

**ATTOCK PETROLEUM LIMITED**  
**SELECTED NOTES TO AND FORMING PART OF THE**  
**CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2008**

**1. LEGAL STATUS AND OPERATIONS**

Attock Petroleum Limited (the Company) was incorporated in Pakistan as a public limited company on December 3, 1995, commenced its operations in 1998 and was listed on Karachi Stock Exchange on March 7, 2005. The Company is engaged in marketing of petrole

**2. BASIS OF PREPARATION**

- 2.1 These financial statements have been prepared in accordance with the requirements of International Accounting Standard 34 'Interim Financial Reporting'.
- 2.2 All accounting policies as adopted for the preparation of these financial statements are the same as those applied in preparation of the preceding annual published financial statements of the Company.

**3. TRADE AND OTHER PAYABLES**

	December 31, 2008	June 30, 2008
	Rs ('000)	
Creditors	100,106	190,476
Due to related parties (note 3.1)	7,337,166	8,087,993
Accrued liabilities	421,193	562,221
Advance from customers	1,166,839	951,526
Retention money	28,009	18,955
Workers' profit participation fund	109,429	-
Unclaimed dividend	7,191	3,523
Staff Pension Fund payable/(receivable)	-	(765)
Staff Provident Fund	447	-
	<u>9,170,380</u>	<u>9,813,929</u>
3.1 Due to related parties		
National Refinery Limited	6,133,169	5,567,988
Attock Refinery Limited	1,191,862	2,512,462
Pakistan Oilfields Limited	11,992	6,988
The Attock Oil Company	-	365
Attock Cement Pakistan Limited	143	190
	<u>7,337,166</u>	<u>8,087,993</u>

**4. CONTINGENCIES AND COMMITMENTS**

- |  |           |           |
|--|-----------|-----------|
| (i) Claims of Government levies not accepted by the Company and currently under appeal                                       | 10,044    | 23,064    |
| (ii) Corporate guarantees and indemnity bonds issued by the Company to the Collector Sales Tax and Federal Excise, Islamabad | 4,058,245 | 3,078,111 |
| (iii) Guarantees issued by bank on behalf of the Company   | 39,552    | 34,392    |
| (iv) Capital expenditure commitments   | 78,415    | 102,678   |

	December 31, 2008	June 30, 2008
	Rs ('000)	
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>		
Cost		
Opening balance	822,138	706,217
Additions during the period / year	79,335	119,309
Disposals during the period / year	<u>(2,521)</u>	<u>(3,388)</u>
Closing balance	898,952	822,138
Accumulated depreciation		
Opening balance	<u>289,626</u>	<u>215,111</u>
Charge for the period / year	38,896	77,187
Relating to disposals	<u>(2,371)</u>	<u>(2,672)</u>
Closing balance	<u>326,151</u>	<u>289,626</u>
Operating assets - written down value	572,801	532,512
Capital work in progress	<u>477,905</u>	<u>390,109</u>
	<u>1,050,706</u>	<u>922,621</u>

**6. LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES**

Balance at beginning of the period / year	709,081	387,246
Investment in associated company during the period/year	22,679	276,245
Share of (loss)/profit for the period/year	<u>(18,387)</u>	<u>105,734</u>
Impairment loss-National Refinery Limited	<u>(12,858)</u>	<u>(46,816)</u>
	(31,245)	58,918
Dividend received during the period/year	<u>(24,873)</u>	<u>(13,328)</u>
Balance at end of the period / year	<u>675,642</u>	<u>709,081</u>

	<u>December 31, 2008</u>		<u>June 30, 2008</u>	
	Holding %	Amount	Holding %	Amount
6.1 The Company's interest in associated companies is as follows:				
Quoted				
National Refinery Limited (note 6.2)	1	345,456	1	382,240
Attock Refinery Limited (note 6.3)	1.56	324,661	1.41	321,454
Unquoted				
Attock Information Technology Services (Private) Limited	10	<u>5,525</u>	10	<u>5,387</u>
		<u>675,642</u>		<u>709,081</u>

6.2 The value of investment in National Refinery Limited as at December 31, 2008 is based on a valuation analysis carried out by an external investment advisor engaged by the Company. The recoverable amount has been estimated based on a value in use calculation.

6.3 Based on a valuation analysis carried out by the Company, the recoverable amount of investment in Attock Refinery Limited exceeds its carrying amount. The recoverable amount has been estimated based on value in use calculation.

	December 31, 2008	June 30, 2008
	Rs ('000)	
<b>7. TRADE DEBTS</b>		
Considered good		
Secured	6,559,289	4,845,529
Unsecured	312,592	946,180
Due from related parties (note 7.1)	64,751	34,160
	<u>6,936,632</u>	<u>5,825,869</u>
Considered doubtful - unsecured	31,000	31,000
Provision for doubtful debts	<u>(31,000)</u>	<u>(31,000)</u>
	-	-
	<u><u>6,936,632</u></u>	<u><u>5,825,869</u></u>
<b>7.1 Due from related parties</b>		
Pakistan Oilfields Limited	51,142	30,030
Attock Cement Pakistan Limited	8,811	3,778
Attock Refinery Limited	766	352
Attock Gen Limited	4,032	-
	<u>64,751</u>	<u>34,160</u>
<b>8. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>		
Loans and advances	26,043	71,386
Trade deposits and short term prepayments	14,035	10,955
Current account balances with statutory authorities	175,719	308,415
Accrued income	73,022	16,833
Price differential claim receivable from the Government	969,848	872,542
Receivable from oil marketing companies under freight pool	70,336	16,581
Claims receivable	4,357	515
Due from related parties		
Attock Information Technology Services (Private) Limited	478	4,044
The Attock Oil Company Limited	163	-
Workers' profit participation fund	-	1,634
Other	683	344
	<u>1,334,684</u>	<u>1,303,249</u>
<b>9. CASH AND BANK BALANCES</b>		
Cash in hand	1,900	904
Bank balances on		
Short term deposits	4,438,177	3,359,689
Interest/mark-up bearing saving accounts	984,824	2,753,771
Current account	7,195	3,527
	<u>5,430,196</u>	<u>6,116,987</u>
	<u><u>5,432,096</u></u>	<u><u>6,117,891</u></u>
<b>9.1</b> Short term deposits of Rs 41,526 thousand (June 30, 2008: Rs 47,986 thousand) were under lien with banks against letters of guarantees and letters of credits.		

	Quarter ended		Half year ended	
	December 31, 2008	December 31, 2007	December 31, 2008	December 31, 2007
	Rs ('000)		Rs ('000)	
<b>10. OTHER OPERATING INCOME</b>				
Commission and handling income	141,370	209,808	438,562	362,576
Other income	4,464	4,297	7,136	7,087
	<u>145,834</u>	<u>214,105</u>	<u>445,698</u>	<u>369,663</u>

	Quarter ended		Half year ended	
	December 31,	December 31,	December 31,	December 31,
	2008	2007	2008	2007
	Rs ('000)		Rs ('000)	
<b>11. TRANSACTIONS WITH RELATED PARTIES</b>				
<b>Associated companies</b>				
Purchase of petroleum products	10,782,444	10,546,497	29,962,159	20,339,317
Sale of petroleum products	267,351	113,344	574,019	227,587
Commission and handling income	141,369	209,808	438,561	345,146
Administrative services expense	3,551	7,131	11,340	9,959
<b>Other related parties</b>				
Remuneration of Chief Executive and key management personnel including benefits and perquisites	12,230	10,360	16,667	13,919
Contribution to staff retirement benefits plans				
Staff Pension fund trust	646	1,312	2,263	2,503
Staff Provident fund trust	722	645	1,530	1,207
Contribution to workers' profit participation fund	50,427	40,144	109,429	79,995

**12. EARNINGS PER SHARE**

Basic earnings per share previously reported at Rs 22.58 in the financial statements for the half year ended December 31, 2007 has been restated to Rs 18.81 for 9,600,000 bonus shares issued during the half year ended December 31, 2008.

A diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at December 31, 2007 and 2008 which would have any effect on the earnings per share if the option to convert is exercised.

**13. GENERAL****13.1 Non-adjusting event after the balance sheet date**

The Board of Directors in their meeting held on February 26, 2009 have declared an interim cash dividend for the year ending June 30, 2009 @ Rs 10 per share, amounting to Rs 576 million.

**13.2 Date of authorisation for issue of financial statements**

These condensed interim financial statements were authorised for issue by the Board of Directors of the Company on February 26, 2009.

--S/d--  
Chief Executive

--S/d--  
Director