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LALPIR POWER LIMITED

HALF YEARLY REPORT

FOR THE HALF YEAR ENDED JUNE 30

2013



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COMPANY PROFILE

THE COMPANY

Lalpir Power Limited ("the Company") was incorporated in Pakistan on 8 May 1994 under the Companies Ordinance, 1984. The registered office is situated at 53-A, Lawrence Road, Lahore. The principal activities of the Company are to own, operate and maintain an oil fired power station ("the Complex") having gross capacity of 362 MW in Mehmood Kot, Muzaffargarh, Punjab, Pakistan.

BOARD OF DIRECTORS

Mian Hassan Mansha	Chairman
Mr. Aurangzeb Feroz	Chief Executive Officer
Mr. Mark Nicholas Cutis	
Mr. Omar Liaqat	
Mr. Aurangzeb Feroz	
Mr. Kamran Rasool	
Mr. Khalid Qadeer Qureshi	
Mr. Mahmood Akhtar	
Mr. Samir Hammami	Alternate Director

AUDIT COMMITTEE

Mr. Aurangzeb Feroz	Chairman
Mr. Mark Nicholas Cutis	
Mr. Mahmood Akhtar	

CHIEF FINANCIAL OFFICER

Mr. Khalid Qadeer Qureshi

COMPANY SECRETARY

Mr. Khalid Mahmood Chohan

BANKERS OF THE COMPANY

Habib Bank Limited
The Bank of Punjab
United Bank Limited
Allied Bank Limited
National Bank of Pakistan
Bank Alfalah Limited
Faysal Bank Limited
Askari Bank Limited
Habib Metropolitan Bank Limited
NIB Bank Limited
MCB Bank Limited
Bank Islami Pakistan Limited
KASB Bank Limited
Standard Chartered Bank (Pakistan) Limited
Al Baraka Bank (Pakistan) Limited

AUDITOR OF THE COMPANY

Riaz Ahmad & Co.
Chartered Accountants

LEGAL ADVISOR OF THE COMPANY

Mr. M. Aurangzeb Khan
Advocate High Court

REGISTERED OFFICE

53-A, Lawrence Road,
Lahore-Pakistan
UAN: 042-111-11-33-33

HEAD OFFICE

1-B, Aziz Avenue, Gulberg-V,
Lahore- Pakistan
Tel:042-35717090-96
Fax:042-35717239

SHARE REGISTRAR

Central Depository Company of Pakistan Limited
CDC House,99-B, Block-B, S.M.C.H.S
Shahra-e-Faisal, Karachi – 74400
Tel: (92-21) 111-111-500
Fax: (92-21) 34326053

PLANT

Mehmood Kot, Muzaffargarh,
Punjab – Pakistan.

The Directors of **Lalpir Power Limited ("the Company")** are pleased to present their report together with operational and financial results of your Company for the Half year ended 30 June 2013.

Your Company is engaged in power generation with a net capacity of 350.00 MW furnace oil fired power plant against a gross capacity of 362 MW. The Sole purchaser of the power is Water and Power Development Authority (WAPDA). We report that during the period under review power plant, by achieving all the operating standards, dispatched 901,632 MWH of electricity as compared with 944,696 MWH dispatched during the corresponding six months of the previous financial year. Resultantly the capacity factor remained at 59.40% as against 61.80% demonstrated in the comparable six months of the previous financial year.

Operation Financial Results:

The financial results of the Company for the half year ended 30 June 2013 are as follows:

Financial Highlights	HALF YEAR ENDED	
	30 JUNE 2013	30 JUNE 2012
Revenue (Rs '000')	17,108,149	18,458,479
Gross profit (Rs '000')	1,192,513	1,215,049
Gross profit ratio to revenue (%)	6.97%	6.58%
Pre-tax profit (Rs '000')	614,038	725,717
After tax profit (Rs '000')	614,038	725,717
After tax profit ratio to revenue (%)	3.58%	3.93%
Earnings per share (Rs)	1.62	1.91

The Company has posted after tax profit of Rs. 614.038 million as against Rs 725.717 million earned in the comparative period. The net profits of the Company demonstrated the Earning per Share of Rs. 1.62 as against Rs. 1.91 earned per share in the previous period.

Main reason for variation in net profit for period ended 30 June 2013 in Comparison with period ended 30 June 2012 is increase in delta loss of Rupees 128.09 Million and increase in 3.02 Grams per Kwh of fuel consumption.

MOU (Memorandum of Understanding) has been signed between Government of Pakistan and the company to convert its oil fired plant into coal or petcoke on 28 June 2013. Conversion is expected to take place within three years subject to Board's formal approval and fulfillment of certain GOP obligations in streamlining the tariff approval process.

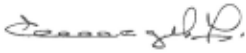
Dividend Distribution

The Company continues to honor its commitment of safeguarding the shareholders' interests and takes immense pleasure in informing you that the Board has announced 1st Interim Cash Dividend @ of PKR 1/- per share (i.e. 10%) for the half year ended 30 June 2013 for which the date of entitlement has been fixed as 22 August 2013.

Acknowledgement

We wish to thank our valuable shareholders, WAPDA, financial institutions, lenders, Pakistan State Oil and other suppliers for their trust and faith in the Company and their valuable support that enabled the Company to achieve better results.

We also appreciate the management for establishing a modern and motivating working climate and promoting high levels of performance in all areas of the power plant. We also take this opportunity to thank our executives and staff members for their consistent support, hardworking and commitment for delivering remarkable results and we wish for their long life relationship with the Company.

For and on behalf of the Board of Directors

(Mr. Aurangzeb Feroz)
Chief Executive
Lahore: 22 August 2013

ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of LALPIR POWER LIMITED as at 30 June 2013 and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof (herein after referred to as "condensed interim financial information"), for the half year then ended. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended 30 June 2013 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures of the condensed interim profit and loss account for the quarter ended 30 June 2013 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 30 June 2013. The figures of the condensed interim profit and loss account for the half year and quarter ended 30 June 2012 have not been reviewed by any firm of chartered accountants.



RIAZ AHMAD & COMPANY
Chartered Accountants

Name of engagement partner:
Muhammad Atif Mirza

Date: 22 August 2013

LAHORE

CONDENSED INTERIM BALANCE SHEET

AS AT 30 JUNE 2013

	Note	Un-audited 30 June 2013 (Rupees in thousand)	Restated Audited 31 December 2012
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 500,000,000 (31 December 2012: 500,000,000) ordinary shares of Rupees 10 each		5,000,000	5,000,000
Issued, subscribed and paid-up share capital 379,838,732 (31 December 2012: 345,307,939) ordinary shares of Rupees 10 each		3,798,387	3,453,079
Capital reserve		107,004	107,004
Revenue reserves		8,530,696	8,641,805
Total equity		12,436,087	12,201,888
LIABILITIES			
NON-CURRENT LIABILITY			
Provision for gratuity		9,549	16,416
CURRENT LIABILITIES			
Trade and other payables	5	1,059,949	917,879
Interest accrued		242,127	259,612
Short-term borrowings - secured		5,163,678	9,437,779
		6,465,754	10,615,270
Total liabilities		6,475,303	10,631,686
CONTINGENCIES AND COMMITMENTS			
	6		
TOTAL EQUITY AND LIABILITIES		18,911,390	22,833,574

The annexed notes form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE

	Note	Un-audited 30 June 2013 (Rupees in thousand)	Audited 31 December 2012
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	8,475,623	8,352,537
Long-term loans to employees		49,897	41,356
		8,525,520	8,393,893
CURRENT ASSETS			
Stores, spare parts and other consumables		678,583	696,820
Fuel stock		488,864	363,927
Trade debts		6,446,208	10,590,535
Advances and short-term prepayments		506,129	595,791
Other receivables		342,417	368,874
Sales tax recoverable		1,290,971	1,137,993
Cash and bank balances		632,698	685,741
		10,385,870	14,439,681
TOTAL ASSETS		18,911,390	22,833,574



DIRECTOR

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE HALF YEAR ENDED 30 JUNE 2013 (UN-AUDITED)

	Note	Restated		Restated	
		Half Year Ended		Quarter Ended	
		30 June	30 June	30 June	30 June
		2013	2012	2013	2012
		(Rupees in thousand)		(Rupees in thousand)	
REVENUE		17,108,149	18,458,479	9,032,118	10,063,616
COST OF SALES	8	(15,915,636)	(17,243,430)	(8,459,926)	(9,530,323)
GROSS PROFIT		1,192,513	1,215,049	572,192	533,293
ADMINISTRATIVE EXPENSES		(66,911)	(65,794)	(32,601)	(42,852)
OTHER EXPENSES		(17,538)	(21,817)	(16,170)	(20,931)
OTHER INCOME		1,108,064	1,127,438	523,421	469,510
		19,401	13,309	11,609	12,252
PROFIT FROM OPERATIONS		1,127,465	1,140,747	535,030	481,762
FINANCE COST		(513,427)	(413,668)	(259,653)	(213,356)
PROFIT BEFORE TAXATION		614,038	727,079	275,377	268,406
TAXATION		-	-	-	-
PROFIT AFTER TAXATION		614,038	727,079	275,377	268,406
OTHER COMPREHENSIVE INCOME / (LOSS)					
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT AND LOSS ACCOUNT		-	-	-	-
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT AND LOSS ACCOUNT:					
RECOGNITION OF ACTUARIAL LOSS ON DEFINED BENEFIT PLAN		-	(1,362)	-	(681)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD		-	(1,362)	-	(681)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>614,038</u>	<u>725,717</u>	<u>275,377</u>	<u>267,725</u>
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)		<u>1.62</u>	<u>1.91</u>	<u>0.72</u>	<u>0.71</u>

The annexed notes form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE



DIRECTOR

CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 30 JUNE 2013 (UN-AUDITED)

HALF YEARLY REPORT 2013

	Note	Half Year Ended	
		30 June 2013 (Rupees in thousand)	30 June 2012
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	9	5,830,116	308,893
Finance cost paid		(530,912)	(411,091)
Interest income received		7,451	10,418
Net increase in long-term loans to employees		(10,544)	(22,720)
Income tax paid		(9,980)	(85,245)
Gratuity paid		(10,909)	(10,090)
Net cash generated from / (used in) operating activities		5,275,222	(209,835)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(329,020)	(183,695)
Proceeds from sale of property, plant and equipment		-	1,967
Net cash used in investing activities		(329,020)	(181,728)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(725,144)	(517,962)
Net cash used in financing activities		(725,144)	(517,962)
Net increase / (decrease) in cash and cash equivalents		4,221,058	(909,525)
Cash and cash equivalents at beginning of the period		(8,752,038)	(5,471,126)
Cash and cash equivalents at end of the period		(4,530,980)	(6,380,651)
CASH AND CASH EQUIVALENTS			
Cash in hand		209	505
Cash at banks		632,489	480,444
Short-term borrowings		(5,163,678)	(6,861,600)
		(4,530,980)	(6,380,651)

The annexed notes form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE


DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED 30 JUNE 2013 (UN-AUDITED)

	SHARE CAPITAL	RESERVES			TOTAL EQUITY
		Capital	Revenue		
		Retained payments reserve	Reserve for issuance of bonus shares	Un- appropriated profit	
(-----Rupees in thousand-----)					
Balance as at 31 December 2011 - audited	3,453,079	107,004	-	8,406,921	11,967,004
Effect of change in accounting policy (Note 3)	-	-	-	(72)	(72)
Balance as at 31 December 2011 - audited (Restated)	3,453,079	107,004	-	8,406,849	11,966,932
Profit for the half year ended 30 June 2012	-	-	-	727,079	727,079
Other comprehensive loss for the half year ended 30 June 2012	-	-	-	(1,362)	(1,362)
Total comprehensive income for the half year ended 30 June 2012	-	-	-	725,717	725,717
Transaction with owners - Final dividend for the year ended 31 December 2011 @ Rupees 1.5 per share	-	-	-	(517,962)	(517,962)
Balance as at 30 June 2012 - un-audited	3,453,079	107,004	-	8,614,604	12,174,687
1st Interim dividend for the year ended 31 December 2012 @ Rupee 1 per share	-	-	-	(345,308)	(345,308)
2nd Interim dividend for the year ended 31 December 2012 @ Rupee 1 per share	-	-	-	(345,308)	(345,308)
Transactions with owners of the Company recognized directly in equity	-	-	-	(690,616)	(690,616)
Transfer to reserve for issuance of bonus shares	-	-	345,308	(345,308)	-
Profit for the half year ended 31 December 2012	-	-	-	719,179	719,179
Other comprehensive loss for the half year ended 31 December 2012	-	-	-	(1,362)	(1,362)
Total comprehensive income for the half year ended 31 December 2012	-	-	-	717,817	717,817
Balance as at 31 December 2012 - audited	3,453,079	107,004	345,308	8,296,497	12,201,888
Bonus shares issued during the period	345,308	-	(345,308)	-	-
Transactions with owners - Final dividend for the year ended 31 December 2012 @ Rupee 1 per share	-	-	-	(379,839)	(379,839)
Profit for the half year ended 30 June 2013	-	-	-	614,038	614,038
Other comprehensive income for the half year ended 30 June 2013	-	-	-	-	-
Total comprehensive income for the half year ended 30 June 2013	-	-	-	614,038	614,038
Balance as at 30 June 2013 - un-audited	3,798,387	107,004	-	8,530,696	12,436,087

The annexed notes form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE



DIRECTOR

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED 30 JUNE 2013 (UN-AUDITED)

HALF YEARLY REPORT 2013

1. THE COMPANY AND ITS OPERATIONS

- 1.1 Lalpir Power Limited ("the Company") was incorporated in Pakistan on 08 May 1994 under the Companies Ordinance, 1984. The registered office of the Company is situated at 53-A, Lawrence Road, Lahore. The principal activities of the Company are to own, operate and maintain an oil fired power station ("the Complex") having gross capacity of 362 MW in Mehmood Kot, Muzaffargarh, Punjab, Pakistan.
- 1.2 During the period, following shareholders of the Company have divested their holdings in the Company through Offer for Sale of 37,984,000 ordinary shares of the Company whereby 75% of the total offer for sale has been made through Book Building Process to institutional investors and high net worth individuals and remaining 25% of the offer for sale has been made to the general public. Subsequent to the reporting date, ordinary shares of the Company will be listed on the Karachi Stock Exchange (Guarantee) Limited and Lahore Stock Exchange (Guarantee) Limited. Consequently, the Listing Regulation of the Karachi and Lahore Stock Exchanges are now applicable to the Company.

Name of Shareholder	No. of Shares
Mian Hassan Mansha	3,038,837
Nishat Mills Limited	12,154,839
Adamjee Insurance Company Limited	3,038,710
Security General Insurance Company Limited	759,677
Stanhope Investments	11,395,162
Engen (Private) Limited	7,596,775
	<u>37,984,000</u>

2. BASIS OF PREPARATION

This condensed interim financial information is unaudited but subject to limited scope review by the statutory auditors and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984. This condensed interim financial information of the Company for the half year ended 30 June 2013 has been prepared in accordance with the requirements of International Accounting Standards (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information should be read in conjunction with the preceding audited annual financial statements of the Company for the year ended 31 December 2012.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of this condensed interim financial information are same as applied in the preparation of the preceding audited annual financial statements of the Company for the year ended 31 December 2012, except for change in accounting policy under IAS 19 "Employee Benefits" with effect from 01 January 2013 as given below:

During the period, the Company has adopted IAS 19 (Amendment) "Employee Benefits" and changed its basis for recognition of actuarial gains and losses on its defined benefit plan. According to new policy actuarial gains and losses are recognized in other comprehensive income in the period in which they occur. Amounts recognized in profit and loss account are limited to current and past service costs, gains or losses on settlements, and net interest income / expense. Previously, the Company recognized actuarial gains and losses over the expected average remaining working lives of the employees, to the extent that unrecognized

actuarial gains / losses exceeds 10 percent of present value of defined benefit obligation. This change in accounting policy has been accounted for retrospectively in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

Had there been no change in this accounting policy, the amount recognized in this condensed interim financial information and financial statements for the year ended 31 December 2012 would have been different as follows:

	30 June 2013 (Rupees in thousand)	31 December 2012
Decrease in provision for gratuity	2,796	2,796
Increase in un-appropriated profit	2,796	2,796
	Half Year Ended 30 June 2013 (Rupees in thousand)	Year Ended 31 December 2012
Increase in other comprehensive income	-	2,724

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim financial information in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and key sources of estimation and uncertainty were the same as those that were applied in the preceding audited annual financial statements of the Company for the year ended 31 December 2012.

5. TRADE AND OTHER PAYABLES

This includes subscription amount of Rupees 627.021 million received upto the reporting date in bank account of the Company against Book Building Process of offer for sale of ordinary shares of the Company. This amount is payable to those existing shareholders of the Company who have divested their holdings in the Company. Names of those shareholders are given in note 1.2 to this condensed interim financial information.

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no change in the contingencies disclosed in the preceding audited annual financial statements of the Company for the year ended 31 December 2012.

6.2 Commitments

There is no change in the commitments disclosed in the preceding audited annual financial statements of the Company for the year ended 31 December 2012, except for the commitments for letters of credit as at reporting date are amounting to Rupees 1,863 million (31 December 2012: Rupees 2,073 million).

	Un-audited 30 June 2013 (Rupees in thousand)	Audited 31 December 2012
7. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets (Note 7.1)	7,371,821	7,044,274
Capital work-in-progress (Note 7.2)	1,103,802	1,308,263
	<u>8,475,623</u>	<u>8,352,537</u>
7.1 Operating fixed assets		
Opening book value	7,044,274	7,356,210
Add: Cost of additions during the period / year (Note 7.1.1)	533,481	75,263
Less: Book value of deletions during the period / year (Note 7.1.2 and 7.1.3)	-	21
Less: Depreciation charged during the period / year	205,934	387,178
	<u>7,371,821</u>	<u>7,044,274</u>
7.1.1 Cost of additions		
Freehold land	-	1,210
Buildings on freehold land	274,800	6,224
Improvements on leasehold property	-	3,280
Plant and machinery	219,735	38,905
Furniture and fixtures	208	1,303
Vehicles	29,654	3,608
Office equipment	8,425	4,074
Electric equipment and appliances	659	16,659
	<u>533,481</u>	<u>75,263</u>
7.1.2 Book value of deletions		
Vehicles	-	21
7.1.3 Fully depreciated plant and machinery having cost of Rupees 11.083 million have been deleted / derecognized during the half year.		
7.2 Capital work-in-progress		
Civil works	55,140	323,180
Plant machinery	1,048,662	985,083
	<u>1,103,802</u>	<u>1,308,263</u>

	(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
	(Rupees in thousand)		(Rupees in thousand)	
8. COST OF SALES				
Fuel cost	15,352,102	16,797,880	8,149,512	9,313,238
Operation and maintenance costs	210,543	158,588	132,138	73,401
Insurance	155,967	101,488	77,807	50,985
Depreciation	195,774	185,279	99,219	92,699
Others	1,250	195	1,250	-
	<u>15,915,636</u>	<u>17,243,430</u>	<u>8,459,926</u>	<u>9,530,323</u>

	HALF YEAR ENDED	
	30 June 2013	30 June 2012
	(Rupees in thousand)	
9. CASH GENERATED FROM OPERATIONS		
Profit before taxation	614,038	727,079
Adjustments for non-cash charges and other items:		
Depreciation	205,934	193,708
Provision for gratuity	4,042	3,900
Provision for doubtful debts	-	20,256
Gain on disposal of property, plant and equipment	-	(1,946)
Interest income	(7,451)	(10,418)
Finance cost	513,427	413,668
Cash flows from operating activities before working capital changes	<u>1,329,990</u>	<u>1,346,247</u>
(Increase) / decrease in current assets:		
Stores, spare parts and other consumables	18,237	(64,159)
Fuel stock	(124,937)	(282,358)
Trade debts	4,144,327	(280,814)
Advances and short-term prepayments	101,645	(186,186)
Other receivables	26,457	(905)
Sales tax recoverable	(152,978)	(136,451)
	<u>4,012,751</u>	<u>(950,873)</u>
Increase / (decrease) in trade and other payables	<u>487,375</u>	<u>(86,481)</u>
	<u><u>5,830,116</u></u>	<u><u>308,893</u></u>

10. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of associated undertakings, key management personnel and staff retirement benefit plans. Transactions with related parties include expenses charged between these companies. The Company in the normal course of business carries out transactions with these related parties. Detail of transactions with related parties are as follows:

		(Un-audited) Half Year Ended		(Un-audited) Quarter Ended	
		30 June 2013	30 June 2012	30 June 2013	30 June 2012
		(Rupees in thousand)		(Rupees in thousand)	
Relationship with the Company	Nature of transaction				
Associated undertakings	Insurance premium	222,058	136,291	103,437	64,384
	Dividend paid	667,133	517,962	349,451	41,439
	Share of expenses	110,750	108,829	60,036	54,573
	Flying services	2,984	1,902	1,852	726
	Share of rental income	1,575	773	1,187	385
	Rent expense	3,140	3,140	1,570	1,570
Key management personnel	Remuneration	1,694	1,607	847	804
Staff retirement benefits plans	Contribution to provident fund	14,021	14,967	6,963	5,225
	Contribution gratuity fund	14,952	13,137	14,558	13,137
				Un-audited 30 June 2013 (Rupees in thousand)	Audited 31 December 2012

Period end balances:

Payable to associated undertaking	-	25,112
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- 10.1 The Company shares premises, employees and other common costs with its associated company, Pakgen Power Limited on fifty-fifty basis in accordance with "Shared Facilities Agreement".

11. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual financial statements of the Company for the year ended 31 December 2012.

12. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors of the Company at their meeting held on 22nd Aug, 2013 (2012: 24 August 2012) has proposed cash dividend of Rupees 1 (2012: Rupee 1) per share. However, this event has been considered as a non-adjusting event under International Accounting Standard (IAS) 10 'Events after the Reporting Period' and has not been recognized in this condensed interim financial information.

13. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 "Interim Financial Reporting", the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with balances of audited annual financial statements of preceding financial year, whereas, the condensed interim profit and loss account, condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison however, no significant re-arrangements have been made.

14. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorized for issue on August 22, 2013 by the Board of Directors of the Company.

15. GENERAL

Figures have been rounded off to the nearest thousand Rupees.



CHIEF EXECUTIVE



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