



REG. No. 9907871



**THIRD QUARTERLY REPORT
DECEMBER 31, 2012**

CORPORATE PROFILE

BOARD OF DIRECTORS

Arif Hashwani - *Chairman*
Arshad Shehzada - *Managing Director / Chief Executive*
Altaf Hashwani
Hussain Hashwani
S. Haider Mehdi
Engr. M. A. Jabbar
S. M. Faiq

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

S. Haider Mehdi

AUDIT COMMITTEE

Altaf Hashwani - *Chairman*
Hussain Hashwani
S. M. Faiq
Saleem Abdul Ali - *Secretary*

BANKERS

Allied Bank Ltd.
BankIslami Pakistan Ltd.
Bank Al-Falah Limited
Barclays Bank PLC Pakistan
Habib Bank Ltd.
Habib Metropolitan Bank Limited
HSBC Bank Middle East Ltd.
JS Bank Ltd.
MCB Bank Ltd.
Meezan Bank Ltd.
NIB Bank Ltd.
Standard Chartered Bank (Pakistan) Ltd.
United Bank Ltd.

AUDITORS

A. F. Ferguson & Co.

SOLICITORS

Orr Dignam & Co.

REGISTERED OFFICE

A/44, Hill Street, Off: Manghopir Road,
S.I.T.E., Karachi-75700
Website : www.exide.com.pk
E-mail : exidepk@exide.com.pk

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 third quarter ended December 31, 2012.

The Economy

Pakistan's trade deficit fell by 14 percent to US\$ 9.87 billion in July-December 2012 period this year as against US\$ 11.48 billion over the corresponding period last year. The reduction is due to improvement in Exports which rose by 7.6 percent while imports declined by 4.7 percent. As a result of improvement in export proceeds, worker's remittances and two windfall Coalition Support Fund (CSF) payments of US\$ 1.9 billion, current account deficit also resulted in surplus of US\$ 250 million in July- December 2012. Very little is left to rejoice over these positives, when the country foreign exchange reserves and currency are under constant pressure due to continued repayments to the IMF. Large scale manufacturing posted a nominal growth of 2.38 percent during July - November 2012 period of fiscal year 2013 as a result of poor law and order situation, political uncertainty, acute energy crisis and less domestic demand.

Foreign exchange reserves held by central bank fell to US\$ 8.8 billion at the end of December 2012 as against US\$ 12.5 billion in December 2011.

The Industry

Growth of automotive sector in the preceding few years was instrumental in better capacity utilization of the battery industry. Sale of locally produced cars plunged to 50,587 units in July-December 2012 as compared to 71,886 Units in the corresponding period of last year. Whereas trucks and buses sales declined by 7.5 percent. Farm tractors sales grew during the period from July to December 2012 by 14,757 units. Prices of refined and recycled lead increased during the quarter under review, continued with depreciation of Pak Rupee and increase in energy charges also had an impact on cost of goods sold.

Your company has been honored with Brand of the Year Award for the consecutive third time in the year 2011.

Operating Results

Net sales revenue for the 3rd quarter was 2.316 billion as compared to Rs: 1.955 billion for the same period last year, up by 18.5 percent. Cost of sales for the period under review increased by 15.2 percent from 1.706 billion to 1.965 billion. Volumetric sales and better sales mix resulted in improvement of Gross profit margin to 15.2 percent as against 12.7 percent in the corresponding period of last year.

Gross profit during the quarter under review improved to 350.9 million from 249.2 million up by 40.8 percent. Operating profit increased from Rs: 110.8 million to Rs: 184.8 million up by 66.8 percent. Financial charges decreased from 47.5 million to Rs: 7.6 million due to better management of working capital and reduction in mark-up rates.

Cumulative sale for the nine months improved from Rs: 7.212 billion to Rs: 7.978 billion up by 10.6 percent as compared to corresponding period of the last year.

Pre-tax profit for the nine months ended December 31, 2012 increased from 343.6 million to Rs: 615.0 million as compared to the same period of corresponding up by 79 percent.

Earnings per share increased to Rs: 56.1 as compared with Rs: 30.3 recorded in the previous year.

Future Prospects

It is anticipated that indigenous organized battery industry will perform satisfactorily, although the cost pressures will remain on account of Rupee depreciation, higher raw material prices, 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.

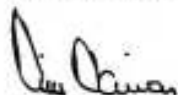


ARIF HASHWANI
Chairman
Karachi January 30, 2013

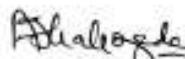
EXIDE PAKISTAN LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT DECEMBER 31, 2012

	(Unaudited) December 31, 2012	(Audited) March 31, 2012
	-----Rupees '000-----	
Property, plant and equipment	1,014,392	1,018,471
Long-term investments	224	224
Long-term loans and advances - unsecured	1,692	1,946
Long-term deposits	18,430	20,216
Current assets		
Spares	47,212	67,761
Stock-in-trade	1,601,178	1,497,121
Trade debts	336,673	346,205
Loans and advances	53,475	22,707
Short-term prepayments, deposits and other receivables	42,556	32,522
Taxation recoverable	82,769	182,395
Cash and bank balances	564,017	743,678
	<u>2,727,880</u>	<u>2,892,389</u>
Current liabilities		
Trade and other payables	1,130,837	707,708
Mark-up accrued	5,769	32,005
Short-term borrowings	323,491	1,253,521
	<u>1,460,097</u>	<u>1,993,234</u>
Net current assets	<u>1,267,783</u>	<u>899,155</u>
Deferred taxation	64,042	55,362
	<u>2,238,479</u>	<u>1,884,650</u>
Financed by:		
Share Capital and Reserves		
Authorised capital		
18,000,000 ordinary shares of Rs 10 each	180,000	180,000
Issued, subscribed and paid-up capital	70,624	70,624
Capital reserves	259	259
Revenue reserves	1,269,991	981,991
Reserves arising on amalgamation - net	25,823	25,823
Unappropriated profit	434,169	366,027
	<u>1,800,866</u>	<u>1,444,724</u>
Surplus on revaluation of fixed assets - net of tax	437,613	439,926
	<u>2,238,479</u>	<u>1,884,650</u>

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



ARIF HASHWANI
Chairman



ARSHAD SHEHZADA
Chief Executive

EXIDE PAKISTAN LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE NINE MONTHS ENDED DECEMBER 31, 2012

	Quarterly				(1 quarter)				Total
	For the 3rd quarter ended December 31, 2012	For the 2nd quarter ended December 31, 2012	For the 1st quarter ended December 31, 2012	For the 4th quarter ended December 31, 2011	For the 3rd quarter ended December 31, 2012	For the 2nd quarter ended December 31, 2012	For the 1st quarter ended December 31, 2012	For the 4th quarter ended December 31, 2011	
Turnover	2,206,530	2,688,196	1,871,141	6,929,679	109,576	289,662	83,701	282,219	2,216,106
Cost of goods sold	1,879,218	6,504,047	1,635,691	6,071,064	85,961	238,811	69,099	232,256	1,962,209
Gross profit	327,282	1,184,149	235,450	858,615	23,615	50,851	14,702	50,463	350,897
Distribution cost	138,864	445,693	115,232	343,245	1,679	5,217	1,483	4,516	140,543
Administrative expenses	24,451	70,156	20,752	57,343	1,141	2,643	899	2,339	25,392
Total Operating expenses	163,315	515,759	135,984	400,588	2,820	7,860	2,382	6,855	166,135
Operating profit / (loss)	163,967	668,390	99,466	457,427	20,795	42,991	11,320	43,608	184,762
Other operating income									711,281
Financial charges									8,624
Other operating charges									1,092
Workers' profit participation fund									719,905
Workers' welfare fund									8,624
Profit before taxation									1,864,534
Provision for taxation									719,905
- current - for the period									1,092
- deferred									8,624
Profit after taxation									1,136,015
Earnings per share									
- current - for the period									
- deferred									
Profit after taxation									
Earnings per share									
- current - for the period									
- deferred									

Approximations have been reflected in the Statement of Changes in Equity. The annexed notes form an integral part of these financial statements.


ARIF HASHWANI
 Chairman


ARSHAD SHEHZADA
 Chief Executive

EXIDE PAKISTAN LIMITEDCONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE NINE MONTHS ENDED DECEMBER 31, 2012

	2012	2011
	----- (Rupees '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Cash generated from operations	997,275	(10,290)
Financial charges paid	(30,096)	(119,180)
Taxes paid	(110,999)	(204,326)
Gratuity paid	(2,107)	-
Decrease / (Increase) in long-term loans	254	(556)
Decrease / (Increase) in long-term deposits	1,786	608
Net cash inflow from operating activities	856,113	(333,744)


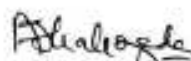
CASH FLOW FROM INVESTING ACTIVITIES

Payment for capital expenditure	(65,681)	(64,820)
Proceeds from sale of fixed assets	2,278	273
Net cash outflow on investing activities	(63,403)	(64,547)

CASH FLOW FROM FINANCING ACTIVITIES

Dividends paid	(42,341)	(32,993)
Loan from Director	(28,000)	-
	(70,341)	(32,993)
Net Increase / (decrease) in cash and cash equivalents	722,369	(431,284)
Cash and cash equivalents at the beginning of the period	(481,843)	(671,846)
Cash and cash equivalents at end of the period	<u>240,526</u>	<u>(1,103,130)</u>

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

ARIF HASHWANI
ChairmanARSHAD SHEHZADA
Chief Executive

EXIDE PAKISTAN LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE NINE MONTHS ENDED DECEMBER 31, 2012

	Issued, subscribed and paid-up capital	Capital reserves	Revenue reserves	Shares to be issued	Reserve retained in equity - net	Unappropriated profit	Total
	(Rupees '000)						
Balance at March 31, 2011	56,499	259	748,091	-	25,823	316,900	1,148,465
Final dividend for the year ended March 31, 2011	-	-	-	-	-	(33,299)	(33,299)
Transfer to reserve reserves for the year ended March 31, 2011	-	-	233,080	-	-	(233,080)	-
Transfer to reserves for bonus issue for the year ended March 31, 2011	-	-	-	14,125	-	(14,125)	-
Issue of bonus shares	14,125	-	-	(14,125)	-	-	-
Profit after taxation for the nine months ended December 31, 2011	-	-	-	-	-	213,988	213,988
Transferred from surplus on revaluation of property, plant and equipment - net of tax	-	-	-	-	-	2,573	2,573
Balance at December 31, 2011	<u>70,624</u>	<u>259</u>	<u>981,991</u>	<u>-</u>	<u>25,823</u>	<u>292,225</u>	<u>1,338,959</u>
Balance at March 31, 2012	70,624	259	981,991	-	25,823	366,027	1,444,724
Final dividend for the year ended March 31, 2012	-	-	-	-	-	(42,374)	(42,374)
Transfer to reserve reserves for the year ended March 31, 2012	-	-	285,080	-	-	(285,080)	-
Profit after taxation for the nine months ended December 31, 2012	-	-	-	-	-	396,203	396,203
Transferred from surplus on revaluation of property, plant and equipment - net of tax	-	-	-	-	-	2,303	2,303
Balance at December 31, 2012	<u>70,624</u>	<u>259</u>	<u>1,267,091</u>	<u>-</u>	<u>25,823</u>	<u>434,199</u>	<u>1,800,866</u>

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


ARIF HASHWANI
 Chairman


ARSHAD SHEHZADA
 Chief Executive

EXIDE PAKISTAN LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS ENDED DECEMBER 31, 2012

1. These financial statements are unaudited and are being submitted to shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984.
2. These financial statements have been prepared in accordance with the requirements of International Accounting Standard - 34 (IAS-34) "Interim Financial Reporting".
3. The accounting policies adopted in preparation of these financial statements are the same as those applied in the preparation of the preceding annual published financial statements of the Company.

4. PROPERTY, PLANT AND EQUIPMENT

Following is the cost of operating property, plant and equipment that have been added / disposed off during the nine months ended December 31, 2012

	Cost of additions/deletions	
	December 2012	December 2011
	<u>(Rupees '000)</u>	
Building	670	2,965
Plant and machinery	25,590	67,245
Furniture and fixture	842	990
Office equipment	2,491	1,271
Vehicles	6,795	6,642
	<u>(3,370)</u>	<u>(877)</u>
	<u>32,728</u>	<u>78,146</u>

4.1 CAPITAL WORK-IN-PROGRESS

	December 31, 2012	March 31, 2012
	<u>(Rupees '000)</u>	
Building	-	-
Plant and machinery	39,281	8,325
Advances to suppliers/contractors	16,631	11,059
	<u>48,912</u>	<u>19,384</u>

5. TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise of local associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings other than remuneration and benefits to key management personnel, which are under the terms of their employment, are as follows:

	December 2012	December 2011
	<u>(Rupees '000)</u>	
Expenses charged to associated undertakings	10	-
Interest charged on loan from director	-	8,378
Rent expense	29,145	28,145
Expenses charged in respect of staff retirement benefits	3,087	3,087
Payment made to the employee defined benefit plan	2,197	3,664

Key management personnel received an amount of Rs. 17,000 thousand (2011: Rs.14,569 thousand) out of which Rs. 1,221 thousand (2011: Rs. 1,071 thousand) relates to post-employment benefits.

6. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The carrying value of all financial assets and liabilities reflected in the financial statements approximate their fair values.

7. ESTIMATES

Judgments and estimates made by the management in the preparation of these interim financial statements were the same as those that were applied to the financial statements for the year ended March 31, 2012.

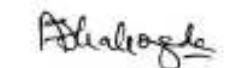
8. GENERAL

Amounts have been rounded off to the nearest thousand of Rupees unless otherwise stated.

9. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on January 30, 2013 by the Board of Directors of the Company.


ARIF HASHWANI
Chairman


ARSHAD SHEHZADA
Chief Executive

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PAKISTAN LTD.

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