinate the activities, accomplishments and other pertinent issues.

PRICING COMMITTEE

Reviews and recommends the pricing of deregulated products on fortnightly basis.

BUDGET COMMITTEE

Reviews and recommends the annual budget proposals and discusses deviations with the departmental heads.

RETAIL OUTLET DEVELOPMENT COMMITTEE

Responsible for recommending proposals for setting up retail outlets and reviewing progress.

INFORMATION TECHNOLOGY COMMITTEE

Responsible for automation of process and system in line with latest technology and developments.

SAFETY AND TECHNICAL COMMITTEE

Reviews and monitors, the safety, health and environment matters for safe operations and better environment and matters relating to technological problems and operational risks affecting the business.



ICAP & ICMAP Best Corporate Report Award



Karachi Stock Exchange Top Companies Award

Awards and Achievements

2009

TOP COMPANIES AWARD- 2009

Amongst Top Twenty Five Companies

The Company was also selected amongst the “Top Twenty Five Companies” by Karachi Stock Exchange for the year 2009.

2008

TOP COMPANIES AWARD- 2008

Amongst Top Twenty Five Companies

The Company was also selected amongst the “Top Twenty Five Companies” by Karachi Stock Exchange for the year 2008.

BEST CORPORATE REPORT AWARD-2008

3rd Position in Fuel and Energy Sector

Jointly organised by the Institute of Chartered Accountants of Pakistan and the Institute of Cost and Management Accountants of Pakistan.

2007

BEST CORPORATE REPORT AWARD-2007

1st Position in Fuel and Energy Sector

Jointly organised by the Institute of Chartered Accountants of Pakistan and the Institute of Cost and Management Accountants of Pakistan.



The Board of Directors of Attock Petroleum Limited (APL) is pleased to present the Annual Report and the audited financial statements of the Company for the year ended June 30, 2010.





Directors' Report

The Board of Directors of Attock Petroleum Limited (APL) is pleased to present the annual report on the overall performance and the audited financial statements of the Company for the year ended June 30, 2010.

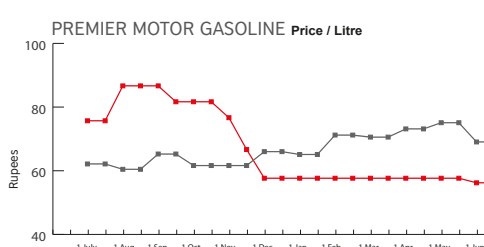
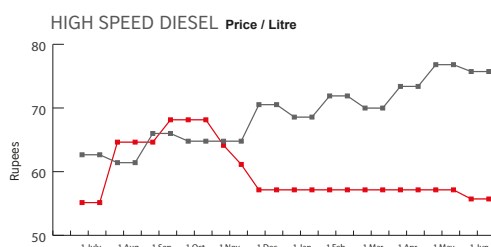
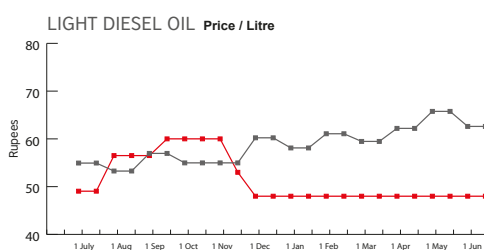
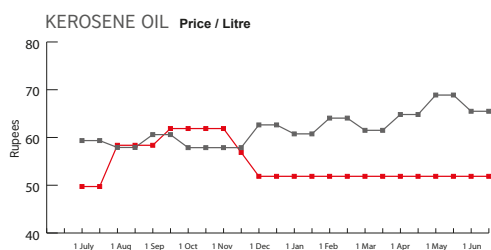
The Company is performing remarkably well on the path of success and expansion under tough economic conditions. The current fiscal slump, persistent global recession and unpredictable international crude oil prices have led to higher level of actions being aimed at assessing, mitigating and monitoring of threats. Notwithstanding, the facts pertaining to the global economic activities your Company managed to uphold its exceptional performance and has achieved commendable results.

FINANCIAL REVIEW

During the year under review, the net sales revenue reached to Rs. 82,792 million against Rs. 61,863 million for the year 2008-09. This improved performance was attributable to higher international oil prices, improved product mix and effective inventory management. The profit after tax for the year was Rs. 3,594 million, up by 17% from last year (2008-09: Rs. 3,082 million) translated into earnings per share of Rs. 62.40 from Rs. 53.51 for last year. The Company generated cash from operating and investing activities amounting to Rs. 3,359 million and Rs. 318 million respectively against which net cash used in financing activities was Rs. 1,438 million. The net cash generated during the year amounted to Rs. 2,240 million. The Company is well positioned to meet its future commitments and development plans.

PRICE TREND ANALYSIS for the period of July 2009- June 2010

— 2008-09 — 2009-10



Directors' Report

Financial results and appropriations for the year ended June 30, 2010 have been summarized below:

	Rupees in Million
Profit before taxation	4,846
Less: Provision for taxation	1,252
Profit after taxation	3,594
Add: un-appropriated profit as at July 1, 2009	6,472
Profit available for appropriation	10,066
Appropriations during the year:	
Transfer from special reserve by associated companies	(17)
Final cash dividend for the year 2008-09 @ 150% (Rs. 15/- per share of Rs. 10/- each)	864
Interim cash dividend for the year 2009-10 @ 100% (Rs. 10/- per share of Rs. 10/- each)	576
	1,423
Balance as at June 30, 2010	8,643
Subsequent Effects:	
Final Cash Dividend for the year 2009-10 @ 200% (Rs. 20/- per share of Rs. 10/- each)	1,152
Transfer to reserve for issue of bonus shares in the proportion of one share for every five shares held i.e. 20%	115
	1,267
	7,376

DIVIDEND

The directors have recommended a final cash dividend @200% (Rs. 20/- per share of Rs. 10/- each) and bonus issue @ 20% i.e. one share for every five shares held. This is in addition to interim cash dividend @ 100% (Rs. 10/- per share of Rs. 10/- each) already declared and paid to the shareholders thereby making a total of 300% for the year 2009-10.



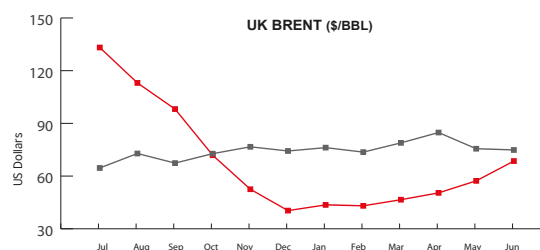
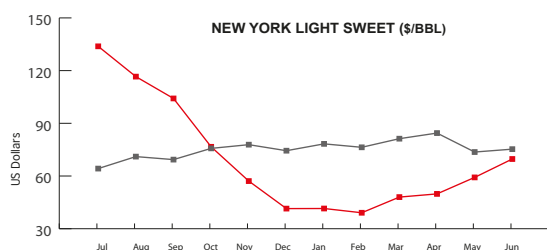
SEGMENT-WISE ANALYSIS OF GROSS PROFIT
for 2009 -10

■ Black Oil Products 40%
■ White Oil Products 56%
■ Others 4%

PRICE TREND ANALYSIS for the period of July 2009- June 2010

INTERNATIONAL CRUDE OIL PRICES

■ 2008-09 ■ 2009-10



MARKETING AND OPERATIONS

In order to efficiently meet the growing demand of the mid-country region, APL commenced operations through White Oil Pipeline (WOP) and Mehmood Kot- Faisalabad- Machike (MFM) pipeline. The WOP connects the southern part of the country from Karachi to Mehmood Kot. APL's inclusion as a major stake-holder/through-putter in these pipelines has given the Company a tremendous boost as far as product availability at various sale points is concerned. Coupled with the start of operations at Gatti installation, it is an ideal scenario for the Company to advance its services at an elevated level.

Further, in order to cater future business needs, the Company has a vision to continuously enhance its operational capacity at various terminals across Pakistan. APL has plans to further enhance the storage capacities at both, Rawalpindi Bulk Oil Terminal (RBT) and Machike Bulk Oil Terminal (MBT). With the finalization of this enhancement, APL shall significantly increase its storage capacity at a cost of approximately Rs. 322 Million. Further, the terminals are directly linked with Refineries through piping network ensuring unadulterated products are supplied and environment is not harmed.

In line with APL's commitment to broaden its operations within the Oil and Gas industry of Pakistan and establishing its network of retail outlets, 31 pumps were commissioned during the year, bringing the total number of operational petrol pumps to 277 as on June 30, 2010. The Company's investment in these pumps stands at Rs. 787 million. In addition to this, a number of prime-locations have been identified for further development of our retail outlets; focusing not only on the sales volumes but also on the Company's brand image. A total of 43 retail outlets are currently under construction and an additional 141 are at different stages of securing the necessary licenses.

Total industry annual trade of diesel declined by 3.9% whereas petrol increased by 27.0% but APL managed to increase its sales volume and market share of both diesel and petrol by establishing new pumps and aggressive marketing strategies. The annual sales volume of diesel and petrol increased by 69.8% and 90.7% respectively. Consequently, APL's market share also increased from 3.5% to 6.2% for diesel and from 3.3% to 4.9% for petrol. The retail outlets are fully equipped with modern hardware and best service techniques to provide efficient service to the customers. Other facilities such as highly accurate electronic dispensing units, service stations, tyre shops, tuck shops, mosques and rest areas are also on site for customers' convenience and satisfaction.

Further, APL also entered into a Joint Venture with Askari CNG, which is currently operating 52 CNG outlets, to convert 20 of its existing CNG outlets into multi-fuel facility outlets. These outlets will be converted into the APL brand and commissioned shortly as they are in the final stages of acquiring pre-requisite licenses.

Lastly, another landmark was achieved as APL participated and awarded the contract of DGP-ARMY for supply of petroleum products throughout Pakistan for the year 2010-11. Consequently, the Company has enhanced and geared up its support functions keeping in mind the future business requirements of retail plus institutional sales as well, thereby further strengthening the Company's position as a leading Oil Marketing Company (OMC) within the country.

As a substantial portion of our sales revenue is generated through the marketing of petroleum products to industrial consumers therefore, aggressive efforts were made to enhance customer base. Extensive endeavors were made during the year to induct new industrial customers in order to maintain Furnace Fuel Oil (FFO) sales levels, as WAPDA suddenly decided to exclusively purchase FFO from State owned OMC. During the current year, the Company successfully signed Memorandum of Understanding (MOU) with two Rental Power Plants, and also entered in bunker sales market. Thus APL has successfully maintained the second largest market share in the FFO business despite losing the largest consumer of FFO in Pakistan.

BUSINESS RISKS AND CHALLENGES

Energy scarcity in the country coupled with higher demand for energy consumption puts pressure on country's energy resources. The indigenous resources of oil and gas have been substantiated to be deficient to quench energy thirst of the economy, it eventually intensifies reliance on the imported oil and oil based products.

POL prices are the key drivers of an OMC's performance. In Pakistan prices are linked with Global oil prices. Global oil prices are exaggerated by dynamics like economic environment, operational issues, natural catastrophes, political wavering and measures by key oil-exporting countries, thus having direct impact on the Company's financial performance. GoP has a vital role in controlling the prices of oil and oil-based products in the country through implementation, regulation and adjustment of levies, duties, taxes and subsidies. Secondly, geo-political and socio-economic conditions including changes in legislation, strikes, riots and wars have an adverse affect on the Company's financial performance. The period under review witnessed volatility in political situation and decisions, laws and regulations affected our operations thus profitability. Your Company continues to focus on a product mix of deregulated products generating growth and better margins. Further GoP has demonstrated a strong commitment and taken a number of steps to deregulate the oil and gas sector in keeping with the overall vision of a liberalized economy.



MARKET SHARE OF BLACK OIL

for 2009 -10

PSO 85.62%	CPL 0.96%
TPPL 0.49%	ADMORE 0%
ASKAR 0.02%	BYCO 1.62%
SPL 1.52%	APL 7.82%
PARCO (Pearl) 1.0%	HASCOL 0.27%
OOTCL 0.65%	BTCPL 0.03%



MARKET SHARE OF WHITE OIL

for 2009 -10

PSO 54.84%	CPL 7.62%
TPPL 5.70%	ADMORE 0.04%
ASKAR 0.54%	BYCO 2.34%
SPL 20.72%	APL 6.30%
PARCO (Pearl) 0.08%	HASCOL 0.86%
OOTCL 0.77%	BTCPL 0.19%

Source: Oil Companies Advisory Committee

Directors' Report

For the past few years the terrorist actions are incessant threat to the entire world. The GoP with the support of International agencies has taken tangible steps to eradicate terrorism. The oil industry has adopted preventive security measures to avoid any such risks. Although it is impossible to eliminate this threat with limited resources but your Company has managed to arrange insurance to mitigate potential risks for any unfortunate terrorism incident apart from strengthening its own security measures.

CONTRIBUTION TOWARDS THE ECONOMY

The Company contributed Rs. 19,772 million towards national ex-chequer in the form of taxes and levies and earned precious foreign exchange of US\$ 97 million through export of products and commission on related services. The Company is providing premier quality petroleum products even in remote areas particularly the northern areas and interior Sindh through its network of retail outlets and distributors contributing for the development of the local labour force, thus promoting employment, technical know-how and improving the earning capacities of the residents.

HUMAN RESOURCE DEVELOPMENT

The Company recognizes the key role of the employees in managing the way to success. The Company has assembled abundant human resources with high potential and ambition from the outset and continued its policy to magnetize quality employees and to provide its entire staff with motivating rewards and career enhancement opportunities including capacity building through job specific training. APL continuously strives to create systems and a working environment through training and assessment, which foster professional capabilities enabling employees to achieve actual results at work. Moreover Company comes across at human assets with honesty, equality and by offering good pay, benefits, continuous training and development. This will ensure and effectively achieve not only a number of performance related gains but also increase the Company's productivity, profitability and competitive advantage, thus achieving a stronger economic performance.



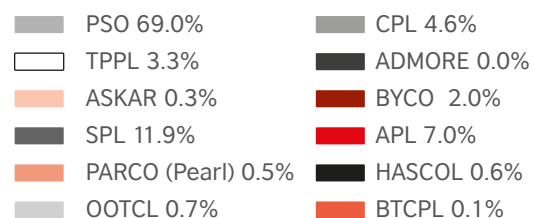
RETAIL OUTLETS

province wise numbers



OVERALL MARKET SHARE

for 2009 -10



CORPORATE SOCIAL RESPONSIBILITY

Your Company is committed to invest in long-term sustainable programs to improve quality of life in the communities in which we live and operate. We have initiated corporate social plans for the well being of the masses, particularly in areas like education, health, skills development and empowerment of weaker sections of the society. Donations and regular sponsorships ensure that the welfare of our local communities are looked after and encouraged at all levels within the organization. Through the Employee Welfare Trust, the Company regularly awards educational scholarships to employees' children based on financial need and academic excellence. Further, in order to pass on the benefit of success we have set up number of outlets in the rural and deprived areas to provide employment and improving quality of life of the local populace.

The end-user of our products and their safety is vital to us, by providing product usage guidelines on product packaging material as well as at chain of outlets across the country, we ensure health and safety of the end user of the products. Material Safety Data Sheets of products are also available at all sites to educate the user about the nature of the product, product handling & storage, transportation, health effects and disposal post spills.

HEALTH, SAFETY AND ENVIRONMENT CONSCIOUSNESS

The Company is dedicated to build an environment that ensures health & safety of the employees at the work place. The Company has a formal Health, Safety and Environment (HSE) Policy which is regularly communicated to the employees and other workers at sites. APL complements its management systems with performance-based health and safety standard/policy that provide expectations for organizational performance. Standards are periodically reviewed and updated to reflect changes in laws or regulations, incorporate recommendations and to continually improve performance. The Company conducts its business with high regard for the health and safety of its employees, contractors and neighboring communities and is committed to reducing the impact of its operations on the environment. The Company makes available appropriate resources, training instructions and supervision to personnel enabling them to perform duties in an incident free and uninterrupted operational environment. It is also the policy of the Company to consider the health and welfare of employees by maintaining a safe place and system of work as required by local legislation.



SEGMENT-WISE ANALYSIS OF REVENUES
for 2009 -10

Grey	Gross Profit 62%
Orange	Other Operating Income 21%
Red	Bank Profits 16%
Black	Profit of Associates 1%



Our continued commitment to HSE has been recognized by completing a successful surveillance audit of the Company's Integrated Management System which maintains accreditation to ISO - 14001:2004 Environmental Management Systems.

AWARDS AND ACHIEVEMENTS

It is a matter of honour that the Company secured 3rd position for presenting the Best Annual Corporate Report 2008 in the Fuel and Energy sector. This ceremony was jointly organised by the Institute of Chartered Accountants of Pakistan and Institute of Cost and Management Accountants of Pakistan. The Company was also selected amongst the "Top Twenty Five Companies" by Karachi Stock Exchange for the year 2009 in recognition of Company's policy and practice of transparency, disclosure of required information and compliance with financial reporting standards, provisions of Companies Ordinance 1984 and listing regulations.

CORPORATE GOVERNANCE

The Company is committed to high standards of corporate governance and the Board is accountable to the shareholders for good corporate governance. The Company shall continue to comply with the provisions of best practices set out in the code and committed to conduct its business in line with listing regulations.



THE COMPANY SHALL CONTINUE TO COMPLY WITH THE PROVISIONS OF **BEST PRACTICES** SET OUT IN THE CODE AND COMMITTED TO CONDUCT ITS BUSINESS IN LINE WITH LISTING REGULATIONS.



The Company is fully compliant with the code of corporate governance as per the requirements of the Listing Regulations. Specific statements are being given hereunder:

- 1) The financial statements, prepared by the management, present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- 2) Proper books of account of the Company have been maintained.
- 3) Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- 4) International Financial Reporting Standards, as applicable in Pakistan have been followed in the preparation of financial statements.
- 5) The system of internal control is sound in design and has been effectively implemented and monitored.
- 6) There are no doubts upon the Company's ability to continue as a going concern.
- 7) There has been no material departure from the best practices of corporate governance as detailed in the listing regulations.
- 8) Significant deviations from the last year's operating results have been disclosed in the Directors' Report.
- 9) The Company does not envisage corporate restructuring or discontinuation of its operations in the foreseeable future.
- 10) Key operating and financial data of the last 6 years in summarised form is annexed with the report.
- 11) All major Government levies in the normal course of business, payable as at June 30, 2010, have been cleared subsequent to the year-end.
- 12) The retirement benefit schemes were terminated effective September 30, 2009 and comparable amount is provided as part of salary.

A separate statement of compliance signed by the Chief Executive Officer is included in this annual report.

Directors' Report

DIRECTORS AND BOARD MEETINGS

During the year, the Board of Directors met five times. The number of meetings attended by each director during the year is shown below:

Sr. No.	Name	Number of Meetings Attended
1	Dr. Ghaith R. Pharaon *	5
2	Mr. Laith Ghaith Pharaon *	5
3	Mr. Wael Ghaith Pharaon *	5
4	Mr. Shuaib A. Malik	5
5	Mr. M. Adil Khattak	5
6	Mr. Babar Bashir Nawaz	5
7	Mr. Munaf Ibrahim	5

*Overseas directors attended the meetings either in person or through alternate directors.



THE COMPANY HAS A LONG HISTORY OF BEING RESPONSIBLE
CORPORATE ENTITY.
IT HAS ALWAYS DESIRED TO PLAY A PROACTIVE ROLE FOR SOCIAL WELFARE.



AUDIT COMMITTEE

The management of your Company believes in Good Corporate Governance, implemented through a well defined and efficiently applied system of checks and balances and the provision of transparent, accurate and timely financial information. Towards this end, an independent Internal Audit Division has been established. The Head of Internal Audit Division reports directly to the Audit Committee of the Board and the committee comprises of three non-executive directors who ensure that the internal control system is efficiently maintained, including financial and operational controls, accounting system and reporting structures. Terms of reference of the committee which is in line with the Code of Corporate Governance has been presented and approved by the Board of Directors. The audit committee is responsible for reviewing a wide range of matters including the interim and annual reports and financial statements before their respective presentation to the Board and monitoring of the controls that are enforced to ensure the integrity of the information reported to the shareholders. The audit committee advises the Board on the appointment of external auditor and on their remuneration. The audit committee keeps under review the cost effectiveness, independence and objectivity of the external auditor. The audit committee held four meetings in 2009-10. The chief financial officer, internal auditor as well as external auditors were invited and they attended the meetings as per the requirement of the Code of Corporate Governance.

AUDITORS

The auditors Messrs A. F. Ferguson and Co., Chartered Accountants, retire and offer themselves for reappointment. The Audit Committee of the Board has recommended for the re-appointment of the retiring auditors.

FUTURE PLANS AND PROJECTS

To continue the Company's track record of building state-of-the-art infrastructure and to dominate the downstream petroleum sector, the Company is endeavouring its best to set for the same level of growth in the times to come with the vision to maximize shareholder value in the tough and competitive partially deregulated downstream petroleum sector.

Directors' Report

The Company purchased 15 acres of land at Port Qasim, Karachi for construction of bulk oil terminal at the total cost of Rs. 22.5 million. However, despite lapse of considerable time the development of the terminal has been held in abeyance since the Company has not been provided the peaceful possession of land. The Port Qasim Authority has been legally intimated to ensure orderly transfer of land at an early date.

In addition to enhancing its storage capacity at its existing bulk oil terminals i.e., Rawalpindi and Machike as mentioned earlier, the Company is actively considering establishing storage terminals at other strategic locations of the country like Mehmood Kot, Multan and Tarru Jabba, Peshawar.

The Company intends to finance all its future plans and projects through equity financing keeping in view the existing revenue resources and bank balances.

SHAREHOLDING

The total number of Company's shareholders as at June 30, 2010 was 2,658. The pattern of shareholding as at June 30, 2010 along with necessary disclosures as required under the Code of Corporate Governances is annexed.

ACKNOWLEDGEMENT

We would like to take this opportunity to thank our esteemed shareholders, Government of Pakistan and regulatory bodies for their continuing relationship and support towards the progress of the Company. The Board also thanks and appreciates employees, customers and strategic partners for their dedication, commitment and contributions towards helping us achieve new heights of success and commendable results.

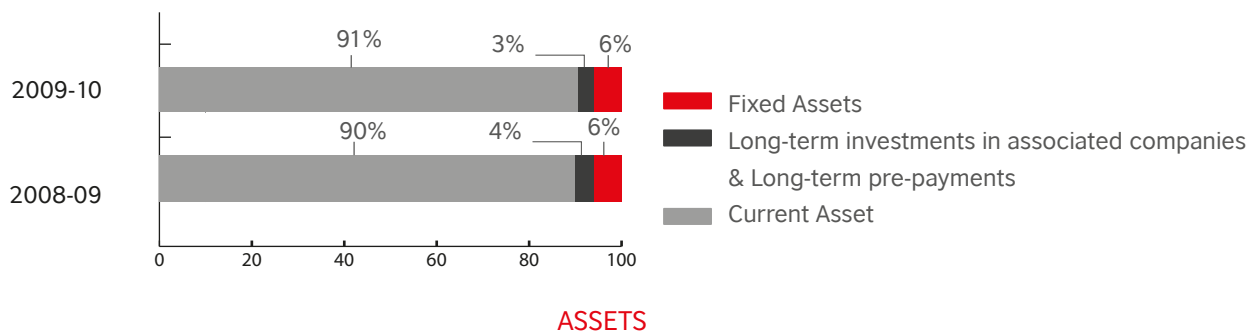
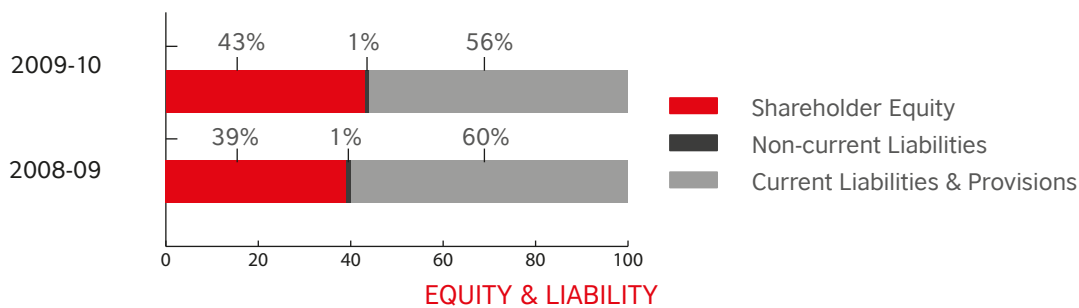
On Behalf of the Board



Shuaib A. Malik
Chief Executive

Damascus, Syria.
September 29, 2010.

Graphical Analysis of Balance Sheet



THE COMPANY CONTRIBUTED TOWARDS NATIONAL EX-CHEQUER IN THE FORM OF TAXES & LEVIES AND **EARNED** PRECIOUS FOREIGN EXCHANGE THROUGH EXPORT OF PRODUCTS AND COMMISSION ON RELATED SERVICES.

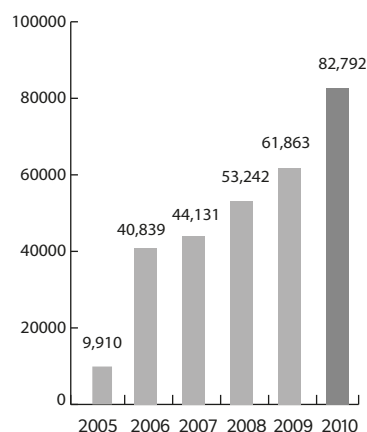
- OCTOBER 1995:** Formal application moved for Government approval
- DECEMBER 1995:** Incorporation of APL
- FEBRUARY 1997:** Government approval granted for OMC
- FEBRUARY 1998:** Marketing of Petroleum products commenced
- JUNE 1999:** Bulk oil terminal commenced at Rawalpindi
- OCTOBER 1999:** Commissioned first retail outlet
- JANUARY 2000:** Launched lubricants
- JULY 2002:** Marketing of Surplus Naphtha through exports
- APRIL 2003:** Initiated exports to Afghanistan
- JUNE 2003:** ISO 9001: 2000 Quality Management System Certification
- JULY 2004:** Registered as an OMC with Afghan Investment Support Agency
- SEPTEMBER 2004:** ISO 14001:1996 Environment Management Systems certification
- MARCH 2005:** Acquired listing on Karachi Stock Exchange
- MAY 2005:** Celebrated 100th retail outlet
- JULY 2005:** Acquired National Refinery Limited through bidding
- AUGUST 2005:** Started supplying Fuel oil to IPPs
- MARCH 2006:** Started operating new terminal at Karachi
- MARCH 2006:** Started first Company owned retail outlet's operations
- NOVEMBER 2007:** Commissioned 1st international retail outlet at Jalalabad, Afghanistan
- JUNE 2009:** Commissioned new bulk oil terminal at Machike
- SEPTEMBER 2009:** Commenced operations through White Oil Pipeline (WOP)

September 2009:
Commenced operations through White Oil Pipeline (WOP)

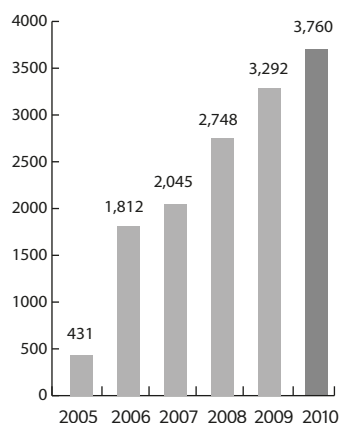
Six Years at a Glance

		2010	2009	2008	2007	2006	2005
Profit & Loss Summary							
Net sales	Rs thousand	82,791,918	61,863,152	53,242,330	44,130,536	40,839,299	9,909,682
Gross profit	Rs thousand	3,759,884	3,292,350	2,748,401	2,044,971	1,811,855	431,043
Operating profit	Rs thousand	4,587,928	3,659,248	3,358,954	2,181,509	1,915,756	564,116
Profit before tax	Rs thousand	4,846,309	4,280,419	3,529,552	2,435,606	1,945,606	559,831
Profit after tax	Rs thousand	3,594,309	3,082,419	2,641,552	1,728,606	1,392,606	460,408
Profit before tax, depreciation & amortization	Rs thousand	4,973,607	4,363,053	3,606,739	2,499,034	2,001,391	591,949
Cash dividends	Rs thousand	1,728,000	1,440,000	960,000	560,000	480,000	200,000
Bonus shares issued	Rs thousand	115,200	-	96,000	80,000	-	-
Balance Sheet Summary							
Share capital	Rs thousand	576,000	576,000	480,000	400,000	400,000	400,000
Reserves	Rs thousand	7,508,577	5,642,268	4,095,849	2,494,297	1,325,691	413,085
Property, plant & equipment	Rs thousand	1,217,217	1,130,875	922,621	601,326	520,948	335,203
Current assets	Rs thousand	19,429,233	16,408,160	13,881,634	7,995,195	5,728,928	2,021,863
Current liabilities	Rs thousand	11,917,167	10,938,626	9,842,350	5,402,649	4,427,804	1,336,685
Net current assets	Rs thousand	7,512,066	5,469,534	4,039,284	2,592,546	1,301,124	685,178
Capital expenditure during the year	Rs thousand	215,396	293,032	399,198	144,324	244,037	79,092
Long term / deferred liabilities	Rs thousand	288,908	251,538	135,137	126,821	129,638	98,099
Cash Flow Summary							
Cash flows from operating activities	Rs thousand	3,359,402	2,000,812	2,996,222	2,110,375	1,741,337	895,032
Cash flows from Investing activities	Rs thousand	318,114	849,611	(386,025)	(5,165)	(369,450)	(103,282)
Cash used in financing activities	Rs thousand	(1,437,573)	(1,533,404)	(559,115)	(319,305)	(358,057)	(120,000)
Net change in cash & cash equivalents	Rs thousand	2,239,943	1,317,019	2,051,082	1,785,905	1,013,830	671,750
Operating Ratios							
Gross profit	%	4.54	5.32	5.16	4.63	4.44	4.35
Net profit	%	4.34	4.98	4.96	3.92	3.41	4.65
EBITDA to sales	%	6.01	7.05	6.77	5.66	4.90	5.97

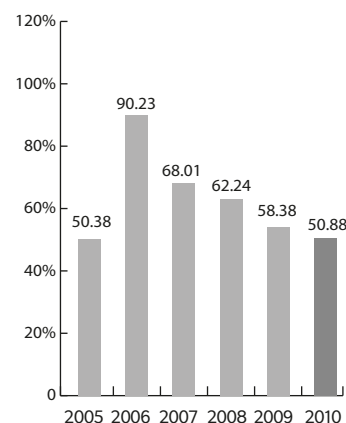
NET SALES Rs. in millions



GROSS PROFIT Rs. in millions



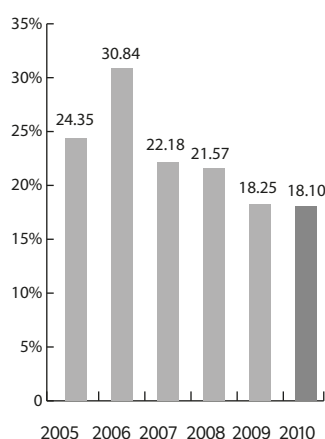
RETURN ON CAPITAL EMPLOYED



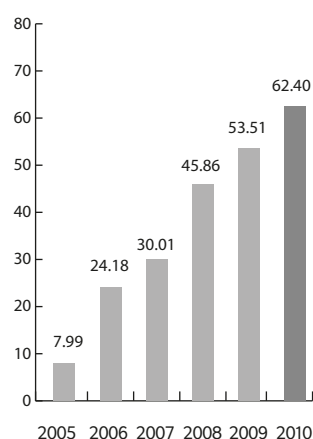
Six Years at a Glance

		2010	2009	2008	2007	2006	2005
Return on assets	%	18.10	18.25	21.57	22.18	30.84	24.35
Return on equity		44.05	48.86	58.77	62.86	91.06	54.62
Return on Capital employed	%	50.88	58.38	62.24	68.01	90.23	50.38
Earning per share (pre tax)	Rs	84.14	74.31	61.28	42.28	33.78	9.17
Earning per share (after tax)	Rs	62.40	53.51	45.86	30.01	24.18	7.99
Working Capital Ratios							
Total assets turnover		4.17	3.66	4.35	5.66	9.04	5.24
Fixed assets turnover		70.52	60.25	69.87	78.64	95.40	31.77
Inventory turnover		139.29	265.87	157.60	202.37	423.53	144.13
No. of days in inventory		2.62	1.37	2.32	1.80	0.86	2.53
Debtors turnover		10.73	9.06	12.79	17.63	29.39	38.84
No. of days in receivables		34.03	40.30	28.55	20.70	12.42	9.40
Number of retail outlets		277	246	209	177	145	108
Liquidity and Solvency Ratios							
Current		1.63	1.50	1.41	1.48	1.29	1.51
Quick		1.55	1.49	1.38	1.42	1.28	1.43
Debt : equity		0:100	0:100	0:100	0:100	0:100	0:100
Interest cover		-	-	-	-	-	-
Weighted average cost of debt		-	-	-	-	-	-
Investor's Ratios							
Earning growth	%	16.61	16.69	52.81	24.13	202.47	37.12
Dividend payout	%	48.08	46.72	36.34	32.40	34.47	43.44
Break-up value per share	Rs	140.36	107.96	95.33	72.36	43.14	20.33
Cash dividend per share	Rs	30.00	25.00	20.00	14.00	12.00	5.00
Bonus per share	%	20.00	-	20.00	20.00	-	33.33
Dividend cover		2.08	2.14	2.29	2.14	2.02	1.60
Price earning		4.63	5.94	9.43	16.71	13.36	19.77
Earning yield	%	21.59	16.83	10.61	5.99	7.49	5.06
Dividend yield	%	8.61	9.16	3.85	3.51	4.07	3.11
Market value per share							
Year end	Rs	289	318	432	501	323	158
During the year							
Highest	Rs	405	432	634	501	437	240
Average	Rs	348	273	519	398	295	161
Lowest	Rs	275	130	404	295	152	105

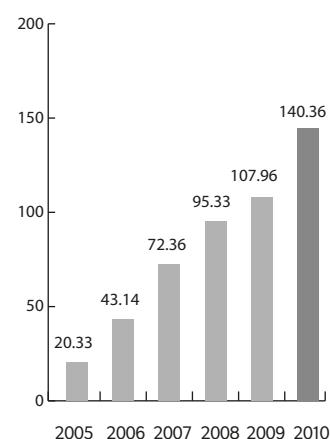
RETURN ON ASSETS



EARNING PER SHARE (AFTER TAX) Rs.



BREAK-UP VALUE PER SHARE Rs.



Vertical Analysis

	2010		2009	
	Rs. ('000)	%	Rs. ('000)	%
Balance Sheet Items				
Property, Plant and Equipment	1,019,742	4.8	939,780	5.1
Capital Work in Progress	197,475	0.9	191,095	1.0
Other Non-Current Assets	796,202	3.7	733,397	4.0
Current Assets	19,429,233	90.7	16,408,160	89.8
Total Assets	21,442,652	100.0	18,272,432	100.0
Shareholders' Equity	9,236,577	43.1	7,082,268	38.8
Long Term Deposits	178,908	0.8	159,538	0.9
Deferred Liability	110,000	0.5	92,000	0.5
Current Liabilities	11,917,167	55.6	10,938,626	59.9
Total Shareholders' Equity & Liabilities	21,442,652	100.0	18,272,432	100.0
Profit & Loss Items				
Net Sales	82,791,918	100.0	61,863,152	100.0
Cost of Products Sold	79,032,034	95.5	58,570,802	94.7
Gross Profit	3,759,884	4.5	3,292,350	5.3
Other Operating Income	1,308,904	1.6	843,967	1.4
Operating Expenses	480,860	0.6	477,069	8.0
Operating Profit	4,587,928	5.5	3,659,248	5.9
Finance Cost	319,865	0.4	28,992	0.0
Income on Bank Deposits and Investments	980,736	1.2	848,852	1.4
Share of Profit of Associated Companies	42,337	0.1	26,510	0.0
Other Charges	444,827	0.5	225,199	0.4
Profit Before Taxation	4,846,309	5.9	4,280,419	6.9
Provision for Taxation	1,252,000	1.5	1,198,000	1.9
Profit for the Year	3,594,309	4.3	3,082,419	5.0
Cash Flows				
Cash flows from / (used in) Operating activities	3,359,402	150.0	2,000,812	151.9
Cash flows from / (used in) Investing activities	318,114	14.2	849,611	64.5
Cash flows from / (used in) Financing activities	(1,437,573)	(64.2)	(1,533,404)	(116.4)
Increase in Cash & Cash Equivalents	2,239,943	100.0	1,317,019	100.0

2008		2007		2006		2005	
Rs. ('000)	%	Rs. ('000)	%	Rs. ('000)	%	Rs. ('000)	%
532,512	3.4	491,106	5.5	490,225	7.4	302,973	12.4
390,109	2.5	110,220	1.2	30,723	0.5	32,230	1.3
709,081	4.6	387,246	4.3	353,257	5.3	90,803	3.7
13,881,634	89.5	7,995,195	89.0	5,728,928	86.8	2,021,863	82.6
15,513,336	100.0	8,983,767	100.0	6,603,113	100.0	2,447,869	100.0
5,535,849	35.7	3,454,297	38.5	2,045,691	31.0	1,013,085	41.4
121,137	0.8	113,821	1.3	100,638	1.5	84,099	3.4
14,000	0.1	13,000	0.1	29,000	0.4	14,000	0.6
9,842,350	63.4	5,402,649	60.1	4,427,804	67.1	1,336,685	54.6
15,513,336	100.0	8,983,767	100.0	6,603,133	100.0	2,447,869	100.0
53,242,330	100.0	44,130,536	100.0	40,839,299	100.0	9,909,682	100.0
50,493,929	94.8	42,085,565	95.4	39,027,444	95.6	9,478,639	95.7
2,748,104	5.2	2,044,971	4.6	1,811,855	4.4	431,043	4.3
896,359	1.7	406,218	0.9	323,461	0.8	264,213	2.7
285,806	0.5	269,680	0.6	219,560	0.5	131,140	1.3
3,358,954	6.3	2,181,509	4.9	1,915,756	4.7	564,116	5.7
86,864	0.2	13,568	0.0	21,625	0.1	4,238	0.0
381,910	0.7	351,747	0.8	118,190	0.3	29,461	0.3
58,918	0.1	42,319	0.1	34,268	0.1	(41)	(0.0)
183,366	0.3	126,401	0.3	100,983	0.2	29,467	0.3
3,529,552	6.6	2,435,606	5.5	1,945,606	4.8	559,831	5.6
888,000	1.7	707,000	1.6	553,000	1.4	99,423	1.0
2,641,552	5.0	1,728,606	3.9	1,392,606	3.4	460,408	4.6
2,996,222	146.1	2,110,375	118.2	1,741,337	171.8	895,032	133.2
(386,025)	(18.8)	(5,165)	(0.3)	(369,450)	(36.4)	(103,282)	(15.4)
(559,115)	(27.3)	(319,305)	(17.9)	(358,057)	(35.3)	(120,000)	(17.9)
2,051,082	100.0	1,785,905	100.0	1,013,830	100.0	671,750	100.0

Horizontal Analysis

Balance Sheet Items	2010		2009	
	Increase/(Decrease) from last year		Increase/(Decrease) from last year	
	Rs. ('000)	%	Rs. ('000)	%
Property, Plant and Equipment	1,019,742	8.5	939,780	76.5
Capital Work in Progress	197,475	3.3	191,095	(51.0)
Other Non-Current Assets	796,202	8.6	733,397	3.4
Current Assets	19,429,233	18.4	16,408,160	18.2
Total Assets	21,442,652	17.3	18,272,432	17.8
Shareholders' Equity	9,236,577	30.4	7,082,268	27.9
Long Term Deposits	178,908	12.1	159,538	31.7
Deferred Liability	110,000	19.6	92,000	557.1
Current Liabilities	11,917,167	8.9	10,938,626	11.1
Total Shareholders' Equity & Liabilities	21,442,652	17.3	18,272,432	17.8
Profit & Loss Items				
Net Sales	82,791,918	33.8	61,863,152	16.2
Cost of Products Sold	79,032,034	34.9	58,570,802	16.0
Gross Profit	3,759,884	14.2	3,292,350	19.8
Other Operating Income	1,308,904	55.1	843,967	(5.8)
Operating Expenses	480,860	0.8	477,069	66.9
Operating Profit	4,587,928	25.4	3,659,248	8.9
Finance Cost	319,865	1,003.3	28,992	(66.6)
Income on Bank Deposits and Investments	980,736	15.5	848,852	122.3
Share of Profit of Associated Companies	42,337	59.7	26,510	(55.0)
Other Charges	444,827	97.5	225,199	22.8
Profit Before Taxation	4,846,309	13.2	4,280,419	21.3
Provision for Taxation	1,252,000	4.5	1,198,000	34.9
Profit for the Year	3,594,309	16.6	3,082,419	16.7
Cash Flows				
Cash flows from / (used in) Operating activities	3,359,402	67.9	2,000,812	(33.2)
Cash flows from / (used in) Investing activities	318,114	(62.6)	849,611	(320.1)
Cash flows from / (used in) Financing activities	(1,437,573)	(6.2)	(1,533,404)	174.3
Increase in Cash & Cash Equivalents	2,239,943	70.1	1,317,019	(35.8)

2008		2007		2006		2005	
Increase/(Decrease) from last year		Increase/(Decrease) from last year		Increase/(Decrease) from last year		Increase/(Decrease) from last year	
Rs. ('000)	%	Rs. ('000)	%	Rs. ('000)	%	Rs. ('000)	%
532,512	8.4	491,106	0.2	490,225	61.8	302,973	100.0
390,109	253.9	110,220	258.8	30,723	(4.7)	32,230	100.0
709,081	83.1	387,246	9.6	353,257	289.0	90,803	100.0
13,881,634	73.6	7,995,195	39.6	5,728,928	183.3	2,021,863	100.0
15,513,336	72.7	8,983,767	36.1	6,603,113	169.7	2,447,869	100.0
5,535,849	60.3	3,454,297	68.9	2,045,691	101.9	1,013,085	100.0
121,137	6.4	113,821	13.1	100,638	19.7	84,099	100.0
14,000	7.7	13,000	(55.2)	29,000	107.1	14,000	100.0
9,842,350	82.2	5,402,649	22.0	4,427,804	231.3	1,336,685	100.0
15,513,336	72.7	8,983,767	36.1	6,603,133	169.8	2,447,869	100.0
53,242,330	20.6	44,130,536	8.1	40,839,299	312.1	9,909,682	100.0
50,493,929	20.0	42,085,565	7.8	39,027,444	311.7	9,478,639	100.0
2,748,104	34.4	2,044,971	12.9	1,811,855	320.3	431,043	100.0
896,359	120.7	406,218	25.6	323,461	22.4	264,213	100.0
285,806	6.0	269,680	22.8	219,560	67.4	131,140	100.0
3,358,954	54.0	2,181,509	13.9	1,915,756	239.6	564,116	100.0
86,864	540.2	13,560	(37.3)	21,625	410.3	4,238	100.0
381,910	8.6	351,747	197.6	118,190	301.2	29,461	100.0
58,918	39.2	42,319	23.5	34,268	83,680.5	(41)	100.0
183,366	45.1	126,401	25.2	100,983	242.7	29,467	100.0
3,529,552	44.9	2,435,606	25.2	1,945,606	247.5	559,831	100.0
888,000	25.6	707,000	27.8	553,000	456.2	99,423	100.0
2,641,552	52.8	1,728,606	24.1	1,392,606	202.5	460,408	100.0
2,996,222	42.0	2,110,375	21.2	1,741,337	94.6	895,032	100.0
(386,025)	7,373.9	(5,165)	(98.6)	(369,450)	257.7	(103,282)	100.0
(559,115)	75.1	(319,305)	(10.8)	(358,057)	198.4	(120,000)	100.0
2,051,082	14.8	1,785,905	76.2	1,013,830	50.9	671,750	100.0

Pattern of Shareholding as on June 30, 2010

Sr. No.	No. of Shareholders	Having Shares		Shares Held	Percentage
		From	To		
1	422	1	100	22,287	0.04
2	586	101	500	169,240	0.29
3	1,229	501	1,000	900,169	1.56
4	265	1,001	5,000	567,903	0.99
5	50	5,001	10,000	377,547	0.66
6	17	10,001	15,000	214,748	0.37
7	15	15,001	20,000	261,108	0.45
8	6	20,001	25,000	144,942	0.25
9	9	25,001	30,000	251,123	0.44
10	4	30,001	35,000	128,512	0.22
11	3	35,001	40,000	112,903	0.20
12	2	40,001	45,000	89,000	0.15
13	7	45,001	50,000	345,373	0.60
14	2	50,001	55,000	105,532	0.18
15	3	55,001	60,000	172,958	0.30
16	1	60,001	65,000	64,100	0.11
17	2	65,001	70,000	134,700	0.23
18	3	70,001	75,000	225,000	0.39
19	2	75,001	80,000	152,334	0.26
20	1	85,001	90,000	86,890	0.15
21	1	90,001	95,000	94,140	0.16
22	3	105,001	110,000	322,816	0.56
23	1	110,001	115,000	113,400	0.20
24	1	140,001	145,000	143,195	0.25
25	1	165,001	170,000	168,707	0.29
26	2	175,001	180,000	353,588	0.61
27	2	195,001	200,000	400,000	0.69
28	1	225,001	230,000	228,816	0.40
29	1	250,001	255,000	253,188	0.44
30	1	255,001	260,000	260,000	0.45
31	1	290,001	295,000	290,712	0.50
32	1	385,001	390,000	388,072	0.67
33	1	400,001	405,000	405,000	0.70
34	1	495,001	500,000	500,000	0.87
35	1	515,001	520,000	516,349	0.90
36	1	610,001	615,000	614,760	1.07
37	1	640,001	645,000	640,728	1.11
38	1	790,001	795,000	794,524	1.38
39	1	820,001	825,000	823,299	1.43
40	1	1,265,001	1,270,000	1,267,200	2.20
41	1	4,015,001	4,020,000	4,018,081	6.98
42	1	4,030,001	4,035,000	4,032,000	7.00
43	1	4,040,001	4,045,000	4,042,080	7.02
44	1	12,600,001	12,605,000	12,600,096	21.88
45	1	19,800,001	19,805,000	19,802,880	34.38
2,658				57,600,000	100.00

CATEGORIES OF SHAREHOLDERS AS ON JUNE 30, 2010

Particulars	Share Holders	Shareholding	Percentage
DIRECTORS, CHIEF EXECUTIVE OFFICER, THEIR SPOUSES & MINOR CHILDREN	9	4,309,302	7.48
ASSOCIATED COMPANIES	4	37,712,256	65.48
BANKS, DFI & NBFI	11	1,619,725	2.81
INSURANCE COMPANIES	6	1,445,430	2.51
MODARBAS & MUTUAL FUNDS	40	4,130,992	7.17
GENERAL PUBLIC (LOCAL)	2,458	2,454,189	4.26
GENERAL PUBLIC (FOREIGN)	19	34,866	0.06
FOREIGN COMPANIES	1	13,666	0.02
OTHERS	110	5,879,574	10.21
	2,658	57,600,000	100.00

Pattern of Shareholding as on June 30, 2010

Key Shareholders	Number of Shareholders	Number of Shares
ASSOCIATED COMPANIES		
Pharaon Investment Group Limited Holding s.a.l	1	19,802,880
Attock Refinery Limited	1	12,600,096
Pakistan Oilfields Limited	1	4,042,080
The Attock Oil Company Limited	1	1,267,200
DIRECTORS, CHIEF EXECUTIVE OFFICER, THEIR SPOUSES & MINOR CHILDREN		
Dr. Ghaith R. Pharaon	1	1
Mr. Laith G. Pharaon	1	1
Mr. Wael G. Pharaon	1	1
Mr. Shuaib A. Malik (Director & Chief Executive Officer)	1	4,018,081
Mr. Babar Bashir Nawaz	1	1
Mr. M. Adil Khattak	1	24,481
Mr. Munaf Ibrahim	1	228,816
Mr. Iqbal A. Khwaja	1	8,400
Mr. Rehmat Ullah Bardaie	1	29,520
EXECUTIVES	4	50,560
BANKS, NON BANKING FINANCIAL INSTITUTIONS, INSURANCE COMPANIES, MODARABAS & MUTUAL FUNDS	57	7,196,147
SHAREHOLDING 10% OR MORE VOTING INTEREST		
Pharaon Investment Group Limited Holding s.a.l	1	19,802,880
Attock Refinery Limited	1	12,600,096

Trade in shares by Directors, CEO, CFO, Company Secretary, Executives and their spouses and minor children.

Name	No. of Shares Purchased	No. of Shares Sold
Chief Executive Officer		
Mr. Shuaib A. Malik	30,000	Nil

Review Report to the Members

A.F. FERGUSON & CO.

CHARTERED ACCOUNTANTS
KARACHI - LAHORE - ISLAMABAD

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 Attock Petroleum Limited, to comply with the Listing Regulation No 35 of the Karachi Stock Exchange (Guarantee) Limited 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, Sub-Regulation (xiii a) of Listing Regulations 35 notified by the Karachi Stock Exchange (Guarantee) Limited vide circular KSE/N-269 dated January 19, 2009 requires the Company to place before the board of directors for their consideration and approval 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 undertaken 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 June 30, 2010.



Chartered Accountants

Islamabad
September 29, 2010

Engagement partner:
M. Imtiaz Aslam



Statement of Compliance

with the Code of Corporate Governance for the Year Ended
June 30, 2010

This statement is being presented to comply with the Code of Corporate Governance (the code) contained in regulation No. 35 of the Listing Regulations of the Karachi Stock Exchange (Guarantee) Limited for the purpose of establishing a framework of good corporate 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. At present the Board includes six non-executive directors of whom one is independent director representing institutional equity interest and minority shareholders.
2. The directors have confirmed that none of them is serving as a director in more than ten listed companies, including this Company.
3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIs. None of the directors or their spouses are engaged in the business of stock brokerage.
4. No casual vacancy occurred in the Board.
5. The Company has prepared a 'Statement of Ethics and Business Practices', which has been signed by all the directors and employees of the Company.
6. The Board has developed vision and mission statements, overall corporate strategy and significant policies of the Company. 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 and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO and other executive directors, have been taken by the Board.
8. The meetings of the Board were presided over by the Chairman and in his absence, by CEO or a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notices of Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Board of directors have been provided with in-house briefings to apprise them of their duties and responsibilities.

10. The Board has approved appointment of 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 compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The financial statements of the Company were duly endorsed by the CEO and CFO before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the Code.
15. The Board has formed an Audit Committee. It comprises three members, of whom all are non-executive directors including the Chairman of the Committee.
16. The meetings of the Audit Committee were held at least once every quarter prior to approval of the interim and final results of the Company and as required by the Code. The terms of reference of the Committee have been formed and advised to the Committee for compliance.
17. The Board has set up an effective internal audit function.
18. All related party transactions have been placed before the Audit Committee and Board of Directors and have been approved by the Board of Directors in accordance with the Listing Regulations of the Karachi Stock Exchange (Guarantee) Limited.
19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants 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 International Federation of Accountants (IFAC) guidelines on the code of ethics as adopted by the Institute of Chartered Accountants 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.



Shuaib A. Malik
Chief Executive

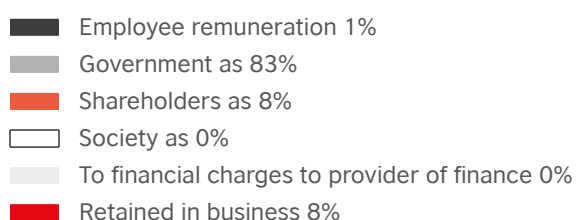
Damascus, Syria
September 29, 2010

Statement of Value Added

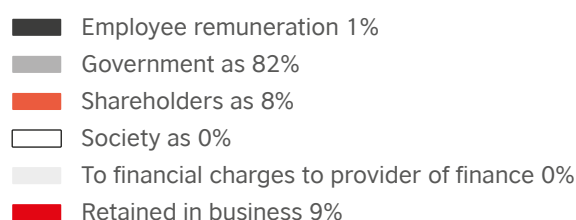
	2010		2009	
	Rs in thousand	%	Rs in thousand	%
Gross revenue and other income	97,229,843		72,443,756	
Cost of sales and operating expenses	(73,555,877)		(54,227,043)	
Total value added	23,673,966		18,216,713	
DISTRIBUTION				
Employee remuneration	180,169	0.76	144,930	0.80
Government as:				
Company taxation	1,252,000	5.29	1,198,000	6.58
Sales tax and levies	18,075,363	76.35	13,481,031	74.00
WPPF & WWF	444,827	1.88	225,199	1.24
Shareholders as:				
Dividends	1,728,000	7.30	1,440,000	7.90
Bonus share	115,200	0.49	-	-
Society as:				
Donation	-	-	2,500	0.01
To financial charges to providers of finance:	-	-	-	-
Retained in business:				
Depreciation	127,298	0.54	82,634	0.45
Net earnings	1,751,109	7.40	1,642,419	9.02
	23,673,966	100.00	18,216,713	100.00



2010



2009





Auditor's Report to the Members

A.F. FERGUSON & CO.

CHARTERED ACCOUNTANTS

KARACHI - LAHORE - ISLAMABAD

We have audited the annexed balance sheet of Attock Petroleum Limited as at June 30, 2010 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 except for the changes as stated in note 3.1 with which we concur;
 - (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 June 30, 2010 and of the profit, total comprehensive income, its cash flows and changes in equity for the year then ended; and
- (d) in our opinion 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.



Chartered Accountants
Islamabad
September 29, 2010

Engagement partner:
M. Imtiaz Aslam