

EXIDE PAKISTAN LIMITED CHAIRMAN'S REVIEW

I am pleased to present on behalf of the Board of Directors, Un-Audited Accounts of the Company for the 1st Quarter ended June 30, 2015.

The Economy

Pakistan economy grew by 4.24 percent in the year 2014-15 as compared to 4.1 percent in the last year though lower than the target of 5.1 percent had reached the highest level in the last seven years. Despite low growth in commodity producing sectors i.e. agriculture and industry, services managed to grow by 5 percent in fiscal year 2014-15 as compared to 4.4 percent last year.

Current account deficit remained US\$ 2.2 billion despite higher dollar inflows and low of prices during 2014-15. The deficit was significantly less than preceding fiscal year US\$ 3.1 billion, but in the wake of record US\$ 18.5 billion remittances sent by overseas Pakistanis and drastic fall in oil prices during the year, it was expected that country's current account would continue to deficit. Pakistan's trade deficit stood by 10.7 percent to US\$ 22.1 billion in 2014-15 from US\$ 20.0 billion in the preceding fiscal year and the same was highest since 1980-81. The import bill reached US\$ 46.0 billion in 2014-15 as compared to US\$ 45.1 billion in the previous year, an increase of 2 percent. Exports fell by 4.9 percent to US\$ 23.9 billion in the year 2014-15 as compared to US\$ 25.1 billion a year ago. Country's foreign exchange reserves have soared to US\$ 18.6 billion mostly through borrowing which will increase size of debt-servicing in the coming years. Foreign direct investment in 2014-15 fell by 58 percent to US\$ 709 million infusing government's full claims of its success on external fronts. CPI inflation declined to 4.0 percent down from 8.0 percent last year.

The federal budget 2015-16 reflects a shift in focus on growth along with further fiscal consolidation after the economy having achieved a reasonable degree of macroeconomic stability during the last fiscal year. The government has set an ambitious GDP growth target of 5.5 percent in the year 2015-16 and intends to achieve the same by higher development expenditure with emphasis on energy and infrastructure projects.

The Industry

Growth of automotive sector in the preceding few years was instrumental to better capacity utilization for the battery industry. Sales of locally produced cars and LTV improved by 32 percent to 178,790 units in July-June 2015 as compared to 135,737 units sold during corresponding period of last year. Trucks and Busses sales improved by 43 percent. Farm tractors sales witnessed a robust growth of 42 percent to 46,800 units sold in July-June 2015 against 33,594 units sold

in the same period a year ago. Sales of motorcycles and three wheelers declined by 1 percent from 772,046 units to 766,733 units.

Production

Production activities were effectively planned and adjusted to cater to the market demand both in terms of quantity and quality. Stress on quality control at all stages of production processes was implemented with great vigor for further strengthening quality standards of the products of your Company.

Sales

Net sales revenue of the Company for the quarter under review was down by 2 percent to Rs.4,450 billion from Rs.4,563 billion compared to same period last year. This was due to reduced availability in battery division.

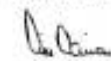
Profitability

Gross profit for the quarter under review improved from Rs.603.2 million to Rs. 810.6 million up by 34 percent compared to preceding year due to better margins. Selling and distribution expenses increased to Rs.292.7 million from Rs.188.0 million as a result of increased advertisement and sales promotion expenses. Administration and general expenses increased to Rs.31.4 million from 27.2 million. Operating profit increased by 25 percent to Rs.486.5 million from Rs.388.0 million recorded in the same quarter last year. Financial cost increased from Rs.32.2 million to Rs.51.9 million as a result of increase in working capital requirement. Profit before tax for the quarter under review was Rs.401.7 million as compared to Rs.328.0 million recorded in the first quarter last year up by 24 percent.

Earnings per share increased to Rs.35.16 as compared with Rs.27.74 recorded in the previous quarter.

Future Prospects

It is anticipated that indigenous organized battery industry will perform satisfactorily, although the cost pressures will remain on account of rising cost of utilities and other inflationary factors. Your management is determined to avail full benefits of the opportunities by continued focus on quality, productivity, cost control and after sales service to improve its competitiveness.

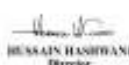


ARIF HASHWANI
Chairman
Karachi July 30, 2015

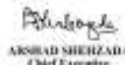
EXIDE PAKISTAN LIMITED BALANCE SHEET AS AT JUNE 30, 2015

	(Unaudited) June 30, 2015	(Audited) March 31, 2015
	Rupees '000	
Property, plant and equipment	1,320,189	1,535,152
Long-term investments	224	224
Long-term loans and advances - secured	985	1,002
Long-term deposits	26,429	75,269
Current Assets		
Spares	85,481	111,872
Stock-in-trade	2,829,221	2,399,543
Trade debtors	1,947,837	1,335,268
Loans and advances	85,756	41,408
Short-term investments, deposits and other receivables	84,087	31,838
Taxation receivable	496,423	541,733
Cash and bank balances	842,080	1,673,276
	6,131,135	6,089,094
Current Liabilities		
Trade and other payables	1,401,439	1,184,096
Money owed on Finance	18,172	88,578
Short-term Finance	2,889,531	3,068,706
	4,309,142	4,341,380
Net Current Assets	1,996,633	1,791,725
Deferred Taxation	47,045	47,045
Total Net Assets	3,011,413	3,082,525
Financed by:		
Share Capital and Reserves		
Authorised capital	180,000	180,000
18,000,000 ordinary shares of Rs.10 each		
Issued, subscribed and paid-up capital	77,686	77,686
Capital reserves	259	259
Revenue reserves	2,279,691	2,079,996
Reserve arising on reorganisation - net	25,825	25,825
Unappropriated profits	413,175	498,269
	2,996,632	2,882,044
Surplus on Realisation of Fixed Assets - net of tax	410,481	400,481
Shareholder's Equity	3,011,413	3,082,525

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



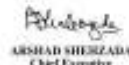
HUSSAIN HASHWANI
Director



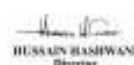
ARSHAD SHEHZADA
Chief Executive



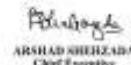
HUSSAIN HASHWANI
Director



ARSHAD SHEHZADA
Chief Executive



HUSSAIN HASHWANI
Director



ARSHAD SHEHZADA
Chief Executive

EXIDE PAKISTAN LIMITED
PROFIT & LOSS STATEMENT
FOR THE QUARTER ENDED JUNE 30, 2015

	2015		2014	
	Q1	Q2	Q1	Q2
	Rupees '000			
Cost of goods sold	1,831,518	1,415,719	1,831,518	1,415,719
Current goods	1,831,518	1,415,719	1,831,518	1,415,719
Production cost	1,831,518	1,415,719	1,831,518	1,415,719
Production expenses	1,831,518	1,415,719	1,831,518	1,415,719
Operating profit	2,648,900	2,663,806	2,648,900	2,663,806
Other operating incomes	410,481	400,481	410,481	400,481
Financial charges	(51,900)	(51,900)	(51,900)	(51,900)
Other charges	(31,400)	(31,400)	(31,400)	(31,400)
Profit before taxation	3,016,081	3,030,087	3,016,081	3,030,087
Provision for taxation	(594,668)	(594,668)	(594,668)	(594,668)
Profit after taxation	2,421,413	2,435,419	2,421,413	2,435,419
Extraordinary per share	135.08	135.30	135.08	135.30

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

EXIDE PAKISTAN LIMITED CASH FLOW STATEMENT (UNAUDITED) FOR THE QUARTER ENDED JUNE 30, 2015

	2015	2014
	Rupees '000	
CASH FLOW FROM OPERATING ACTIVITIES		
Cash generated from operations	794,362	713,131
Financial charges paid	(80,071)	(28,858)
Taxes paid	(113,230)	(178,233)
Decrease in long-term Loans	97	145
Increase in long-term deposits	(5,040)	(4,679)
Net cash inflow/(outflow) from operating activities	589,619	311,716
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for capital expenditures	(40,201)	(68,029)
Proceeds from sale of fixed assets	1,188	2,258
Net cash outflow on investing activities	(39,013)	(65,771)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividends paid	-	-
Repayment of loan from a Director	-	-
Long-term financing	-	-
Net cash outflow on financing activities	-	-
Net (increase)/decrease in cash and cash equivalents	549,606	245,945
Cash and cash equivalents at the beginning of the year	(3,385,476)	(813,765)
Cash and cash equivalents at the end of the first quarter	(2,835,870)	(567,820)

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