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Company Information

Board of Directors

Mr. Rashid Abdulla Chairman
Mr. S. Nadeem Ahmed CEO & Managing Director
Mr. Zubair Palwala
Mr. Munis Abdullah
Mr. Asad Abdulla
Mr. Ayaz Abdulla
Mr. Adnan Asdar Ali

Board of Audit Committee

Mr. Asad Abdulla Chairman
Mr. S. Nadeem Ahmed
Mr. Adnan Asdar Ali

Board of HR & Remuneration Committee

Mr. Munis Abdullah Chairman
Mr. Asad Abdulla
Mr. Zubair Palwala

Chief Financial Officer & Company Secretary

Mr. Zubair Palwala

Auditors

Grant Thornton Anjum Asim Shahid Rahman

Legal Advisors

Mohsin Tayebaly & Co

Bankers

- Standard Chartered Bank (Pakistan) Ltd
- Habib Bank Ltd
- Habib Metropolitan Bank Ltd
- National Bank of Pakistan
- Faysal Bank Ltd
- The Bank of Punjab
- Soneri Bank Ltd
- Citibank N.A

Registered Office

First Floor, N.I.C. Building, Abbasi Shaheed Road,
Off: Shahrah-e-Faisal, Karachi.

Share Registrar

Central Depository Company of Pakistan Limited
Head Office, CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahrah-e-Faisal
Karachi - 74400

Directors' Report to the Members

We are pleased to present the consolidated financial information of the group for the quarter ended September 30, 2013. This consolidated financial information is submitted in accordance with section 245 of the Companies Ordinance, 1984.

OPERATING RESULTS

	September 30,	
	2013	2012
	(Rupees in thousand)	
Revenue	1,629,354	1,260,023
Gross profit	776,260	554,487
Operating expenses	408,018	322,225
Operating profit	368,242	232,262
Profit before taxation	311,156	156,130
Profit after taxation	237,244	109,558

Revenue of the group were reported at Rs. 1,629 million, which reflects as increase of 29.3% over the corresponding quarter of last year. The gross margin for the quarter increased to 47.6% from 44.0% same quarter last year which clearly reflects the performance of our newly operated subsidiaries.

The percentage of sales devoted to the operating expenses was maintained at 25.0% as compared to 25.6% for the corresponding quarter of last year.

Profit before tax and profit after tax as a percent of net sales were also increased to 19.1% and 14.6% respectively (2012: 12.4% and 8.7%).

FUTURE OUTLOOK

Your group is one of the leading group in the pharmaceutical and healthcare industry in terms of growth and the management remains committed towards growth in group's earnings through introduction of innovative new medicines in The Searle Company Limited which will supplement the twelve years gap of price freeze on medicines by the Government.

The Management clearly sees remarkable growth in IBL Health Care business in the future. To generate better value and increase market share, aggressive promotional campaign on infant nutrition products, along with the introduction of children nutrition products during the year will contribute towards the growth of our business. For strengthening our Medical Disposable Division, new sources and products are identified for launch during the new fiscal year to increase the business volume and profitability of the company.

Searle Laboratories Private Limited has started its operations with a vision to deliver high quality IV solutions to the society at an affordable price so that the basic human right to get treated can be guarded.

Directors' Report to the Members

ACKNOWLEDGEMENT

We wish to thank the customers for their faith in our products, and their continuing patronage. We also take this opportunity to thank our suppliers, bankers and distributors for providing us with their valuable support throughout the year.

Finally we wish to thank our staff who remained committed to deliver towards the growth of all group companies.

For and on behalf of the board



Rashid Abdulla
Chairman

Karachi
October 29, 2013

Condensed Interim Consolidated Balance Sheet

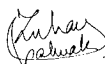
As at September 30, 2013

ASSETS	Note	Unaudited September 30, 2013 (Rupees in '000)	Audited June 30, 2012
Non-current assets			
Fixed assets			
- Property, plant and equipment	5	563,332	584,168
- Intangible assets		70,454	74,071
		633,786	658,239
Investment property	6	2,346,003	2,312,986
Long-term loans		1,017	967
Long-term deposits		5,017	6,245
Total non-current assets		2,985,823	2,978,437
Current assets			
Stores and spares		2,186	2,186
Stock-in-trade		902,889	722,177
Trade debts	6	1,670,287	1,441,459
Loans and advances		332,940	81,919
Trade deposits and short term prepayments		108,941	67,128
Other receivables		114,991	145,714
Cash and bank balances	7	31,524	29,066
Total current assets		3,163,758	2,489,649
Total assets		6,149,581	5,468,086
EQUITY AND LIABILITIES			
Shareholders' equity			
Authorized share capital 50,000,000 (June 2013: 50,000,000) ordinary shares of Rs. 10 each		500,000	500,000
Issued, subscribed and paid-up capital	8	471,652	471,652
General reserve		280,251	280,251
Unappropriated profit		2,146,330	1,927,526
Attributable to the holding company's shareholders		2,898,233	2,679,429
Non-controlling interest		233,896	211,306
Total shareholders' equity		3,132,124	2,890,735
Surplus on revaluation of fixed assets		139,305	143,455
Non-current liabilities			
Long term finances - secured		858,334	858,334
Liabilities against assets subject to finance leases		-	2,182
Deferred liabilities			
Taxation		40,443	40,443
Gratuity - unfunded		33,441	38,461
Total non-current liabilities		932,218	939,420
Trade and other payables		1,232,107	998,372
Accrued mark-up		61,133	21,528
Short-term finances		519,598	319,935
Current portion of			
- long term finances		108,333	108,333
- liabilities against assets subject to finance leases		4,095	2,513
Provision for taxation - net		20,664	43,795
Total current liabilities		1,945,929	1,494,476
Total liabilities		2,878,147	2,433,896
Contingencies and commitments	9		
Total equity and liabilities		6,149,581	5,468,086

The annexed selected notes from 1 to 15 form an integral part of this condensed interim consolidated financial information.



Rashid Abdulla
Chairman



Zubair Palwala
CFO & Director



Syed Nadeem Ahmed
CEO & Managing Director

Condensed Interim Consolidated Profit and Loss Account - Un-audited

For the period ended September 30, 2013

	Quarter ended	
	September 30, 2013	September 30, 2012
Note	(Rupees in '000)	
NET SALES	1,629,354	1,260,023
COST OF SALES	<u>853,094</u>	<u>705,536</u>
GROSS PROFIT	776,260	554,487
Selling and distribution expenses	<u>351,900</u>	<u>282,520</u>
Administrative expenses	52,500	36,225
Amortization of intangible assets	<u>3,618</u>	<u>3,480</u>
	<u>408,018</u>	<u>322,225</u>
OPERATING PROFIT	368,242	232,262
Other operating income	20,195	11,401
	<u>388,437</u>	<u>243,663</u>
Other operating expenses		
- Finance cost	<u>49,764</u>	<u>75,872</u>
- Other charges	<u>27,517</u>	<u>11,661</u>
	77,281	87,533
PROFIT BEFORE INCOME TAX	<u>311,156</u>	<u>156,130</u>
Income tax expense	73,912	46,572
PROFIT FOR THE PERIOD	<u>237,244</u>	<u>109,558</u>
EARNINGS PER SHARE - BASIC AND DILUTED	10	10
	----- (Rupees) -----	----- (Rupees) -----
	<u>5.03</u>	<u>2.32</u>

The annexed selected notes from 1 to 15 form an integral part of this condensed interim consolidated financial information.


Rashid Abdulla
Chairman


Zubair Palwala
CFO & Director


Syed Nadeem Ahmed
CEO & Managing Director

Condensed Interim Consolidated Statement of Comprehensive Income - Un-audited

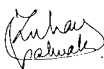
For the period ended September 30, 2013

	Quarter ended	
	September 30, 2013	September 30, 2012
	(Rupees in '000)	
PROFIT FOR THE PERIOD	237,244	109,558
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>237,244</u>	<u>109,558</u>
Total comprehensive income attributable to:		
Shareholders' of the holding Company	214,654	98,812
Non-controlling interest	22,590	10,746
	<u>237,244</u>	<u>109,558</u>

The annexed selected notes from 1 to 15 form an integral part of this condensed interim consolidated financial information.



Rashid Abdulla
Chairman



Zubair Palwala
CFO & Director



Syed Nadeem Ahmed
CEO & Managing Director

Consolidated Statement of Cash Flows - Un-audited

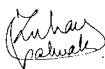
For the period ended September 30, 2013

	Note	September 30, 2013	September 30, 2012
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations after working capital changes	11	180,556	126,572
Gratuity paid		(5,520)	(5,014)
Taxes paid		(97,044)	(45,577)
Recovery of long-term loans		(50)	130
Advance of short-term loans		(251,021)	6,103
Decrease/(increase) of long-term deposits		1,228	(768)
Net cash from operating activities		(171,851)	81,446
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(3,112)	(60,796)
Additions to Investment property under work in progress		(33,017)	-
Mark-up received from associated company		14,914	-
Proceeds from disposal of property, plant and equipment		15,990	6,352
Foreign exchange loss - net		(9,691)	(209)
Net cash used in operating activities		(14,916)	(54,653)
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease liabilities paid		(600)	(2,536)
Dividend paid		(107)	-
Financial charges paid		(9,731)	(32,722)
Net cash used in financing activities		(10,438)	(35,258)
Net (decrease) in cash and cash equivalents		(197,205)	(8,465)
Cash and cash equivalents at the beginning of the period		(290,869)	(632,426)
Cash and cash equivalents at the end of the period	12	(488,074)	(640,891)

The annexed selected notes from 1 to 15 form an integral part of this condensed interim consolidated financial information.



Rashid Abdulla
Chairman



Zubair Palwala
CFO & Director



Syed Nadeem Ahmed
CEO & Managing Director

Condensed Interim Consolidated Statement of Changes in Equity - Un-audited

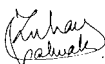
For the period ended September 30, 2013

	Share capital	Capital reserve	Reserve for issue of bonus shares	General reserve	Revenue reserve	Total reserves	Unappropriated profit	Non Controlling Interest	Share holders' equity
----- (Rupees in '000) -----									
Balance as at July 1, 2012	336,895	-	-	280,251	-	280,251	1,430,147	160,998	2,208,291
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation for the period (net of tax)	-	-	-	-	-	-	4,454	-	4,454
Total comprehensive income for the period	-	-	-	-	-	-	98,812	10,746	109,558
Balance as at September 30, 2012	<u>336,895</u>	<u>-</u>	<u>-</u>	<u>280,251</u>	<u>-</u>	<u>280,251</u>	<u>1,533,413</u>	<u>171,744</u>	<u>2,322,303</u>
Balance as at July 1, 2013	471,652	-	-	280,251	-	280,251	1,927,526	211,306	2,890,735
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation for the period (net of tax)	-	-	-	-	-	-	4,150	-	4,150
Total comprehensive income for the period	-	-	-	-	-	-	214,654	22,590	237,244
Balance as at September 30, 2013	<u>471,652</u>	<u>-</u>	<u>-</u>	<u>280,251</u>	<u>-</u>	<u>280,251</u>	<u>2,146,330</u>	<u>233,896</u>	<u>3,132,129</u>

The annexed selected notes from 1 to 15 form an integral part of this condensed interim consolidated financial information.



Rashid Abdulla
Chairman



Zubair Palwala
CFO & Director



Syed Nadeem Ahmed
CEO & Managing Director

Selected Notes to the Condensed Interim Consolidated Financial Statements - Un-audited

For the period ended September 30, 2013

1 LEGAL STATUS AND OPERATIONS

The Searle Company Limited {formerly "Searle Pakistan Limited" (the Company)} was incorporated in Pakistan as a private limited company in October 1965. In November 1993, the Company was converted to a public limited company. Its shares are quoted on the Karachi and Islamabad stock exchanges. The Company is principally engaged in the manufacture of pharmaceutical products and a low calorie sweetener. In addition, the Company is engaged in sale of food and consumer items and manufacture of pharmaceutical items for other companies. Registered office of the Company is located at First Floor, N.I.C. Building, Abbasi Shaheed Road, Shahrae-e-Faisal, Karachi.

With effect from September 3, 2012 the Company has changed its name to "The Searle Company Limited" from "Searle Pakistan Limited".

With effect from June 17, 2011 International Brands (Private) Limited has acquired additional shareholding of 15.9 % aggregating to 55.25% of the shareholding of the Company and has become its holding company.

The Company is the holding company of IBL HealthCare Limited due to significant representation in Board of Directors and 50% shareholding. Further, the Company has also wholly owned subsidiaries namely Searle Laboratories (Private) Limited and Searle Pharmaceuticals (Private) Limited.

2 STATEMENT OF COMPLIANCE

This condensed interim consolidated financial report (condensed interim financial information/condensed interim financial statements) of the Company for the three-months period ended September 30, 2013, has been prepared in accordance with the requirements of the International Accounting Standard 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 un-audited condensed interim consolidated financial information constitutes separate condensed interim financial statements of the Company and are being presented and submitted to the shareholders as required by Listing Regulations of Karachi and Islamabad stock exchanges and under Section 245 of the Companies Ordinance, 1984. The condensed interim financial information do not include all information and disclosures required in the financial statements and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2013.

3 SIGNIFICANT ACCOUNTING INFORMATION AND POLICIES

The accounting policies and method of computations adopted in the preparation of this condensed interim consolidated financial information are the same as those applied in the preparation of the financial statements for the year ended June 30, 2013.

Selected Notes to the Condensed Interim Consolidated Financial Statements - Un-audited

For the period ended September 30, 2013

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The estimates / judgments and associated assumptions used in the preparation of this condensed interim consolidated financial information are consistent with those applied in the preparation of the financial statements of the Company for the year ended June 30, 2013.

			September 30, 2013	June 30, 2013
5	PROPERTY, PLANT AND EQUIPMENT	Note	(Rupees in '000)	
	Operating fixed assets	5.1	562,950	583,403
	Capital work in progress		382	765
			563,332	584,168

5.1 Details of additions and disposals to operating assets during the period ended September 30, 2013 are as follows:

	Additions at cost	Deletions at net book value
Owned assets		
Plant and machinery	1,837	-
Office and electrical equipments	1,658	-
Vehicles	-	(2,588)
September 30, 2013	3,495	(2,588)
June 30, 2013	44,000	(1,763)

			September 30, 2013	June 30, 2013
6	TRADE DEBTS		(Rupees in '000)	
	Considered good			
	- Secured: Export debtors		69,863	61,592
	- Unsecured: Due from:			
	- associated companies	6.1	1,142,948	1,145,593
	- others		457,476	234,274
			1,670,287	1,441,459
	Considered doubtful - others		976	976
	Less: Provision for doubtful debts		(976)	(976)
			-	-
			1,670,287	1,441,459

6.1 The receivable is stated net of amounts payable aggregating Rs. 21.026 million (June 2013: Rs. 62.082 million) on account of expenses claimed by the associated company.

Selected Notes to the Condensed Interim Consolidated Financial Statements - Un-audited

For the period ended September 30, 2013

- 6.2 Competition Commission of Pakistan (CCP) through its order dated September 13, 2007 instructed the Company to reduce terms of trade credits with IBL, re-negotiate the offered rate of commission, and conduct audit of the transactions with associate, now the holding company.

The Company and the then directors filed a counter case in Honorable High Court of Sindh to revert the said order by CCP. The Company, based on opinion of its legal advisor, believes that it has strong case and the matter would be decided in its favor and the matter is still pending in the Court.

	September 30, 2013	June 30, 2013
(Rupees in '000)		
7 CASH AND BANK BALANCES		
Cash in hand	811	840
Cash with banks in:		
- deposit accounts	1,358	792
- current accounts	29,355	27,434
	31,524	29,066

8 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

	September 30, 2013	June 30, 2013			
(Number of shares)					
			Ordinary shares of Rs. 10 each		
3,969,000	3,969,000		fully paid in cash	39,690	39,690
			Ordinary shares of Rs. 10 each		
24,000	24,000		issued for consideration other than cash	240	240
			Ordinary shares of Rs. 10		
43,172,245	43,172,245		each issued as	431,722	431,722
47,165,245	47,165,245			471,652	471,652

9 CONTINGENCIES AND COMMITMENTS

There is no change in the contingencies and commitment since the last financial year ended June 30, 2013 except the following:

Selected Notes to the Condensed Interim Consolidated Financial Statements - Un-audited

For the period ended September 30, 2013

9.1 Contingencies

The facility for opening letters of credit (LCs) acceptances and guarantees as at September 30, 2013 amounted to Rs. 843 million (June 30, 2013: Rs. 930 million) of which the amount remaining unutilized as at that date was Rs. 208 million (June 30, 2013: Rs. 326 million).

9.2 Commitments

Future rentals payable against operating lease arrangement

During the year 2010, the Company obtained factory building at Karachi on rent for a period of 5 years.

The Company has also entered into operating lease arrangements in the years 2009, and in 2011 with S.A.Pharma and Myplan Pharmaceuticals (Private) Limited, pharmaceutical concerns, respectively, for a period of 20 years. Lease includes land and building together with plant and machinery located at Lahore.

The details of future rentals over lease period are as follows:

	September 30, 2013	June 30, 2013
(Rupees in '000)		
Not later than one year	30,580	31,225
Later than one year and not later than five years	92,332	94,920
Later than five years	283,269	288,021
	406,181	414,166

The above also includes ujrah payments for ljarah financing of motor vehicles.

	September 30, 2013	September 30, 2012
10 EARNINGS PER SHARE - Basic and Diluted		
Basic earnings per share		
Profit for the period (Rupees in thousands)	237,244	109,558
Weighted average number of shares (Restated)	47,165,245	47,165,245
Earnings per share (Rupees)	5.03	2.32
Diluted earning per share		

There is no dilution effect on the basic earning per share of the Company as the Company has no such commitments.

Selected Notes to the Condensed Interim Consolidated Financial Statements - Un-audited

For the period ended September 30, 2013

		September 30, 2013	September 30, 2012
		(Rupees in '000)	
11	CASH GENERATED FROM OPERATIONS AFTER WORKING CAPITAL CHANGES	Note	
	Profit before taxation	311,156	156,130
	Adjustments for non-cash items and other items:		
	Depreciation	21,358	21,574
	Amortization of intangible assets	3,618	3,480
	Gain on disposal of property, plant and equipment - net	(13,402)	(6,352)
	Provision for staff retirement gratuity	500	5,471
	Foreign exchange loss - net	9,691	209
	Financial charges - net	49,336	72,793
	Net increase in working capital	11.1 (201,701)	(126,733)
		<u>180,556</u>	<u>126,572</u>
11.1	Working capital changes		
	Current assets		
	Increase in stock-in-trade	(180,712)	(62,481)
	(Increase) / decrease in trade debts	(228,828)	10,818
	Increase in trade deposits and short term prepayments	(41,813)	(12,171)
	Decrease / (increase) in other receivables	15,809	(11,287)
		<u>(435,544)</u>	<u>(75,121)</u>
	Current liabilities		
	Decrease/(Increase) in trade and other payables	233,843	(51,612)
	Net increase in working capital	<u>(201,701)</u>	<u>(126,733)</u>
12	CASH AND CASH EQUIVALENTS		
	Cash and bank balances	7 31,524	10,464
	Short term finances	(519,598)	(651,355)
		<u>(488,074)</u>	<u>(640,891)</u>

Selected Notes to the Condensed Interim Consolidated Financial Statements - Un-audited

For the period ended September 30, 2013

13 SEGMENT INFORMATION

A segment is a distinguishable component of the Company that is engaged in business activities from which the Company earns revenues and incur expenses and its results are regularly reviewed by the Company's Chief Operating Decision Maker to make decision about resources to be allocated to the segment and assess its performance. Further, discrete financial information is available for each segment.

Based on internal management reporting structure and products produced and sold, the Company is organised into the following two operating segments:

- Pharmaceutical
- Consumer
- Investment property

Management monitors the operating results of above mentioned segments separately for the purpose of making decisions about resources to be allocated and for assessing performance.

Segment revenue, segment result, costs, assets and liabilities for the period are as follows:

	Pharmaceutical		Consumer		Total	
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
----- (Rupees in '000) -----						
Sales						
Local	1,111,858	901,424	468,144	290,880	1,580,002	1,192,304
Export	80,700	43,888	13,221	3,568	93,921	47,456
	1,192,588	945,312	481,365	294,448	1,673,923	1,239,760
Less:						
Sales return & discounts	90,930	27,390	1,530	160	92,460	27,550
Sales tax & excise duty	-	-	33,296	8,237	33,296	8,237
	90,930	27,390	34,826	8,397	125,756	35,787
	1,101,628	917,922	446,539	286,051	1,548,167	1,203,973
Add: Toll manufacturing	94,176	53,688	-	2,362	94,176	56,050
Less : Sales tax	12,989	-	-	-	12,989	-
	81,187	53,688	-	2,362	81,187	56,050
Net sales	1,182,815	971,610	446,539	288,413	1,629,354	1,260,023
Cost of sales	550,352	524,284	302,742	181,252	853,094	705,536
Selling and distribution expenses	255,459	238,007	96,441	44,513	351,900	282,520
Administrative expenses	38,112	30,010	14,388	6,215	52,500	36,225
Amortization of intangible assets	3,618	1,305	-	2,175	3,618	3,480
	847,541	793,606	413,571	234,155	1,261,112	1,027,761
Segment result	335,274	178,004	32,968	54,258	368,242	232,262
Unallocated income and expenses						
Other operating income					20,195	11,401
Finance cost					(49,764)	(75,872)
Other charges					(27,517)	(11,661)
Profit before taxation					311,156	156,130
Income tax expense					(73,912)	(46,572)
Profit for the period					237,244	109,558
Depreciation	15,505	19,974	5,853	1,600	21,358	21,574
Percentage for allocation	73%	77%	27%	23%	100%	100%

Selected Notes to the Condensed Interim Consolidated Financial Statements - Un-audited

For the period ended September 30, 2013

	Pharmaceutical		Consumer		Investment property		Total	
	Unaudited September 30, 2013	Audited June 30, 2013	Unaudited September 30, 2013	Audited June 30, 2013	Unaudited September 30, 2013	Audited June 30, 2013	Unaudited September 30, 2013	Audited June 30, 2013
----- (Rupees in '000)-----								
Segment assets and liabilities								
Segment assets	131,127	148,081	49,504	43,582	2,346,003	2,312,986	2,526,634	2,504,649
Unallocated assets	-	-	-	-	-	-	3,622,947	2,963,437
Total assets							<u>6,149,581</u>	<u>5,468,086</u>
Segment liabilities	-	-	-	-	966,667	966,667	966,667	966,667
Unallocated liabilities	-	-	-	-	-	-	1,911,480	1,467,229
Total Liabilities							<u>2,878,147</u>	<u>2,433,896</u>
Additions in segment assets	2,537	33,995	958	10,005	33,017	2,312,986	36,512	2,356,986
Percentage for allocation	73%	77%	27%	23%	0%	0%	100%	100%

		September 30, 2013	September 30, 2012
(Rupees in '000)			
13.1	Geographical segments gross revenue analysis		
	Pakistan	1,580,002	1,192,304
	Asia	45,473	8,465
	South East Asia	12,208	13,809
	Far Eastern countries	36,240	24,085
	Middle East	-	1,097
		<u>1,673,923</u>	<u>1,239,760</u>

13.2 The Company's revenue from one of the major customer represents approximately Rs. 1.34 billion (2012: Rs. 1.02 billion) of the total revenues.

14	TRANSACTIONS WITH RELATED PARTIES	September 30, 2013	September 30, 2012
(Rupees in '000)			
	Transactions		

IBL Operations (Private) Limited - associated company

Sales	1,335,849	1,026,715
Sales returns	57,277	3,431

Expenses claimed

Carriage and duties	1,680	2,764
Discounts	13,950	13,910
Warehouse rent	-	589
Mark-up expenses	-	-
Corporate services charged	600	1,200
Sales promotion expenses	1,202	6,001
IT Services	1,100	1,650
Salaries and allowances	940	-

Expenses claimed from IBL Operations (Private) Limited

Staff salaries and other expenses	4,454	2,409
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Selected Notes to the Condensed Interim Consolidated Financial Statements - Un-audited

For the period ended September 30, 2013

	September 30, 2013	September 30, 2012
	(Rupees in '000)	
International Franchises (Private) Limited - associated company		
Sales	313	218
Sales returns	-	8
Rent, utility and other income	663	780
Purchase of promotional items	55	-
Expenses claimed by International Franchises (Private) Limited		
Sales promotion expenses	341	25
Expenses claimed from International Franchises (Private) Limited		
Staff salaries and other expenses	1,123	-
United Distributors Pakistan Limited - associated company		
Transfer of funds under group tax relief	-	6,857
Expenses claimed from United Distributors Pakistan Limited		
Staff salary and benefits	-	264
Multinet Pakistan (Private) Limited - associated company		
Internet services	376	-
HABITT - associate		
Sales	-	10
Expenses claimed by Habitt		
Sales promotion expenses	676	132
United Brands Limited - associated company		
Sales	17,365	8,314
Expenses claimed by United Brands Limited		
Discounts	100	-
The Citizens Foundation - associate		
Donations	5,000	-

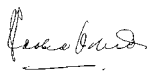
Selected Notes to the Condensed Interim Consolidated Financial Statements - Un-audited

For the period ended September 30, 2013

	September 30, 2013	June 30, 2013
Balances	(Rupees in '000)	
Loans and advances - key management personnel		
At beginning of the period	3,458	7,865
Given during the period	1,505	2,984
Received during the period	(380)	(7,391)
At the end of the period	4,583	3,458
Trade debts - associates		
At beginning of the period	1,071,559	876,454
Addition during the period	1,315,055	4,437,425
Received during the period	(1,243,666)	(4,242,320)
At the end of the period	1,142,948	1,071,559
Other receivables - associates		
At beginning of the period	107,490	130,529
Addition during the period	4,454	27,094
Received during the period	(19,369)	(50,133)
At the end of the period	92,575	107,490

15 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim consolidated financial information was authorized for issue on October 29, 2013, by the Board of Directors of the Company.



Rashid Abdulla
Chairman



Zubair Palwala
CFO & Director



Syed Nadeem Ahmed
CEO & Managing Director



Condensed Interim Financial Statements of The Searle Company Limited

Directors' Report to the Members

We are pleased to present the financial information of your Company for the quarter ended September 30, 2013. This financial information is submitted in accordance with section 245 of the Companies Ordinance, 1984.

OPERATING RESULTS

	September 30,	
	2013	2012
	(Rupees in thousand)	
Revenue	1,350,948	1,065,035
Gross profit	591,533	501,598
Operating expenses	364,209	295,094
Operating profit	227,324	206,504
Profit before taxation	169,509	131,071
Profit after taxation	113,571	88,067

Net sales of the Company were reported at Rs. 1,351 million, which reflects an increase of 26.8% over the corresponding quarter of last year. However, the gross margin for the period dropped down to 43.8% from 47.1% of the same quarter last year. Due to rising cost of production as a result of devaluation of local currency and increase in utility cost.

The percentage of sales devoted to the operating expenses was maintained at 27.0% as compared to 27.7% for the corresponding quarter of last year.

Profit before tax and profit after tax as a percent of net sales were also maintained at 12.5% and 8.4% respectively (2012: 12.3% and 8.3%).

FUTURE OUTLOOK


Your Company is one of the leading pharmaceutical Companies in terms of growth and the management remains committed towards growth in company's earnings through introduction of innovative new medicines.

ACKNOWLEDGEMENT

We wish to thank the customers for their faith in our products, and their continuing patronage. We also take this opportunity to thank our suppliers, bankers and distributors for providing us with their valuable support throughout the year.

Finally we wish to thank our staff who remained committed to deliver towards the growth of your Company.

For and on behalf of the board


Rashid Abdulla
Chairman

Karachi
October 29, 2013

Condensed Interim Balance Sheet

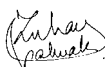
As at September 30, 2013

ASSETS	Note	Un-audited September 2013	Audited June 2013
		(Rupees in '000)	
Non-current assets			
Fixed assets			
- Property, plant and equipment	5	556,793	576,639
- Intangible assets		37,649	39,008
		594,442	615,647
Investment property	6	2,222,415	2,189,398
Long-term investment	7	100,800	100,800
Long-term loans		515	782
Long-term deposits		5,017	6,245
Total non-current assets		2,923,189	2,912,872
Current assets			
Stores and spares		2,186	2,186
Stock-in-trade		724,988	569,342
Trade debts	8	1,448,683	1,298,386
Loans and advances		266,471	75,531
Trade deposits and short term prepayments		91,410	63,441
Other receivables		123,098	147,535
Cash and bank balances	9	9,274	12,738
Total current assets		2,666,110	2,169,159
Total assets		5,589,299	5,082,031
EQUITY AND LIABILITIES			
Shareholders' equity			
Authorized share capital			
50,000,000 (June 2013: 50,000,000)			
ordinary shares of Rs. 10 each		500,000	500,000
Issued, subscribed and paid-up capital	10	471,652	471,652
General reserve		280,251	280,251
Unappropriated profit		1,877,660	1,759,939
Total shareholders' equity		2,629,563	2,511,842
Surplus on revaluation of fixed assets		139,305	143,455
		2,768,868	2,655,297
Non-current liabilities			
Long term finances - secured		858,334	858,334
Liabilities against assets subject to finance leases		-	1,086
Deferred liabilities			
Taxation		40,443	40,443
Gratuity - unfunded		29,920	29,420
		70,363	69,863
Total non-current liabilities		928,697	929,283
Trade and other payables		1,195,674	1,010,783
Accrued mark-up		61,133	21,528
Short-term finances		519,598	319,935
Current portion of			
- long term finances		108,333	108,333
- liabilities against assets subject to finance leases		1,996	1,196
Provision for taxation - net		5,000	35,676
Total current liabilities		1,891,734	1,497,451
Total liabilities		2,820,431	2,426,734
Contingencies and commitments	11		
Total equity and liabilities		5,589,299	5,082,031

The annexed selected notes from 1 to 17 form an integral part of this condensed interim financial information.



Rashid Abdulla
Chairman



Zubair Palwala
CFO & Director




Syed Nadeem Ahmed
CEO & Managing Director

Condensed Interim Profit and Loss Account - Un-audited

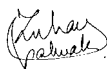
For the period ended September 30, 2013

		Quarter ended	
		September 30, 2013	September 30, 2012
	Note	(Rupees in '000)	
NET SALES		1,350,948	1,065,035
COST OF SALES		759,415	563,437
GROSS PROFIT		591,533	501,598
Selling and distribution expenses		314,598	260,893
Administrative expenses		48,252	32,896
Amortization of intangible assets		1,359	1,305
		364,209	295,094
OPERATING PROFIT		227,324	206,504
Other operating income		17,994	10,569
		245,318	217,073
Other operating expenses			
- Finance cost		49,337	72,793
- Other charges		26,472	13,209
		75,809	86,002
PROFIT BEFORE INCOME TAX		169,509	131,071
Income tax expense		55,938	43,004
PROFIT FOR THE PERIOD		113,571	88,067
		----- (Rupees) -----	
EARNINGS PER SHARE - BASIC AND DILUTED	12	2.41	1.87

The annexed selected notes from 1 to 17 form an integral part of this condensed interim financial information.



Rashid Abdulla
Chairman



Zubair Palwala
CFO & Director



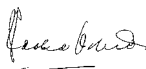
Syed Nadeem Ahmed
CEO & Managing Director

Condensed Interim Statement of Comprehensive Income - Un-audited

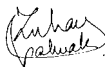
For the period ended September 30, 2013

	Quarter ended	
	September 30, 2013	September 30, 2012
	(Rupees in '000)	
PROFIT FOR THE PERIOD	113,571	88,067
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>113,571</u>	<u>88,067</u>

The annexed selected notes from 1 to 17 form an integral part of this condensed interim financial information.



Rashid Abdulla
Chairman



Zubair Palwala
CFO & Director



Syed Nadeem Ahmed
CEO & Managing Director

Condensed Interim Statement of Cash Flows - Un-audited

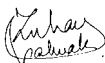
For the period ended September 30, 2013

	Note	September 30, 2013 (Rupees in '000)	September 30, 2012
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations after working capital changes	11	97,972	159,031
Gratuity paid		-	(5,014)
Taxes paid		(86,614)	(42,002)
Recovery of long-term loans		267	41
Advance/(recovery) of short-term loans		(190,940)	477
Decrease/(increase) of long-term deposits		1,228	(768)
Net cash from operating activities		(178,087)	111,765
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(3,112)	(60,796)
Additions to Investment property under work in progress		(33,017)	-
Mark-up received from associated company		14,914	-
Proceeds from disposal of property, plant and equipment		15,990	6,352
Foreign exchange loss - net		(9,691)	(209)
Net cash used in operating activities		(14,916)	(54,653)
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease liabilities paid		(286)	(2,245)
Dividend paid		(107)	-
Financial charges paid		(9,731)	(32,722)
Net cash used in financing activities		(10,124)	(34,967)
Net (decrease) / increase in cash and cash equivalents		(203,127)	22,145
Cash and cash equivalents at the beginning of the period		(307,197)	(646,077)
Cash and cash equivalents at the end of the period	12	(510,324)	(623,932)

The annexed selected notes from 1 to 17 form an integral part of this condensed interim financial information.



Rashid Abdulla
Chairman



Zubair Palwala
CFO & Director



Syed Nadeem Ahmed
CEO & Managing Director

Condensed Interim Statement of Changes in Equity - Un-audited

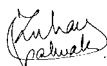
For the period ended September 30, 2013

	Share capital	Capital reserve	Reserve for issue of bonus shares	General reserve	Revenue reserve	Total reserves	Unappropriated profit	Share holders' equity
----- (Rupees in '000) -----								
Balance as at July 1, 2012 - Restated	336,895	-	280,251	280,251	1,386,390	2,003,536		
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation for the period (net of tax)	-	-	-	-	4,454	4,454		
Total comprehensive income for the period	-	-	-	-	88,067	88,067		
Balance as at September 30, 2012	<u>336,895</u>	<u>-</u>	<u>280,251</u>	<u>280,251</u>	<u>1,478,911</u>	<u>2,096,057</u>		
Balance as at July 1, 2013	471,652	-	280,251	280,251	1,759,939	2,511,842		
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation for the period (net of tax)	-	-	-	-	4,150	4,150		
Total comprehensive income for the period	-	-	-	-	113,571	113,571		
Balance as at September 30, 2013	<u>471,652</u>	<u>-</u>	<u>280,251</u>	<u>280,251</u>	<u>1,877,660</u>	<u>2,629,563</u>		

The annexed selected notes from 1 to 17 form an integral part of this condensed interim financial information.



Rashid Abdulla
Chairman



Zubair Palwala
CFO & Director



Syed Nadeem Ahmed
CEO & Managing Director

Selected Notes to the Condensed Interim Financial Statements - Un-audited

For the period ended September 30, 2013

1 LEGAL STATUS AND OPERATIONS

The Searle Company Limited {formerly "Searle Pakistan Limited" (the Company)} was incorporated in Pakistan as a private limited company in October 1965. In November 1993, the Company was converted to a public limited company. Its shares are quoted on the Karachi and Islamabad stock exchanges. The Company is principally engaged in the manufacture of pharmaceutical products and a low calorie sweetener. In addition, the Company is engaged in sale of food and consumer items and manufacture of pharmaceutical items for other companies. Registered office of the Company is located at First Floor, N.I.C. Building, Abbasi Shaheed Road, Shahrae-e-Faisal, Karachi.

With effect from September 3, 2012 the Company has changed its name to "The Searle Company Limited" from "Searle Pakistan Limited".

With effect from June 17, 2011 International Brands (Private) Limited has acquired additional shareholding of 15.9 % aggregating to 55.25% of the shareholding of the Company and has become its holding company.

The Company is the holding company of IBL HealthCare Limited due to significant representation in Board of Directors and 50% shareholding. Further, the Company has also wholly owned subsidiaries namely Searle Laboratories (Private) Limited and Searle Pharmaceuticals (Private) Limited.

2 STATEMENT OF COMPLIANCE

This condensed interim financial report (condensed interim financial information/ condensed interim financial statements) of the Company for the three-months period ended September 30, 2013 has been prepared in accordance with the requirements of the International Accounting Standard 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 un-audited condensed interim financial information constitutes separate condensed interim financial statements of the Company and are being presented and submitted to the shareholders as required by Listing Regulations of Karachi and Islamabad stock exchanges and under Section 245 of the Companies Ordinance, 1984. The condensed interim financial information do not include all information and disclosures required in the financial statements and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2013.

3 SIGNIFICANT ACCOUNTING INFORMATION AND POLICIES

The accounting policies and method of computations adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended June 30, 2013.

Selected Notes to the Condensed Interim Financial Statements - Un-audited

For the period ended September 30, 2013

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The estimates / judgments and associated assumptions used in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the financial statements of the Company for the year ended June 30, 2013.

5	PROPERTY, PLANT AND EQUIPMENT	Note	September 30, 2012	June 30, 2012
			(Rupees in '000)	
	Operating fixed assets	5.1	556,411	575,874
	Capital work in progress		382	765
			556,793	576,639

5.1 Details of additions and disposals to operating assets during the period ended September 30, 2013 are as follows:

	Additions at cost	Deletions at net book value
Owned assets		
Plant and machinery	1,837	-
Office and electrical equipments	1,658	-
Vehicles	-	(2,588)
September 30, 2013	3,495	(2,588)
June 30, 2013	41,378	(1,518)

6	INVESTMENT PROPERTY	Note	September 30, 2013	June 30, 2013
			(Rupees in '000)	
	Leasehold land - at cost		1,915,871	1,915,871
	Investment property under work in progress - at cost		306,544	273,527
			2,222,415	2,189,398

7 LONG-TERM INVESTMENT

7	LONG-TERM INVESTMENT			
	Quoted subsidiary - at cost	7.1	100,000	100,000
	Unquoted subsidiaries - at cost	7.2	800	800
			100,800	100,800

Selected Notes to the Condensed Interim Financial Statements - Un-audited

For the period ended September 30, 2013

7.1 This represents 10,000,000 (June 30, 2013: 10,000,000) fully paid ordinary shares of Rs. 10 each in IBL HealthCare Limited. The proportion of ownership interest of the Company is 50% (June 30, 2013: 50%).

7.2 This represents equal investment in wholly owned subsidiaries namely Searle Pharmaceuticals (Private) Limited and Searle Laboratories (Private) Limited by subscribing 40,000 (June 30, 2013: 40,000) fully paid ordinary shares of Rs. 10 each in both the subsidiaries.

			September 30, 2013	June 30, 2013
			(Rupees in '000)	
8	TRADE DEBTS			
		Note		
	Considered good			
	- Secured: Export debtors		69,863	61,592
	- Unsecured: Due from:			
	- associated companies	8.1	1,104,861	1,071,559
	- others		273,959	165,235
			1,448,683	1,298,386
	Considered doubtful - others		976	976
	Less: Provision for doubtful debts		(976)	(976)
			-	-
			1,448,683	1,298,386

8.1 The receivable is stated net of amounts payable aggregating Rs. 21.026 million (June 2013: Rs. 62.082 million) on account of expenses claimed by the associated company.

8.2 Competition Commission of Pakistan (CCP) through its order dated September 13, 2007 instructed the Company to reduce terms of trade credits with IBL, re-negotiate the offered rate of commission, and conduct audit of the transactions with associate, now the holding company.

The Company and the then directors filed a counter case in Honorable High Court of Sindh to revert the said order by CCP. The Company, based on opinion of its legal advisor, believes that it has strong case and the matter would be decided in its favor and the matter is still pending in the Court.

			September 30, 2013	June 30, 2013
			(Rupees in '000)	
9	CASH AND BANK BALANCES			
	Cash in hand		811	840
	Cash with banks in:			
	- current accounts		8,463	11,898
			9,274	12,738

Selected Notes to the Condensed Interim Financial Statements - Un-audited

For the period ended September 30, 2013

			September 30, 2013	June 30, 2013
			(Rupees in '000)	
10	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL			
	September 30, 2013	June 30, 2013		
	(Number of shares)			
	3,969,000	3,969,000	Ordinary shares of Rs. 10 each fully paid in cash	39,690
				39,690
	24,000	24,000	Ordinary shares of Rs. 10 each issued for consideration other than cash	240
				240
	43,172,245	43,172,245	Ordinary shares of Rs. 10 each issued as	431,722
				431,722
	<u>47,165,245</u>	<u>47,165,245</u>		<u>471,652</u>
				<u>471,652</u>

11 CONTINGENCIES AND COMMITMENTS

There is no change in the contingencies and commitment since the last financial year ended June 30, 2013 except the following:

11.1 Contingencies

The facility for opening letters of credit (LCs) acceptances and guarantees as at September 30, 2013 amounted to Rs. 665 million (June 30, 2013: Rs. 665 million) of which the amount remaining unutilized as at that date was Rs. 121 million (June 30, 2013: Rs. 237 million).

11.2 Commitments

Future rentals payable against operating lease arrangement

During the year 2010, the Company obtained factory building at Karachi on rent for a period of 5 years.

The Company has also entered into operating lease arrangements in the years 2009, and in 2011 with S.A.Pharma and Myplan Pharmaceuticals (Private) Limited, pharmaceutical concerns, respectively, for a period of 20 years. Lease includes land and building together with plant and machinery located at Lahore.

The details of future rentals over lease period are as follows:

	September 30, 2013	June 30, 2013
	(Rupees in '000)	
Not later than one year	30,580	31,225
Later than one year and not later than five years	92,332	94,920
Later than five years	283,269	288,021
	<u>406,181</u>	<u>414,166</u>

The above also includes ujrah payments for Ijarah financing of motor vehicles.

Selected Notes to the Condensed Interim Financial Statements - Un-audited

For the period ended September 30, 2013

		September 30, 2013	September 30, 2012
12	EARNINGS PER SHARE - Basic and Diluted		
	Basic earnings per share		
	Profit for the period (Rupees in thousands)	<u>113,571</u>	<u>88,067</u>
	Weighted average number of shares (Restated)	<u>47,165,245</u>	<u>47,165,245</u>
	Earnings per share (Rupees)	<u>2.41</u>	<u>1.87</u>
	Diluted earning per share		
	There is no dilution effect on the basic earning per share of the Company as the Company has no such commitments.		
		September 30, 2013	September 30, 2012
		(Rupees in '000)	
13	CASH GENERATED FROM OPERATIONS AFTER WORKING CAPITAL CHANGES		
	Profit before taxation	169,509	131,071
	Adjustments for non-cash items and other items:		
	Depreciation	20,368	20,881
	Amortization of intangible assets	1,359	1,305
	Gain on disposal of property, plant and equipment - net	(13,402)	(6,352)
	Provision for staff retirement gratuity	500	4,927
	Foreign exchange loss - net	9,691	209
	Financial charges - net	49,336	72,793
	Net increase in working capital	<u>(139,389)</u>	<u>(65,803)</u>
		<u>97,972</u>	<u>159,031</u>
13.1	Working capital changes		
	Current assets		
	Increase in stock-in-trade	(155,646)	(41,405)
	(Increase) / decrease in trade debts	(150,297)	31,015
	Increase in trade deposits and short term prepayments	(27,969)	(8,896)
	Decrease / (Increase) in other receivables	<u>9,523</u>	<u>(14,608)</u>
		<u>(324,389)</u>	<u>(33,894)</u>
	Current liabilities		
	Decrease/(Increase) in trade and other payables	<u>185,000</u>	<u>(31,909)</u>
	Net increase in working capital	<u>(139,389)</u>	<u>(65,803)</u>
14	CASH AND CASH EQUIVALENTS		
	Cash and bank balances	9,274	6,334
	Short term finances	<u>(519,598)</u>	<u>(630,266)</u>
		<u>(510,324)</u>	<u>(623,932)</u>

Selected Notes to the Condensed Interim Financial Statements - Un-audited

For the period ended September 30, 2013

15 SEGMENT INFORMATION

"A segment is a distinguishable component of the Company that is engaged in business activities from which the Company earns revenues and incur expenses and its results are regularly reviewed by the Company's Chief Operating Decision Maker to make decision about resources to be allocated to the segment and assess its performance. Further, discrete financial information is available for each segment.

Based on internal management reporting structure and products produced and sold, the Company is organised into the following two operating segments:

- Pharmaceutical
- Consumer
- Investment property

Management monitors the operating results of above mentioned segments separately for the purpose of making decisions about resources to be allocated and for assessing performance.

Segment revenue, segment result, costs, assets and liabilities for the period are as follows:

	Pharmaceutical		Consumer		Total	
	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012	September 30, 2013	September 30, 2012
----- (Rupees in '000) -----						
Sales						
Local	1,079,016	901,424	222,580	95,892	1,301,596	997,316
Export	80,700	43,888	13,221	3,568	93,921	47,456
	1,159,716	945,312	235,801	99,460	1,395,517	1,044,772
Less:						
Sales return & discounts	90,930	27,390	1,530	160	92,460	27,550
Sales tax & excise duty	-	-	33,296	8,237	33,296	8,237
	90,930	27,390	34,826	8,397	125,756	35,787
	1,068,786	917,922	200,975	91,063	1,269,761	1,008,985
Add: Toll manufacturing	94,176	53,688	-	2,362	94,176	56,050
Less : Sales tax	12,989	-	-	-	12,989	-
	81,187	53,688	-	2,362	81,187	56,050
Net sales	1,149,973	971,610	200,975	93,425	1,350,948	1,065,035
Cost of sales	614,193	524,284	145,222	39,153	759,415	563,437
Selling and distribution expenses	267,797	238,007	46,801	22,886	314,598	260,893
Administrative expenses	41,074	30,010	7,178	2,886	48,252	32,896
Amortization of intangible assets	1,359	1,305	-	-	1,359	1,305
	924,423	793,606	199,201	64,925	1,123,624	858,531
Segment result	225,550	178,004	1,774	28,500	227,324	206,504
Unallocated income and expenses						
Other operating income					17,994	10,569
Finance cost					(49,337)	(72,793)
Other charges					(26,472)	(13,209)
Profit before taxation					169,509	131,071
Income tax expense					(55,938)	(43,004)
Profit for the period					113,571	88,067
Depreciation	17,338	19,974	5,853	1,832	20,368	20,881
Percentage for allocation	85%	77%	27%	9%	100%	100%

Selected Notes to the Condensed Interim Financial Statements - Un-audited

For the period ended September 30, 2013

	Pharmaceutical		Consumer		Investment property		Total	
	Unaudited September 30, 2013	Audited June 30, 2013	Unaudited September 30, 2013	Audited June 30, 2013	Unaudited September 30, 2013	Audited June 30, 2013	Unaudited September 30, 2013	Audited June 30, 2013
----- (Rupees in '000)-----								
Segment assets and liabilities								
Segment assets	153,759	174,117	26,872	17,546	2,222,415	2,189,398	2,403,046	2,381,061
Unallocated assets	-	-	-	-	-	-	3,186,253	2,700,970
Total assets							<u>5,589,299</u>	<u>5,082,031</u>
Segment liabilities	-	-	-	-	966,667	966,667	966,667	966,667
Unallocated liabilities	-	-	-	-	-	-	1,853,764	1,460,067
Total Liabilities							<u>2,820,431</u>	<u>2,426,734</u>
Additions in segment assets	2,975	37,590	520	3,788	33,017	2,189,398	36,512	2,230,776
Percentage for allocation	85%	91%	15%	9%	0%	0%	100%	100%

September 30, 2013 September 30, 2012
(Rupees in '000)

15.1 Geographical segments gross revenue analysis

Pakistan	1,301,596	997,316
Asia	45,473	8,465
South East Asia	12,208	13,809
Far Eastern countries	36,240	24,085
Middle East	-	1,097
	<u>1,395,517</u>	<u>1,044,772</u>

15.2 The Company's revenue from one of the major customer represents approximately Rs. 1.15 billion (2012: Rs. 902 million) of the total revenues.

16 TRANSACTIONS WITH RELATED PARTIES

September 30, 2013 September 30, 2012

Transactions (Rupees in '000)

IBL Operations (Private) Limited - associated company

Sales	1,147,059	901,579
Sales returns	57,277	3,431
Expenses claimed		
Carriage and duties	1,680	2,764
Discounts	13,950	13,910
Warehouse rent	-	589
Mark-up expenses	-	-
Corporate services charged	600	1,200
Sales promotion expenses	1,202	6,001
IT Services	1,100	1,650
Salaries and allowances	940	-

Selected Notes to the Condensed Interim Financial Statements - Un-audited

For the period ended September 30, 2013

	September 30, 2013	September 30, 2012
	(Rupees in '000)	
Expenses claimed from IBL Operations (Private) Limited		
Staff salaries and other expenses	4,454	2,409
International Franchises (Private) Limited - associated company		
Sales	313	218
Sales returns	-	8
Rent, utility and other income	663	780
Purchase of Promotional Items	55	
Expenses claimed by International Franchises (Private) Limited		
Sales promotion expenses	341	25
Expenses claimed from International Franchises (Private) Limited		
Staff salaries and other expenses	1,123	-
United Distributors Pakistan Limited - associated company		
Transfer of funds under group tax relief	-	6,857
Expenses claimed from United Distributors Pakistan Limited		
Staff salary and benefits	-	264
Multinet Pakistan (Private) Limited - associated company		
Internet services	376	-
HABITT - associate		
Sales	-	10
Expenses claimed by Habitt		
Sales promotion expenses	676	132

Selected Notes to the Condensed Interim Financial Statements - Un-audited

For the period ended September 30, 2013

	September 30, 2013	September 30, 2012
	(Rupees in '000)	
United Brands Limited - associated company		
Sales	17,365	8,314
Expenses claimed by United Brands Limited		
Discounts	100	-
IBL HealthCare Limited (IBL-HC) - subsidiary company		
Staff salary and benefits	-	761
Expenses claimed by IBL-HC		
Salaries, wages & benefits	-	62
Purchase of promotional items	164	413
Hiring of vehicles	798	762
Searle Pharmaceuticals (Private) Limited - subsidiary company		
Purchases	106,595	-
The Citizens Foundation - associate		
Donations	5,000	-
	September 30, 2013	June 30, 2013
Balances	(Rupees in '000)	
Loans and advances - key management personnel		
At beginning of the period	3,458	7,865
Given during the period	1,505	2,984
Received during the period	(380)	(7,391)
At the end of the period	4,583	3,458
Trade debts - associates		
At beginning of the period	1,071,559	876,454
Addition during the period	1,126,265	4,437,425
Received during the period	(1,092,963)	(4,242,320)
At the end of the period	1,104,861	1,071,559
Other receivables - associates		
At beginning of the period	107,490	130,529
Addition during the period	4,454	27,094
Received during the period	(19,369)	(50,133)
At the end of the period	92,575	107,490

Selected Notes to the Condensed Interim Financial Statements - Un-audited

For the period ended September 30, 2013

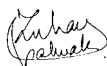
	September 30, 2013	June 30, 2013
	(Rupees in '000)	
Creditors - subsidiary Searle Pharmaceuticals (Pvt) Ltd		
At beginning of the period	153,645	-
Addition during the period	106,595	197,010
Repaid during the period	(38,270)	(43,365)
At the end of the period	221,970	153,645

17 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on October 29, 2013, by the Board of Directors of the Company.



Rashid Abdulla
Chairman



Zubair Palwala
CFO & Director



Syed Nadeem Ahmed
CEO & Managing Director