

**EXIDE PAKISTAN LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE QUARTER ENDED JUNE 30, 2012**  
**(UNAUDITED)**

	Issued, subscribed and paid-up capital	Capital reserves	Revenue reserves	Starts to be issued	Reserve arising on disposals	Unappropriated profit	Total
	(Rupees '000)						
Balance at March 31, 2011	56,499	259	748,991	-	25,823	316,916	1,148,488
Final dividend for the year ended March 31, 2011	-	-	-	-	-	(33,899)	(33,899)
Transfer to revenue reserve for the year ended March 31, 2011	-	-	233,000	-	-	(233,000)	-
Transfer to reserve for issuance of bonus shares for the year ended March 31, 2011	-	-	-	14,125	-	(14,125)	-
Profit after taxation for the first quarter ended June 30, 2011	-	-	-	-	-	102,843	102,843
<b>Balance at June 30, 2011</b>	<b>56,499</b>	<b>259</b>	<b>981,991</b>	<b>14,125</b>	<b>25,823</b>	<b>138,735</b>	<b>1,217,432</b>
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 revenue reserve for the year ended March 31, 2012	-	-	288,000	-	-	(288,000)	-
Profit after taxation for the first quarter ended June 30, 2012	-	-	-	-	-	184,698	184,698
<b>Balance at June 30, 2012</b>	<b>70,624</b>	<b>259</b>	<b>1,269,991</b>	<b>-</b>	<b>25,823</b>	<b>220,351</b>	<b>1,587,048</b>

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

  
**HUSSAIN HASHWANI**  
 Director

  
**ARSHAD SHAHZADA**  
 Chief Executive

**EXIDE PAKISTAN LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE QUARTER ENDED JUNE 30, 2012**  
**(NAUDITED)**

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 2012.

	Additions	Disposals
	(Rupees '000)	
Plant and machinery	8,346	-
Furniture and equipments	437	-
Vehicles	77	630
Office equipment	915	-
	<u>9,775</u>	<u>630</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:

	2012	2011
	(Rupees '000)	
Interest charged on loan from director	-	4,241
Rent expense	9,715	9,715

Key management personnel received an amount of Rs. 6,542 thousand (2011: Rs. 4,281 thousand) out of which Rs. 870 thousand (2011: 526 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**

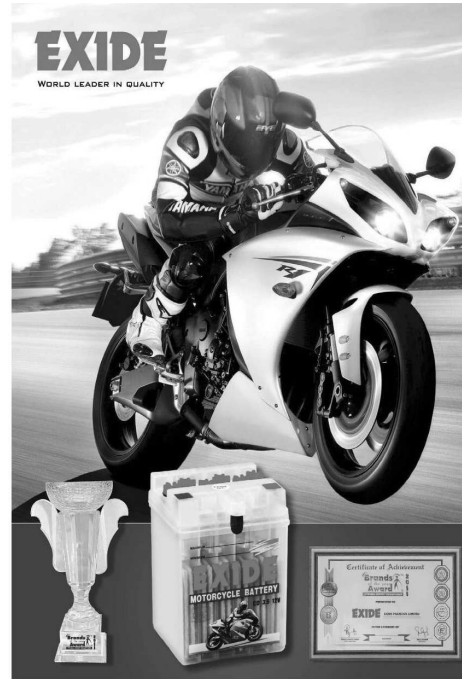
Amounts have been rounded off to the nearest thousand unless otherwise stated.

**9. DATE OF AUTHORISATION FOR ISSUE**

These financial statements were authorised for issue on July 30, 2012 by the Board of Directors of the Company.

  
**HUSSAIN HASHWANI**  
 Director

  
**ARSHAD SHAHZADA**  
 Chief Executive



**BOOK POST**

If undelivered please return to:  
**EXIDE**  
 PAKISTAN LTD.  
 A/44, Hill Street, Off: Manghopir Road,  
 S.I.T.E., Karachi-75700 Pakistan.



**FIRST QUARTERLY REPORT**  
**JUNE 30, 2012**



**CORPORATE PROFILE**

**BOARD OF DIRECTORS**

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

**CHIEF FINANCIAL OFFICER & COMPANY SECRETARY**

S. Haider Mehdi

**AUDIT COMMITTEE**

Altaf Hashwani - Chairman  
 Hussain Hashwani  
 S. M. Faiz  
 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 Middle East Bank Ltd.  
 JS Bank Ltd.  
 MCB Bank Ltd.  
 Meezan Bank Ltd.  
 NIB Bank Ltd.  
 Oman International Bank S.A.O.G.  
 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 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 2012.

### THE ECONOMY

Pakistan's economy grew by 3.7 percent in the year 2011-12 against a target of 4.2 percent. This set back is due in part to the agriculture sector which grew by 3.1 percent as against the target of 3.4 percent as floods adversely impacted lower Sindh. Industrial sector remained unsettled, with gas and electricity outages, and could only grow by 3.6 percent, which in turn adversely affected our national exports. The services sector grew by 4.0 percent against the targeted growth of 5.0 percent. Foreign Direct Investment fell by 50 percent to meagerly US\$ 812 million in 2011-12 as compared to US\$ 1.634 billion in 2010-11. The current account deficit widened to US\$ 4.52 billion in 2011-12 as a result of higher international oil price and heavy import of food items compared to a surplus of US\$ 0.21 billion in the previous fiscal year. To a certain extent workers' remittances assisted in arresting this large deficit. Workers' remittances grew by 17.8 percent year on year and reached US\$ 13.2 billion, an all time high as compared to US\$ 11.2 billion last year. CPI inflation remained in double digit to 10.8 percent during 2011-12 compared to 14 percent in 2010-11.

### THE INDUSTRY

The automotive industry continued to show signs of improvement during 2011-12. Sales of cars for the period July – June 2012 improved from 127,944 units to 157,325 units, up 23 percent as compared to the corresponding period last year. Trucks and buses sales declined by 13 percent from last year. Farm tractors sales also declined 28 percent from 69,203 units to 49,745 units. Sale of motorcycles and three wheelers registered decrease of 1 percent from 835,425 units to 829,893 units.

I am pleased to inform you that your Company has been honored with a third consecutive Brand of the Year Award for the year 2011.

### SALES

Net sales revenue of the Company for the quarter under review was up 12 percent from Rs.2.84 billion in corresponding quarter of the preceding year to Rs.3.19 billion for the quarter ended 30th June 2012 due to volume growth.

### PRODUCTION

Your company has completed its last round of capacity expansion. Having stabilized production, the Company is now fully concentrating on increasing efficiencies, in addition to improving quality control at all stages of the production processes. Production activities were effectively planned and adjusted to cater to the market demand both in terms of quality and quantity.

### PROFITABILITY

Gross profit for the quarter under review improved from Rs.328.9 million to Rs.502.8 million, up by 53 percent compared to last year. This was due to improved sale and margin. Operating profit increased to Rs.331.7 million from Rs.206.1 million recorded in the same quarter last year. Financial charges decreased to Rs. 18.6 million from Rs.30.9 million due to better management of working capital. Profit before tax for the quarter under review was Rs.281.9 million as compared to Rs.156.6 million recorded last year.

Earnings per share increased to Rs.26.17 as compared to Rs.14.56 recorded in the previous year.

### FUTURE PROSPECTS

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



ARIF HASHWANI  
Chairman  
Karachi July 30, 2012

## EXIDE PAKISTAN LIMITED BALANCE SHEET AS AT JUNE 30, 2012

	(Unaudited) June 30, 2012	(Audited) March 31, 2012
	Rupees '000	
<b>Property, plant and equipment</b>	1,002,526	1,018,471
<b>Long-term investments</b>	224	224
<b>Long-term loans and advances - unsecured</b>	1,538	1,946
<b>Long-term deposits</b>	19,096	20,216
<b>Current Assets</b>		
Spares	42,778	67,761
Stock-in-trade	1,218,713	1,497,121
Trade debts	193,766	346,205
Loans and advances	43,186	22,707
Short-term prepayments, deposits and other receivables	31,710	32,522
Taxation recoverable	142,622	182,395
Cash and bank balances	526,313	743,678
	2,199,088	2,892,389
<b>Current Liabilities and Provisions</b>		
Trade and other payables	923,510	707,708
Mark-up accrued on finances	9,879	32,005
Short-term finance	206,747	1,253,521
	1,140,136	1,993,234
<b>Net Current Assets</b>	1,058,952	899,155
<b>Long-term Financing</b>	0	0
<b>Deferred Taxation</b>	55,362	55,362
<b>Total Net Assets</b>	2,026,974	1,884,650
<b>Financed by:</b>		
<b>Share Capital and Reserves</b>		
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	220,351	366,027
	1,587,048	1,444,724
Surplus on Revaluation of Fixed Assets - net of tax	439,926	439,926
<b>Shareholder's Equity</b>	2,026,974	1,884,650

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



HUSSAIN HASHWANI  
Director



ARSHAD SHAHZADA  
Chief Executive

## EXIDE PAKISTAN LIMITED PROFIT & LOSS ACCOUNT FOR THE QUARTER ENDED JUNE 30, 2012

	(Unaudited)					
	Batteries		Chemicals		Total	
	For the 1st Quarter ended June 30, 2012	For the 1st Quarter ended June 30, 2011	For the 1st Quarter ended June 30, 2012	For the 1st Quarter ended June 30, 2011	For the 1st Quarter ended June 30, 2012	For the 1st Quarter ended June 30, 2011
	(Rupees '000)					
<b>Net sales</b>	3,103,662	2,726,053	89,020	115,646	3,192,682	2,841,699
<b>Cost of goods sold</b>	2,616,607	2,422,725	73,261	90,008	2,689,868	2,512,733
<b>Gross profit</b>	487,055	303,328	15,759	25,638	502,814	328,966
<b>Distribution cost</b>	147,851	102,708	1,637	1,728	149,488	104,436
<b>Administrative expenses</b>	21,063	17,698	604	751	21,667	18,440
<b>Total Operating expenses</b>	168,914	120,406	2,241	2,479	171,155	122,885
<b>Operating profit</b>	318,141	182,922	13,518	23,159	351,699	206,081
<b>Other operating income:</b>					5,229	137
					336,888	206,218
<b>Financial charges</b>					18,568	30,928
<b>Other charges</b>					56,391	18,739
					54,959	49,667
<b>Profit before taxation</b>					281,929	156,551
<b>Provision for taxation</b>						
- current - for the period					97,231	53,700
- deferred					-	-
					97,231	53,700
<b>Profit after taxation</b>					184,698	102,851
<b>Earnings per share</b>					26.15	14.56
					Rs stated	

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

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



HUSSAIN HASHWANI  
Director



ARSHAD SHAHZADA  
Chief Executive

## EXIDE PAKISTAN LIMITED CASH FLOW FOR THE QUARTER ENDED JUNE 30, 2012 (UNAUDITED)

	2012	2011
	(Rupees '000)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Cash generated from operations	933,177	450,679
Financial charges paid	(40,694)	(56,884)
Gratuity paid	-	(4,029)
Taxes paid	(57,458)	(82,398)
Decrease in long-term Loan	408	212
Decrease in long-term deposits	1,120	672
<b>Net cash inflow/(outflow) from operating activities</b>	836,553	308,252
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Payment for capital expenditure	(7,470)	(14,790)
Proceeds from sale of fixed assets	326	-
<b>Net cash outflow on investing activities</b>	(7,144)	(14,790)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividends paid	-	-
Repayment of loan from a Director	(28,000)	-
Long-term financing	-	-
<b>Net cash outflow on financing activities</b>	(28,000)	-
<b>Net Increase/(decrease) in cash and cash equivalents</b>	801,409	293,462
<b>Cash and cash equivalents at the beginning of the year</b>	(481,843)	(671,846)
<b>Cash and cash equivalents at the end of the first quarter</b>	319,566	(378,384)

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



HUSSAIN HASHWANI  
Director



ARSHAD SHAHZADA  
Chief Executive