



ATTOCK PETROLEUM LIMITED

DIRECTORS' REVIEW

The Directors of Attock Petroleum Limited take pleasure in presenting their review of affairs of the Company for the half year ended December 31, 2006. Despite stiff competition due to emergence of new players in the market, your Company continues to achieve a tremendous sales growth and high level of operational excellence, which led to maintaining the upward thrust in the profitability.

FINANCIAL RESULTS

Concentrating on a portfolio generating volumetric growth and high margins, the Company earned profit after tax of Rs. 814 Million for the six month ended December 31, 2006 as compared to Rs. 568 Million for the same period last year. This has resulted in earnings per share of Rs. 20.36 (2005: Rs. 14.19)

REVIEW OF OPERATIONS:

Adopting aggressive marketing strategy combined with improved product mix, during the period under review, the Company managed to market 701,829 M. Tons of petroleum products as compared to 586,339 M. Tons for the corresponding period last year depicting 20% growth in the volumes. Exports of the Company also maintained an upward trend generating over Rs. 3 billion of the sale revenue. Further, the Company also won different tenders of Furnace Oil, contributing the revenues of around Rs. 4.5 billion.

On the development and enhancement of infrastructure, the Diesel storage at Rawalpindi Bulk Oil Terminal is being enhanced significantly and second phase is expected to be completed before the end of the current financial year. At Machike, construction of new terminal has been initiated. Simultaneously, the Company is in process of securing necessary licenses from different Government departments.

Based on pro-active approach, strategies are being developed to expand the network of retail outlets besides enhancing efficiency of existing retail outlets through cost savings and improved services. As at December 31, 2006, the Company's commissioned sites reached at 157. In addition to this 60 and 122 retail outlets are currently under construction and at different stages of securing licenses respectively.

FUTURE OUTLOOK

The management is fully poised to strengthen the Company's position by expanding its business horizon, increasing its market share and capturing the potential opportunities in the market, thereby yielding better return for the shareholders.

We would like to express our gratitude to the customers, staff, strategic partners and investors for their continuous support and trust.

On Behalf of the Board

Damascus
February 24, 2007

Sd/-

SHUAIB A. MALIK
CHIEF EXECUTIVE