

## ATTOCK PETROLEUM LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2007

#### 1. LEGAL STATUS AND OPERATIONS

Attock Petroleum Limited was incorporated in Pakistan as a public limited company on December 3, 1995, commenced its operations in 1998 and listed on Karachi Stock Exchange on March 7, 2005. The Company is engaged in marketing of petroleum products. Pharaon Investment Group Limited Holding s.a.l. has a controlling interest in the Company.

#### 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 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 for the year ended June 30, 2006.

	Mar 31, 2007	June 30, 2006
	Rs ('000)	
<b>3. TRADE AND OTHER PAYABLES</b>		
Trade creditors	48,090	42,163
Due to related parties (note 3.1)	2,904,734	3,255,656
Accrued liabilities	421,077	362,556
Retention money	10,855	16,988
Advances from customers	418,627	379,107
Workers' profit participation fund	88,596	(19,017)
Unclaimed dividend	1,734	1,943
	<u>3,893,713</u>	<u>4,039,396</u>
<b>3.1 Due to related parties</b>		
National Refinery Limited	2,030,492	2,082,095
Attock Refinery Limited	859,261	1,168,588
Pakistan Oilfields Limited	12,513	3,741
The Attock Oil Company	953	1,019
Attock Cement Pakistan Limited	1,398	192
Attock Hospital (Pvt) Ltd	117	-
Attock Sahara Foundation	-	21
	<u>2,904,734</u>	<u>3,255,656</u>

#### 4. CONTINGENCIES AND COMMITMENTS

- (i) Claims for Government levies not accepted by the Company amounted to Rs 25.874 million (June 30, 2006: Rs 25.874 million).
- (ii) Capital expenditure commitments outstanding at March 31, 2007 amounted to Rs. 66.895 million (June 30, 2006: Rs 35.647 million).

Nine months ended    Year ended  
Mar 31,                    June 30,  
2007                        2006  
Rs ('000)

5. PROPERTY, PLANT AND EQUIPMENT

Cost		
Opening balance	642,314	401,355
Additions during the period / year	22,834	245,544
Disposals during the period / year	(465)	(4,585)
Closing balance	<u>664,683</u>	<u>642,314</u>
Accumulated depreciation		
Opening balance	152,089	98,382
Charge for the period / year	42,860	55,785
Relating to disposals	(272)	(2,078)
Closing balance	<u>194,677</u>	<u>152,089</u>
Net book value	<u><u>470,006</u></u>	<u><u>490,225</u></u>

6. LONG TERM INVESTMENTS IN ASSOCIATED COMPANIES

Balance at beginning of the period / year	353,257	4,454
Purchase of shares of National Refinery Limited	-	321,865
Share of profit	24,143	34,268
Dividend received	(8,330)	(7,330)
Balance at end of the period / year	<u><u>369,070</u></u>	<u><u>353,257</u></u>

This represents 1% shareholding in National Refinery Limited and 10% shareholding in Attock Information Technology Services (Private) Limited.

Mar 31,                    June 30,  
2007                        2006  
Rs ('000)

7. TRADE DEBTS

Secured	1,115,635	1,818,351
Unsecured	799,370	663,335
Due from related parties (note 7.1)	37,508	20,790
	<u><u>1,952,513</u></u>	<u><u>2,502,476</u></u>

7.1 Due from related parties

Pakistan Oilfields Limited	33,124	18,694
Attock Cement Pakistan Limited	4,352	1,685
Attock Refinery Limited	32	411
	<u><u>37,508</u></u>	<u><u>20,790</u></u>

	Mar 31, 2007	June 30, 2006
	Rs ('000)	
<b>8. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES</b>		
Loans and advances	28,593	35,042
Trade deposits and short term prepayments	6,984	3,544
Current account balances with statutory authorities	433,205	429,199
Accrued income	50,192	17,829
Price differential claim receivable from the Government	232,025	334,247
Receivable from OMC's under freight pool	9,336	17,064
Claims receivable	11,336	12,167
Due from related parties		
Attock Information Technology Services (Private) Limited	1,404	1,273
Others	344	107
	<u>773,419</u>	<u>850,472</u>
<b>9. CASH AND BANK BALANCES</b>		
Cash in hand	1,671	1,120
Bank balances on		
Short term deposits	2,728,998	1,806,668
Interest/mark-up bearing saving accounts	772,638	473,112
Current account	4	4
	<u>3,503,311</u>	<u>2,280,904</u>

9.1 Short term deposits of Rs 36.599 million (June 2006: Rs 29.524 million) were held under lien with banks against letters of guarantees.

	Quarter ended		Nine Months ended	
	Mar 31, 2007	Mar 31, 2006	Mar 31, 2007	Mar 31, 2006
	Rs ('000)		Rs ('000)	
<b>10. OTHER OPERATING INCOME</b>				
Commission and handling income	106,052	96,903	263,344	213,003
Exchange gain/(loss)	2,479	(2,028)	10,642	1,622
Other income	5,875	2,069	12,590	6,145
	<u>114,406</u>	<u>96,944</u>	<u>286,576</u>	<u>220,770</u>
<b>11. TRANSACTIONS WITH RELATED PARTIES</b>				
Purchase of petroleum products	8,137,210	9,206,328	26,954,000	23,599,588
Sale of petroleum products	101,610	92,217	320,400	244,682
Commission and handling income	105,052	96,142	263,344	212,243
Administrative services expense	3,069	1,389	10,755	1,665
Key management employees compensation	4,597	5,159	18,322	14,554
<b>12. DATE OF AUTHORIZATION FOR ISSUE</b>				

These financial statements were authorized for issue by the Board of Directors of the Company on April 28, 2007.

Sd/-  
Chief Executive

Sd/-  
Director