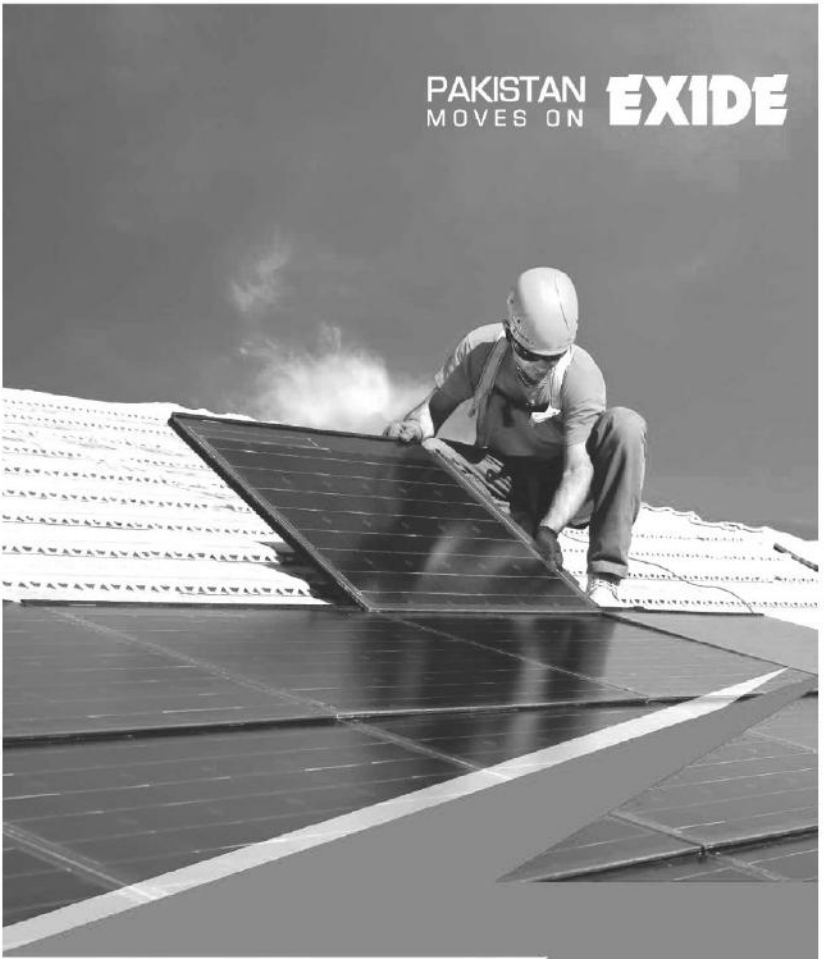




PAKISTAN
MOVES ON **EXIDE**



**FIRST QUARTERLY REPORT
JUNE 30, 2016**

CORPORATE PROFILE

BOARD OF DIRECTORS

Arif Hashwani	-	Chairman
Arshad Shehzada	-	MD/CEO
Altaf Hashwani	-	Director
Hussain Hashwani	-	Director
S Haider Mehdi	-	Director
S M Faiq	-	Director
Ayub Hameed	-	Director
Muhammad Kamran Shehzad	-	Director

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

S. Haider Mehdi

AUDIT COMMITTEE

Ayub Hameed	-	Chairman
Altaf Hashwani	-	Member
S M Faiq	-	Member
Salim Abdul Ali	-	Secretary

HUMAN RESOURCES AND REMUNERATION COMMITTEE

Arif Hashwani	-	Chairman
Altaf Hashwani	-	Member
Ayub Hameed	-	Member
Syed Zulquarnain Shah	-	Secretary

BANKERS

Allied Bank Limited
Bank Al-Falah Limited
BankIslami Pakistan Limited
Bank of Tokyo Mitsubishi UFJ, Limited
Dubai Islamic Bank Pakistan Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
NIB Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited

AUDITORS

A. F. Ferguson & Co.

SOLICITORS

Orr Dignam & Co.

REGISTERED OFFICE

A/44, Hill Street, Off: Manghopir Road,
S.I.T.E., Karachi-75700, Pakistan.
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 1st Quarter ended June 30, 2016.

The Economy

Pakistan economy during the year 2015-16 showed sign of improvement with GDP growing at the rate of 4.71 percent as compared to 4.24 percent recorded last year. Economy growth is showing signs of sustained recovery aided by falling commodity and fuel prices, increased energy availability and improved securing conditions.

Current account posted a US\$ 2.52 billion deficit during 2015-16 compared to US\$ 2.71 billion in the year 2014-15 depicting a decline of 6.7 percent or US\$ 184 million, but in the wake of record US\$ 19.9 billion remittances sent by overseas Pakistanis and drastic fall in oil prices, it was expected that country's current account would not be in deficit. Pakistan's trade deficit surged by 3.6 percent to US\$ 25.56 billion in 2015-16 from US\$ 24.75 billion in the same period of 2014-15. Liquid foreign reserves stood at all-time high level of US\$ 23.1 billion as on July 1, 2016 compared to US\$ 18.7 billion as on July 3, 2015 depicting an increase of US\$ 4.4 billion in a year. Inflation, much to the relief of nation fell to 2.8 percent on a year on year basis till April 2016, compared with 4.5 percent for 2015, the lowest in over 10 years. Foreign Direct Investment improved to US\$ 1.016 billion during July-April 2016 compared to US\$ 964 million in the same period last year depicting an increase of 5 percent. The increased inflow of Dollars with lower outflow due to declining oil import bill resulted in the Rupee Dollar parity lingering within a band of Rs. 101.85 to Rs. 105.50.

The Industry

Auto sales are a compelling sign of growing economy. The sector closed off financial year 2016 with higher ever sale of passenger cars with 181,145 units sold, a growth of 20 percent from financial year 2015's 151,134 units sales, over taking the boom of 2007 when cars sale stood at 180,834 units.

In commercial vehicles front, trucks and buses grew by 39 percent in year-on-year growth selling about 6500 units in financial year 2016 to 4700 units in financial year 2015. Tractors on the other hand have been taking a beating quite some time with a negative growth of 26 percent, having sale of 34,618 units in the year 2015-16 as compared to 46,800 units sold in the preceding year. Sales of motorcycles and three wheelers improved by 20 percent from 1,132,887 unit to 1,358,643 units. The prices of refined and recycled lead decreased during the quarter under review.

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

During the quarter under report, sales volume grew in line with market growth. However, in order to meet severe competition, your company had allowed extra discounts to trade. As a result of which Net Sales Revenue of the Company for the quarter under review reduced to Rs. 4.359 billion from 4.450 billion compared to same period last year.

Profitability

Gross profit for the quarter under review improved from Rs. 810.6 million to Rs.815.8 million. Selling and distribution expenses increased by 11% to Rs.324.4 million from Rs.292.7 million. Administration and general expenses decreased to Rs.28.8 million from Rs.31.4 million. Operating profit reduced by 5 percent to Rs. 462.6 million from Rs. 486.5 million recorded in the same quarter last year. Financial cost decreased from Rs. 51.9 million to Rs. 23.5 million as a result of decline in mark-up rates. Profit before tax for the quarter under review was Rs.404.6 million as compared to Rs.401.7 million recorded in the last year up by 1 percent.

Earnings per share increased to Rs.35.42 as compared with Rs. 35.16 recorded in the previous year.

Future Prospects

It is anticipated that indigenous organized battery industry will face tough competition due to capacity expansion of existing battery plants and new entrants. 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 28, 2016

EXIDE PAKISTAN LIMITED

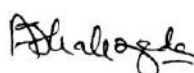
BALANCE SHEET AS AT JUNE 30, 2016

	(Unaudited) June 30, 2016	(Audited) March 31, 2016
	-----Rupees '000-----	
Property, plant and equipment	1,325,432	1,355,372
Long-term investments	224	224
Long-term loans and advances - unsecured	710	808
Long-term deposits	33,692	36,919
Current Assets		
Spares	106,570	127,418
Stock-in-trade	1,779,776	2,770,081
Trade debts	1,828,085	2,510,293
Loans and advances	31,714	26,629
Short-term prepayments, deposits and other receivables	46,903	34,144
Taxation recoverable	478,216	520,599
Cash and bank balances	567,632	399,357
	4,838,896	6,388,521
Current Liabilities and Provisions		
Trade and other payables	1,707,846	1,596,786
Mark-up accrued on finances	14,829	31,954
Short-term finance	694,838	2,569,132
	2,417,513	4,197,872
Net Current Assets	2,421,383	2,190,649
Deferred Taxation	7,201	7,201
Total Net Assets	<u>3,774,240</u>	<u>3,576,771</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	77,686	77,686
Capital reserves	259	259
Revenue reserves	2,729,991	2,379,991
Reserve arising on amalgamation - net	25,823	25,823
Unappropriated profit	424,779	577,310
	3,258,538	3,061,069
Surplus on Revaluation of Fixed Assets - net of tax	515,702	515,702
Shareholder's Equity	<u>3,774,240</u>	<u>3,576,771</u>

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



ARIF HASHWANI
Chairman



ARSHAD SHEHZADA
Chief Executive

EXIDE PAKISTAN LIMITED**PROFIT & LOSS ACCOUNT
FOR THE QUARTER ENDED JUNE 30, 2016****(Unaudited)**


	Batteries		Chemicals		Total	
	For the 1st Quarter ended June 30, 2016	For the 1st Quarter ended June 30, 2015	For the 1st Quarter ended June 30, 2016	For the 1st Quarter ended June 30, 2015	For the 1st Quarter ended June 30, 2016	For the 1st Quarter ended June 30, 2015
Net sales	4,277,305	4,361,558	81,941	88,423	4,359,246	4,449,981
Cost of goods sold	3,471,400	3,556,868	72,036	82,473	3,543,436	3,639,341
Gross profit	805,905	804,690	9,905	5,950	815,810	810,640
Distribution cost	322,459	290,935	1,959	1,809	324,418	292,744
Administrative expenses	28,767	31,374	-	-	28,767	31,374
Total Operating expenses	351,226	322,309	1,959	1,809	353,185	324,118
Operating profit	454,679	482,381	7,946	4,141	462,625	486,522
Other operating income					392	43
Financial charges					463,017	486,565
Other charges					23,509	51,867
					34,869	33,004
					58,378	84,871
					404,639	401,694
Profit before taxation					129,484	128,542
Provision for taxation					129,484	128,542
- current - for the period					275,155	273,152
- deferred					-	-
Profit after taxation					(Rupees)	35.16
Earnings per share					35.42	35.16

Earnings per share

Appropriations have been reflected in the Statement of Changes in Equity.

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


ARIF HASHWANI
Chairman

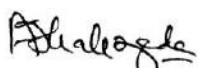

ARSHAD SHEHZADA
Chief Executive

EXIDE PAKISTAN LIMITED**CASH FLOW STATEMENT (UNAUDITED)
FOR THE QUARTER ENDED JUNE 30, 2016**

	2016	2015
	----- (Rupees '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Cash generated from operations	2,174,919	794,862
Financial charges paid	(42,813)	(80,071)
Taxes paid	(87,101)	(123,230)
Decrease in long-term Loan	98	97
Decrease / (Increase) in long-term deposits	3,227	(3,048)
Net cash inflow/(outflow) from operating activities	2,048,330	588,610
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for capital expenditure	(5,978)	(40,201)
Proceeds from sale of fixed assets	217	1,108
Net cash used in investing activities	(5,761)	(39,093)
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	2,042,569	549,517
Cash and cash equivalents at the beginning of the year	(2,169,775)	(1,395,470)
Cash and cash equivalents at the end of the first quarter	<u>(127,206)</u>	<u>(845,953)</u>

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


ARIF HASHWANI
Chairman


ARSHAD SHEHZADA
Chief Executive

EXIDE PAKISTAN LIMITED

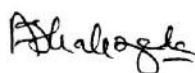
STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED JUNE 30, 2016 (UNAUDITED)

	Issued, subscribed and paid-up capital	Capital reserves	Revenue reserves	Reserve arising on amalgamation	Unappro- priated profit	Total
	----- (Rupees '000) -----					
Balance at March 31, 2015	77,686	259	2,079,991	25,823	498,285	2,682,044
Final dividend for the year ended March 31, 2015	-	-	-	-	(58,264)	(58,264)
Transfer to revenue reserve for the year ended March 31, 2015	-	-	300,000	-	(300,000)	-
Profit after taxation for the first quarter ended June 30, 2015	-	-	-	-	273,152	273,152
Balance at June 30, 2015	<u>77,686</u>	<u>259</u>	<u>2,379,991</u>	<u>25,823</u>	<u>413,173</u>	<u>2,896,932</u>
Balance at March 31, 2016	77,686	259	2,379,991	25,823	577,310	3,061,069
Final dividend for the year ended March 31, 2016	-	-	-	-	(77,686)	(77,686)
Transfer to revenue reserve for the year ended March 31, 2016	-	-	350,000	-	(350,000)	-
Profit after taxation for the first quarter ended June 30, 2016	-	-	-	-	275,155	275,155
Balance at June 30, 2016	<u>77,686</u>	<u>259</u>	<u>2,729,991</u>	<u>25,823</u>	<u>424,779</u>	<u>3,258,538</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 FINANCIAL STATEMENTS
FOR THE QUARTER ENDED JUNE 30, 2016 (UNAUDITED)

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 quarter ended 30 June 2016.

	Additions	Disposals
	----- (Rupees '000) -----	
Building	-	-
Plant and machinery	3,710	-
Furniture and equipments	479	-
Vehicles	2,577	544
Office equipment	380	-
	<u>7,146</u>	<u>544</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:

	2016	2015
	----- (Rupees '000) -----	
Interest charged on loan from director	-	-
Rent expense	10,615	9,715

Key management personnel received an amount of Rs. 6,430 thousand (2015: Rs. 8,438 thousand) out of which Rs. 321 thousand (2015: 1,048 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, 2016

8. GENERAL

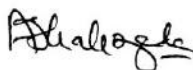
Amounts have been rounded off to the nearest thousands unless otherwise stated.

9. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on July 28, 2016 by the Board of Directors of the Company.



ARIF HASHWANI
Chairman



ARSHAD SHEHZADA
Chief Executive

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