

Indus Motor Company Ltd.



Quarterly & Nine Months Accounts

March 2005



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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Ali S. Habib	Chairman & CEO
Mr. Yutaka Arae	Vice Chairman
Mr. Farhad Zulficar	Director
Mr. Ilyas Suri	Director
Mr. A. Okabe	Director
Mr. K. Furubayashi	Director
Mr. Mohammedali R. Habib	Director

CHIEF FINANCIAL OFFICER

Mr. Shahid Mehmood Khan

COMPANY SECRETARY

Mr. Rayomand Ghadiali

Auditors:

M/s A. F. Fergusons & Co.
Chartered Accountants,
State Life Building 1-C,
I. I. Chundrigar Road,
Karachi.

Registrar:

Noble Computer services (Private) Limited
2nd Floor, Sohni Center, BS 5 & 6, Main Karimabad
Block- 4, Federal B. Area, Karachi – 75950, Pakistan.

Legal advisors:

M/s A. K. Brohi & Co.
M/s Mansoor Ahmed Khan & Co.
M/s Mahmud & Co.
M/s Sayeed & Sayeed Co.

Factory / Registered Office:

Plot No. NWZ/ 1/ P – 1,
Port Qasim Industrial Estate,
Bin Qasim, Karachi.

Website:

www.toyota-indus.com

DIRECTORS' REVIEW

FOR THE QUARTER & NINE MONTHS ENDED MARCH 31, 2005

Dear Shareholders,

We are pleased to present a brief review of the 3rd Quarter results of the Company for the nine months ended March 31st, 2005. By the Grace of Allah, your Company has achieved sales of Rs. 20.03 billion compared with sales of Rs. 15.82 billion during the same period last year, an increase of approximately 26.6%. The net profit after tax, however, declined from Rs. 1,079 million to Rs. 973 million which was mainly due to the impact of cost increases arising from strengthening of the Japanese Yen coupled with increase in steel prices and other input costs.

Through your Company's relentless efforts sales of locally manufactured vehicles increased to 25,594 units against 20,182 units as compared to the corresponding period of last year thereby resulting in an increase of 27%. As regards the industry as a whole, sales of locally manufactured cars and LCVs for the period under review were 103,998 units against 78,244 units for the corresponding period of last year, representing a growth of about 33%.

Though we are nearing the close of our financial year ending 30th June 2005, the industry is still faced with considerable uncertainty in terms of Government policy on localization post TRIMs. The auto industry is awaiting a substitute for the deletion program and continuously urging the Government to formulate and announce a long term policy so that the industry can plan for further capacity expansions.

To meet the challenges of the growing market the industry and vendors are consistently making substantial investments to increase their production capacities to meet the current and future demand which continues to grow due to the strong economy.

We remain confident that the Government will continue to support the industry due to its positive contribution to the economy GDP, employment, and revenue contribution, which will further grow substantially in all respects with increased capacity.

General Anis Ahmed Abbasi, Chief of Logistic Staff, General Head Quarter, Rawalpindi, visited our manufacturing facility in March 2005, and we were highly encouraged by his recognition of the quality of our workforce and implementation of Toyota Production Systems.

In the end, we thank our loyal customers and acknowledge the extraordinary and concerted efforts made by our entire Indus team, our vendors, and our dealers in producing these impressive results.

We pray to Allah for His blessings and continued guidance.

Ali S. Habib
Chairman & CEO

Yutaka Arae
Vice Chairman

INDUS MOTOR COMPANY LIMITED
BALANCE SHEET
AS AT MARCH 31, 2005

	Note	(Unaudited) March 31 2005	Restated (Audited) June 30, 2004
----- (Rs. in '000) -----			
ASSETS			
Operating Fixed Assets	4		
Tangible		893,871	860,501
Intangible		1,445	-
		<u>895,316</u>	<u>860,501</u>
Long-term loans		697	234
Long-term deposits		5,254	5,254
Finance under musharika arrangements		16,291	7,874
Current assets			
Stores and spares		138,611	110,923
Stock-in-trade		2,937,292	2,537,213
Trade debts		501,756	439,532
Current maturity of finance under musharika arrangements		24,178	28,701
Loans, advances and prepayments		252,467	310,108
Other receivables		112,633	243,947
Taxation-net		249,314	50,176
Cash and bank balances	5	9,117,647	6,962,005
		<u>13,333,898</u>	<u>10,682,605</u>
Total assets		<u><u>14,251,456</u></u>	<u><u>11,556,468</u></u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Share Capital			
Authorised			
100,000,000 (June 30, 2004: 100,000,000) ordinary shares of Rs 10 each		<u>1,000,000</u>	<u>1,000,000</u>
Issued, subscribed and paid-up			
78,600,000 (June 30, 2004: 78,600,000) ordinary shares of Rs 10 each fully paid in cash		786,000	786,000
Reserves			
		<u>3,134,600</u>	<u>2,985,595</u>
		<u>3,920,600</u>	<u>3,771,595</u>
Non-current liability			
Liabilities against assets subject to finance lease		12,736	7,633
Deferred liability			
Deferred taxation		11,188	29,789
Current liabilities			
Current portion of liabilities against assets subject to finance lease		25,386	27,816
Advances from customers and dealers		7,796,988	6,041,644
Creditors and accrued liabilities		1,449,727	1,137,301
Provisions and other liabilities		704,969	526,371
Dividends		329,862	14,319
		<u>10,306,932</u>	<u>7,747,451</u>
Contingencies and commitments			
	6		
Total equity and liabilities		<u><u>14,251,456</u></u>	<u><u>11,556,468</u></u>

The annexed notes 1 to 11 form an integral part of these financial statements.

Ali S. Habib
Chairman & CEO

Yutaka Arae
Vice Chairman

INDUS MOTOR COMPANY LIMITED
PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE QUARTER & NINE MONTHS ENDED MARCH 31, 2005

	Note	Nine Months ended		Quarter ended	
		March 31		March 31	
		2005	2004	2005	2004
-----Rupees in '000'-----					
Net sales	7	20,033,881	15,818,750	7,018,180	5,711,028
Cost of sales	7	18,201,483	13,884,632	6,540,674	5,142,702
Gross profit		1,832,398	1,934,118	477,506	568,326
Distribution and Marketing Expenses	7	110,582	109,410	25,128	40,213
Administrative Expenses	7	289,798	168,094	109,520	55,551
Other charges	7	20,157	7,328	14,473	2,972
		420,537	284,832	149,121	98,736
Operating profit		1,411,861	1,649,286	328,385	469,590
Other income		284,409	175,407	135,306	54,198
		1,696,270	1,824,693	463,691	523,788
Financial Charges		66,394	43,692	30,030	22,542
Workers' Profit Participation Fund		81,494	89,060	21,683	25,072
Workers' Welfare Fund		26,715	34,126	6,153	9,425
		174,603	166,878	57,866	57,039
Profit before taxation		1,521,667	1,657,815	405,825	466,749
Taxation		548,438	579,168	149,873	166,338
Profit after taxation		973,229	1,078,647	255,952	300,411
Earnings per share (Rupees)		12.38	13.72	3.26	3.82

The annexed notes 1 to 11 form an integral part of these financial statement

Ali S. Habib
Chairman & CEO

Yutaka Arae
Vice Chairman

INDUS MOTOR COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR NINE MONTHS ENDED MARCH 31, 2005

	Share Capital		Reserves			Sub-Total	Total
	Issued, subscribed and paid-up	Premium on issue of ordinary shares	General reserve	Unappropriated profit	Unrealised gain / (loss) on hedging instruments		
	----- Rupees in '000' -----						
Balance as at June 30, 2003 as previously reported	786,000	196,500	1,564,000	61	(1,674)	1,758,887	2,544,887
Effect of change in accounting policy (note 3.1)							
Final dividend for the year ended June 30, 2003 @50% declared subsequent to year end	-	-	-	393,000	-	393,000	393,000
Balance as at June 30, 2003 as restated	786,000	196,500	1,564,000	393,061	(1,674)	2,151,887	2,937,887
Final dividend for the year ended June 30, 2003 @50%	-	-	-	(393,000)	-	(393,000)	(393,000)
Net loss on cash flow hedge removed from equity and reported in net profit for the period	-	-	-	-	1,674	1,674	1,674
Net profit for the period	-	-	-	1,078,647	-	1,078,647	1,078,647
Net unrealised gain on remeasurement of forward foreign exchange contracts	-	-	-	-	83,190	83,190	83,190
Interim dividend @ 40%	-	-	-	(314,400)	-	(314,400)	(314,400)
Balance as at March 31, 2004	<u>786,000</u>	<u>196,500</u>	<u>1,564,000</u>	<u>764,308</u>	<u>83,190</u>	<u>2,607,998</u>	<u>3,393,998</u>
Balance as at June 30, 2004 as previously reported	786,000	196,500	2,329,900	3	66,192	2,592,595	3,378,595
Effect of change in accounting policy (note 3.1)							
Final dividend for the year ended June 30, 2004 @ 50% declared subsequent to year end	-	-	-	393,000	-	393,000	393,000
Balance as at June 30, 2004 as restated	786,000	196,500	2,329,900	393,003	66,192	2,985,595	3,771,595
Final dividend for the year ended June 30, 2004 @ 50%	-	-	-	(393,000)	-	(393,000)	(393,000)
Net gain on cash flow hedge removed from equity and reported in net profit for the period	-	-	-	-	(66,192)	(66,192)	(66,192)
Net profit for the period	-	-	-	973,229	-	973,229	973,229
Unrealised loss on remeasurement of forward foreign exchange contracts	-	-	-	-	(50,632)	(50,632)	(50,632)
Interim dividend @ 40%	-	-	-	(314,400)	-	(314,400)	(314,400)
Balance as at March 31, 2005	<u>786,000</u>	<u>196,500</u>	<u>2,329,900</u>	<u>658,832</u>	<u>(50,632)</u>	<u>3,134,600</u>	<u>3,920,600</u>

The annexed notes 1 to 11 form an integral part of these financial statements.

Ali S. Habib
Chairman & CEO

Yutaka Arae
Vice Chairman

INDUS MOTOR COMPANY LIMITED
CASH FLOW STATEMENT (UNAUDITED)
FOR NINE MONTHS ENDED MARCH 31, 2005

	Nine Months ended	
	March 31, 2005	March 31, 2004
	----- (Rupees in '000) -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,521,667	1,657,815
Adjustment for non-cash charges and other items		
Depreciation / amortisation	211,839	204,437
Gain on sale of fixed assets	(4,936)	(1,336)
Return on bank deposits	(252,064)	(134,300)
Return on finance under Musharika arrangements	(1,806)	-
Workers' Profit Participation Fund	81,494	89,060
Workers' Welfare Fund	26,715	34,126
Mark-up on advances from customers	53,361	26,672
Mark-up on liabilities against assets subject to finance lease	2,078	-
	<u>116,681</u>	<u>218,659</u>
Operating surplus before working capital changes	<u>1,638,348</u>	<u>1,876,474</u>
Movement in working capital		
(Increase) / Decrease in current assets		
Stores and spares	(27,688)	(24,586)
Stock-in-trade	(400,079)	(1,101,456)
Trade debts	(62,224)	185,909
Loans, advances and prepayments	57,641	(210,441)
Other receivables	105,541	122,458
	<u>(326,809)</u>	<u>(1,028,116)</u>
Increase / (Decrease) in current liabilities		
Advances from customers and dealers	1,755,344	759,370
Creditors and accrued liabilities	290,542	948,805
Provisions and other liabilities	71,135	98,138
	<u>2,117,021</u>	<u>1,806,313</u>
Cash generated from operations	<u>3,428,560</u>	<u>2,654,671</u>
Mark-up paid	(46,226)	(32,154)
Workers' Profit Participation Fund paid	(5,241)	(102,326)
Workers' Welfare Fund paid	(46,137)	(39,707)
Mark-up received	226,122	163,931
Income tax paid	(766,177)	(444,332)
Long term loans - net	(463)	(220)
Long term deposits	-	(7,686)
	<u>(638,122)</u>	<u>(462,494)</u>
Net cash inflow from operating activities	<u>2,790,438</u>	<u>2,192,177</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(259,177)	(82,736)
Sale proceeds of fixed assets	17,458	9,754
Finance under Musharika arrangements	(39,002)	(32,012)
Receipt of Finance under Musharika arrangements	35,108	-
Net cash used in investing activities	<u>(245,613)</u>	<u>(104,994)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Liabilities against assets subject to finance lease	36,244	32,992
Repayment of liabilities against assets subject to finance lease	(33,570)	-
Dividends paid	(391,857)	(390,663)
Net cash used in financing activities	<u>(389,183)</u>	<u>(357,671)</u>
Net increase in cash and cash equivalents	2,155,642	1,729,512
Cash and cash equivalents at the beginning of the period	6,962,005	7,425,371
Cash and cash equivalents at the end of the period	<u>9,117,647</u>	<u>9,154,883</u>

The annexed notes 1 to 11 form an integral part of these financial statements

Ali S. Habib
Chairman & CEO

Yutaka Arae
Vice Chairman

INDUS MOTOR COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR NINE MONTHS ENDED MARCH 31, 2005

1. THE COMPANY AND ITS OPERATIONS

The company was incorporated in Pakistan as a public limited company in December, 1989 and started commercial production in May, 1993. The shares of the company are quoted on all the stock exchanges in Pakistan.

The company was formed in accordance with the terms of a Joint Venture agreement concluded amongst the House of Habib, Toyota Motor Corporation and Toyota Tsusho Corporation for the purposes of assembling, progressive manufacturing and marketing of the Toyota vehicles. The company also acts as the sole distributor of the Toyota vehicles in Pakistan.

The company is also a sole distributor of Daihatsu vehicles in Pakistan and has a license for assembling, progressive manufacturing and marketing of these vehicles in Pakistan.

The registered office of the company and the factory is situated at Plot No. NWZ/1/P-1, Port Qasim Industrial Estate, Bin Qasim, Karachi.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan and the requirements of the Companies Ordinance, 1984. Approved accounting standards comprise of such International Accounting Standards (IASs) as notified under the provisions of the Companies Ordinance, 1984. Wherever the requirements of the Companies Ordinance, 1984 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984 or the requirements of the said directives take precedence. The disclosures made in these financial statements have, however, been limited based on the requirements of the International Accounting Standard 34, Interim Financial Reporting.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these financial statements are the same as those applied in the preparation of the preceding annual published financial statements of the company except for the change mentioned in note 3.1.

- 3.1 During the period, the SECP substituted the Fourth Schedule to the Companies Ordinance, 1984. Previously, the Fourth Schedule required dividends declared subsequent to the period/year end to be appropriated from the profit for the period/year and recorded as a liability. However, this requirement has been deleted from the substituted Fourth Schedule and companies are now required to follow the International Accounting Standards (IASs). IAS 10 "Events After The Balance Sheet Date" states that dividends declared after the balance sheet date should not be recognised as a liability at the balance sheet date but disclosed in the notes to the financial statements.

This has resulted in a change in the accounting policy pertaining to recognition of dividends subsequent to the period/year end. The change in accounting policy has been accounted for retrospectively and comparative information has been restated in accordance with the benchmark treatment specified in IAS 8 (Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies). Had there been no change in the accounting policy, the unappropriated profit and the dividends payable would have been lower and higher respectively for the years ended June 30, 2003 and June 30, 2004 by Rs 393 million. The effect of the change in accounting policy has been reflected in the statement of changes in equity. The change in accounting policy has not resulted in any change in the profit for the current period.

	Nine Months ended March 31, 2005	Year ended June 30, 2004
	----- (Rupees in '000) -----	
4. OPERATING FIXED ASSETS		
4.1 Details of additions during the period are as follows:		
Tangible		
Owned		
Buildings on leasehold land:		
Factory	84,060	1,324
Others	20,099	458
Plant and machinery	29,659	12,915
Tools and equipment	41,974	1,741
Jigs and fixtures	4,317	733
Furniture and fixtures	8,817	696
Motor vehicles	-	15,196
Office equipment	1,788	3,718
Computers and related accessories	15,073	8,662
Capital work in progress	164,188	133,215
	<u>369,975</u>	<u>178,658</u>
Leased		
Plant and machinery	13,341	25,223
Motor vehicles	21,074	11,082
	<u>34,415</u>	<u>36,305</u>
	<u>404,390</u>	<u>214,963</u>
Intangible		
Software	<u>1,857</u>	<u>-</u>
4.2 Details of disposals / retirements (cost) during the period are as follows:		
Motor vehicles	26,638	20,209
Furniture and fixtures	-	126
Office equipment	-	119
Computers and related accessories	101	74
Capital work in progress		
Capitalized during the period	147,071	63,197
	<u>173,810</u>	<u>83,725</u>
5. CASH AND BANK BALANCES		
Cash in hand	677	1,182
At banks in		
- Current accounts	434,882	429,966
- Deposit accounts	8,682,088	6,530,857
	<u>9,116,970</u>	<u>6,960,823</u>
	<u>9,117,647</u>	<u>6,962,005</u>
6. CONTINGENCIES AND COMMITMENTS		
6.1 Contingencies		

The status of the contingencies, as disclosed in note 26 to the annual financial statements, has remained unchanged.

Contingencies in respect of outstanding bank guarantees at the end of the current period amounted to Rs 277.847 (June 30, 2004: Rs 1,011.471) million.

6.2 Commitments

Commitments in respect of capital expenditure at the end of the current period amounted to Rs 128.805 (June 30, 2004: Rs 36.492) million.

7. OPERATING RESULTS

Note	Manufacturing		Trading		Total	
	Nine Months ended		Nine Months ended		Nine Months ended	
	March 31		March 31		March 31	
	2005	2004	2005	2004	2005	2004
----- (Rupees in '000) -----						
Sales	21,476,981	17,737,977	2,255,255	994,511	23,732,236	18,732,488
Commission	(540,777)	(454,901)	(61,076)	(8,404)	(601,853)	(463,305)
Discounts	-	(390)	(1,430)	(7,711)	(1,430)	(8,101)
Sales tax	(2,800,908)	(2,312,608)	(294,164)	(129,724)	(3,095,072)	(2,442,332)
Net sales	18,135,296	14,970,078	1,898,585	848,672	20,033,881	15,818,750
Cost of sales						
Opening stock	199,961	131,361	174,845	121,109	374,806	252,470
Cost of goods manufactured	16,656,441	13,361,855	-	-	16,656,441	13,361,855
Purchases	-	-	1,923,633	758,627	1,923,633	758,627
Closing stock	(169,184)	(276,086)	(584,213)	(212,234)	(753,397)	(488,320)
	16,687,218	13,217,130	1,514,265	667,502	18,201,483	13,884,632
Gross profit	1,448,078	1,752,948	384,320	181,170	1,832,398	1,934,118
Distribution and marketing expenses	(99,431)	(102,898)	(11,151)	(6,512)	(110,582)	(109,410)
Administrative expenses	(271,041)	(159,331)	(18,757)	(8,763)	(289,798)	(168,094)
Other charges	(18,247)	(6,935)	(1,910)	(393)	(20,157)	(7,328)
	(388,719)	(269,164)	(31,818)	(15,668)	(420,537)	(284,832)
Operating profit	1,059,359	1,483,784	352,502	165,502	1,411,861	1,649,286
----- (Rupees in '000) -----						
Note	Manufacturing		Trading		Total	
	Quarter ended		Quarter ended		Quarter ended	
	March 31		March 31		March 31	
	2005	2004	2005	2004	2005	2004
----- (Rupees in '000) -----						
Sales	7,468,289	6,418,666	829,883	344,909	8,298,172	6,763,575
Commission	(186,586)	(166,855)	(11,139)	(2,400)	(197,725)	(169,255)
Discounts	-	0	(250)	(1,445)	(250)	(1,445)
Sales tax	(973,772)	(836,867)	(108,245)	(44,980)	(1,082,017)	(881,847)
Net Sales	6,307,931	5,414,944	710,249	296,084	7,018,180	5,711,028
Cost of sales						
Opening stock	263,090	427,100	404,826	160,126	667,916	587,226
Cost of goods manufactured	5,865,219	4,749,642	-	-	5,865,219	4,749,642
Purchases	-	-	760,936	294,154	760,936	294,154
Closing stock	(169,184)	(276,086)	(584,213)	(212,234)	(753,397)	(488,320)
	5,959,125	4,900,656	581,549	242,046	6,540,674	5,142,702
Gross profit	348,806	514,288	128,700	54,038	477,506	568,326
Distribution and marketing expenses	(22,052)	(37,864)	(3,076)	(2,349)	(25,128)	(40,213)
Administrative expenses	(102,427)	(52,844)	(7,093)	(2,707)	(109,520)	(55,551)
Other charges	(13,082)	(2,817)	(1,391)	(155)	(14,473)	(2,972)
	(137,561)	(93,525)	(11,560)	(5,211)	(149,121)	(98,736)
Operating profit	211,245	420,763	117,140	48,827	328,385	469,590

	<u>Nine Months ended</u>		<u>Quarter ended</u>	
	<u>March 31</u>		<u>March 31</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	----- (Rupees in '000) -----			
7.1 Cost of goods manufactured				
Raw materials and vendor parts consumed	15,685,559	12,699,625	5,522,692	4,632,234
Stores and spares consumed	342,211	282,701	124,770	103,361
Salaries, wages and other benefits	105,685	81,044	37,953	29,151
Repairs and maintenance	47,496	36,448	5,519	13,653
Depreciation / amortisation	189,846	176,634	66,489	53,397
Travelling	7,565	6,479	2,102	1,255
Insurance	5,552	12,909	1,981	3,855
Vehicle running expenses	3,108	2,910	840	921
Communication	1,953	2,519	826	966
Printing and stationery	2,107	2,165	942	966
Utilities	66,481	66,595	22,078	21,558
Running royalty	187,313	157,958	49,733	49,116
Technical fee	17,453	10,728	3,025	3,174
Miscellaneous	2,896	3,373	845	1,469
	979,666	842,463	317,103	282,842
Add: opening work-in-process	104,553	89,883	138,761	104,682
Less: closing work-in-process	113,337	270,116	113,337	270,116
	16,656,441	13,361,855	5,865,219	4,749,642

8. TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise 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 under the terms of their employment are as follows:

	<u>Nine Months ended</u>		<u>Quarter ended</u>	
	<u>March 31</u>		<u>March 31</u>	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
	----- (Rupees in '000) -----			
Purchases	10,317,508	8,789,913	3,707,342	2,820,373
Insurance premium	76,594	59,889	19,373	17,198
Agency commission	28,566	38,273	5,050	4,277
Running royalty	189,471	159,391	50,672	49,745
Technical fee	17,453	10,728	3,025	3,174
Share registrar's fee, charges and other services	7,336	1,220	2,502	295
Deposits	1,481,381	-	1,481,381	-
Mark-up on deposits	35,720	-	25,229	-

Transactions with related parties are made under normal commercial terms and conditions.

9. **CORRESPONDING FIGURES**

- Capital work in progress has been reclassified and shown as part of Operating Fixed Assets.
- Administrative and selling expenses have been bifurcated between distribution expenses and administrative expenses.
- In addition to the above figures, comparative information has also been restated in order to comply with the change in accounting policy as explained in note 3.1
- TDRs shown under 'Short Term Investment' in the prior period have been reclassified as 'Cash and Bank Balances'.

The above changes have been made to comply with the new disclosure requirements arising on account of amendments in the Fourth Schedule to the Companies Ordinance, 1984.

10. **DATE OF AUTHORIZATION OF ISSUE**

These financial statements were authorized for issue on April 23, 2005 by the Board of Directors of the company.

11. **GENERAL**

Figures have been rounded off to the nearest thousand rupees.

Ali S. Habib
Chairman & CEO

Yutaka Arae
Vice Chairman