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Company Information

Board of Directors

Mr. Adnan Asdar Ali	Chairman
Mr. Rashid Abdulla	Chief Executive Officer
Mr. Husain Lawai	
Mr. S. Nadeem Ahmed	Managing Director
Mr. Zubair Palwala	
Mr. Ayaz Abdulla	
Mr. Asad Abdulla	
Mr. Shahid Abdullah	
Mrs. Faiza Naeem	

Board of Audit Committee

Mr. Husain Lawai	Chairman
Mr. S. Nadeem Ahmed	
Mr. Asad Abdulla	

Board of HR & Remuneration Committee

Mr. Asad Abdulla	Chairman
Mr. Rashid Abdulla	
Mr. Ayaz Abdulla	

Chief Financial Officer

Mr. Mobeen Alam

Company Secretary

Mr. Zubair Palwala

Auditors

Grant Thornton Anjum Rahman

Legal Advisors

Mohsin Tayebaly & Co.

Bankers

- Standard Chartered Bank (Pakistan) Limited
- Habib Bank Limited
- Habib Metropolitan Bank Limited
- National Bank of Pakistan
- Faysal Bank Limited
- The Bank of Punjab
- Soneri Bank Limited
- Citibank N.A.
- Dubai Islamic Bank Pakistan Limited
- Albaraka Bank (Pakistan) Limited
- Meezan Bank Limited

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 financial information of your Company and its subsidiaries (the group) for the three months ended September 30, 2015. This financial information is submitted in accordance with section 245 of the Companies Ordinance, 1984.

Operating results

	September 30,	
	2015	2014
	Rupees in 000	
Revenue	2,718,699	2,163,788
Gross profit	1,414,418	1,061,505
Operating expenses	643,173	516,167
Operating profit	771,245	545,338
Profit before taxation	689,145	468,084
Profit after taxation	566,898	373,604

Net sales of the group were reported at Rs. 2,719 million, registered a growth of 25.7% over the corresponding period of last year. The gross margin was 52.03% as compared to 49.1% of the last corresponding period.

The percentage of sales devoted to the operating expenses shrunk down to 23.66% as compared to 23.9% for the corresponding quarter last year, the said decrease is mainly due to increase in sales while keeping tight control over the expenditure.

Profit before tax as a percent of net sales increased to 25.35% (2014: 21.6%). Similarly, the profit after tax increased to 20.85% (2014: 17.3%).

Future outlook

The group is regarded very high on its commitment to premium quality, unmatched efficacy and its Socially Responsible Stance, evident by many of project heavily funded by the group.

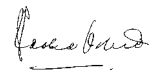
We are in almost all high-density therapeutic avenues such as Cardiovascular, Diabetes, Orthopedics, Neurology, and Pediatrics and are constantly increasing our presence in other therapeutic areas such as Antibiotics, Gastroenterology, Pulmonology, Virology and Oncology.

We are more confident than ever that the group companies are well placed to succeed in emerging markets. We are planning to align with global trends including an ongoing population growth, rising demand of generic branded pharmaceuticals and nutritional products. We will aggressively focus on the global market and will primarily focus to expand the business operation in existing export countries while looking to penetrate into new countries as well.

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

For and on behalf of the board



Rashid Abdulla
Chief Executive Officer

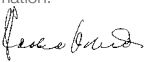
Karachi
October 16, 2015

Condensed Interim Consolidated Balance Sheet

As at September 30, 2015

ASSETS	Note	Un-audited September 30, 2015 (Rupees in '000)	Audited June 30, 2015
Non-current assets			
Fixed assets			
- Property, plant and equipment	5	735,431	688,354
- Intangible assets		37,029	39,845
		772,460	728,199
Investment property		2,611,349	2,614,906
Long-term investment	6	184,935	187,792
Long-term loans		98,716	98,702
Long-term deposits		1,598	1,598
Total non-current assets		3,669,058	3,631,197
Current assets			
Stores and spares		1,004	1,004
Stock-in-trade		1,128,086	1,221,235
Trade debts	7	2,377,406	2,434,515
Loans and advances		496,174	314,660
Trade deposits and short term prepayments		169,299	111,031
Other receivables		272,042	205,761
Short term investment		138,371	126,929
Advance Tax		364,701	180,770
Cash and bank balances	8	96,703	152,876
Total current assets		5,043,786	4,748,781
Total assets		8,712,844	8,379,978
EQUITY AND LIABILITIES			
Shareholders' equity			
Authorized share capital			
140,000,000 (June 2015: 140,000,000) ordinary shares of Rs. 10 each		1,400,000	1,400,000
Issued, subscribed and paid-up capital	9	858,407	858,407
General reserve		280,251	280,251
Unappropriated profit		4,105,443	3,562,012
Equity attributable to the Holding Company's shareholders		5,244,101	4,700,670
Non-controlling interest		342,094	318,627
Total equity		5,586,195	5,019,297
Surplus on revaluation of fixed assets		296,961	296,961
Non-current liabilities			
Long term finances - secured			
Deferred liabilities			
Taxation		30,174	30,174
Gratuity - unfunded		40,561	39,810
		70,735	69,984
Total non-current liabilities		713,592	712,841
Trade and other payables		1,794,114	1,546,745
Accrued mark-up		40,337	14,657
Short-term finances		174,502	682,334
Current portion of long term finances		107,143	107,143
Total current liabilities		2,116,096	2,350,879
Total liabilities		2,829,688	3,063,720
Contingencies and commitments	10		
Total equity and liabilities		8,712,844	8,379,978

The annexed selected notes from 1 to 16 form an integral part of this condensed interim consolidated financial information.



Rashid Abdulla

Chief Executive Officer



Syed Nadeem Ahmed

Managing Director

Condensed Interim Consolidated Profit and Loss Account - Un-audited

For the period ended September 30, 2015

	Note	Quarter ended	
		September 30, 2015	September 30, 2014
		(Rupees in '000)	
NET SALES		2,718,699	2,163,788
COST OF SALES		<u>1,304,281</u>	<u>1,102,283</u>
GROSS PROFIT		1,414,418	1,061,505
Selling and distribution expenses		<u>555,283</u>	<u>441,624</u>
Administrative expenses		<u>87,890</u>	<u>74,543</u>
		<u>643,173</u>	<u>516,167</u>
OPERATING PROFIT		771,245	545,338
Other operating income		<u>24,444</u>	<u>16,763</u>
		795,689	562,101
Other operating expenses			
- Financial charges		<u>40,538</u>	<u>55,878</u>
- Share of loss from associate		<u>2,857</u>	<u>-</u>
- Other charges		<u>63,149</u>	<u>38,139</u>
		<u>106,544</u>	<u>94,017</u>
PROFIT BEFORE INCOME TAX		689,145	468,084
Income tax expense		<u>122,247</u>	<u>94,480</u>
PROFIT FOR THE PERIOD		<u><u>566,898</u></u>	<u><u>373,604</u></u>
		----- (Rupees) -----	
EARNINGS PER SHARE - BASIC AND DILUTED	11	<u><u>6.33</u></u>	<u><u>3.89</u></u>

The annexed selected notes from 1 to 16 form an integral part of this condensed interim consolidated financial information.



Rashid Abdulla
Chief Executive Officer



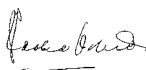
Syed Nadeem Ahmed
Managing Director

Condensed Interim Consolidated Statement of Comprehensive Income - Un-audited

For the period ended September 30, 2015

	Quarter ended	
	September 30, 2015	September 30, 2014
	(Rupees in '000)	
PROFIT FOR THE PERIOD	566,898	373,604
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>566,898</u>	<u>373,604</u>
Total comprehensive income attributable to:		
Shareholders' of the holding Company	543,431	334,212
Non-controlling interest	<u>23,467</u>	<u>39,392</u>
	<u>566,898</u>	<u>373,604</u>

The annexed selected notes from 1 to 16 form an integral part of this condensed interim consolidated financial information.



Rashid Abdulla
Chief Executive Officer



Syed Nadeem Ahmed
Managing Director

Consolidated Statement of Cash Flows - Un-audited

For the period ended September 30, 2015

		Quarter ended	
		September 30, 2015	September 30, 2014
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
	Note		
Cash generated from operations after working capital changes	12	1,059,012	249,213
Taxes paid		(306,178)	(97,305)
(Advance)/recovery of long-term loans		(14)	275
Advance of short-term loans		(181,514)	(5,251)
Net cash from operating activities		571,306	146,932
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(38,199)	(10,638)
Additions to investment property under work in progress		(7,232)	(36,736)
Long-term investment in associated company		-	(31,000)
Acquisition of subsidiary, net of cash acquired		(50,887)	-
Short term investments		(35,000)	(74,858)
Proceeds from disposal of property, plant and equipment		3,245	13,041
Proceeds from redemption of investments		25,059	-
(Expenses claimed) / Mark-up received from associated company - net		(15,269)	-
Net cash used in operating activities		(118,283)	(140,191)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		13,494	-
Financial charges paid		(14,858)	(28,476)
Net cash used in financing activities		(1,364)	(28,476)
Net increase / (decrease) in cash and cash equivalents		451,659	(21,735)
Cash and cash equivalents at the beginning of the period		(529,458)	(689,083)
Cash and cash equivalents at the end of the period	13	(77,799)	(710,818)

The annexed selected notes from 1 to 16 form an integral part of this condensed interim consolidated financial information.



Rashid Abdulla
Chief Executive Officer



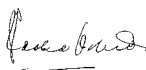
Syed Nadeem Ahmed
Managing Director

Consolidated Statement of Changes in Equity

For the period ended September 30, 2015

	Capital Reserve	Revenue Reserve					
	Share capital	Reserve for issue of bonus shares	General reserve	Total reserves	Unappropriated profit	Non controlling interest	Share holders' equity
	----- Rupees in '000' -----						
Balance as at July 01, 2014	471,652	-	280,251	280,251	1,941,034	226,428	2,919,365
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation for the year (net of tax)	-	-	-	-	4,150	-	4,150
Total comprehensive income for the period	-	-	-	-	334,212	39,392	373,604
Balance as at September 30, 2014	<u>471,652</u>	<u>-</u>	<u>280,251</u>	<u>280,251</u>	<u>2,279,396</u>	<u>265,820</u>	<u>3,297,119</u>
Balance as at July 01, 2015	858,407	-	280,251	280,251	3,562,012	318,627	5,019,297
Total comprehensive income for the period	-	-	-	-	543,431	23,467	566,898
Balance as at September 30, 2015	<u>858,407</u>	<u>-</u>	<u>280,251</u>	<u>280,251</u>	<u>4,105,443</u>	<u>342,094</u>	<u>5,586,195</u>

The annexed selected notes from 1 to 16 form an integral part of this condensed interim consolidated financial information.



Rashid Abdulla
Chief Executive Officer



Syed Nadeem Ahmed
Managing Director



Selected Notes to the Condensed Interim Consolidated Financial Information

For the period ended September 30, 2015

1 LEGAL STATUS AND OPERATIONS

The Searle Company Limited (the Company) was incorporated in Pakistan as a private limited company in October 1965. In November 1993, the Company was converted into 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 other consumer products. In addition, the Company is engaged in sale of food and consumer products, and manufacture of pharmaceutical products for other companies. The registered office of the Company is situated at First Floor, N.I.C. Building, Abbasi Shaheed Road, Karachi.

The company is a subsidiary of International Brands Limited.

The Company is the holding company of IBL HealthCare Limited due to significant representation in Board of Directors and 51.97% shareholding. Further, the Company has also wholly owned subsidiaries namely Searle Pharmaceuticals (Private) Limited, Searle Laboratories (Private) Limited, Searle Biosciences (Private) Limited and Al-Abid Exports (Private) Limited.

2 STATEMENT OF COMPLIANCE

This condensed interim consolidated financial information of the Company for the period ended September 30, 2015 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. This condensed interim consolidated 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, 2015.

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, 2015.

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 consolidated financial statements of the Company for the year ended June 30, 2015.

Selected Notes to the Condensed Interim Consolidated Financial Information

For the period ended September 30, 2015

		Un-audited September 30, 2015	Audited June 30, 2015
5	PROPERTY, PLANT AND EQUIPMENT		
		(Rupees in '000)	
	Operating fixed assets	711,246	688,354
	Capital work in progress	24,185	-
		<u>735,431</u>	<u>688,354</u>
5.1	Details of additions and disposals to operating assets during the period ended September 30, 2015 are as follows:		
		Additions at cost	Deletions at net book value
	Owned assets		
	Plant and machinery	5,435	-
	Office and electrical equipments	1,009	-
	Air - conditioning	266	-
	Vehicles	7,304	(310)
	September 30, 2015	<u>14,014</u>	<u>(310)</u>
	June 30, 2015	<u>65,919</u>	<u>(8,793)</u>
		Un-audited September 30, 2015	Audited June 30, 2015
		(Rupees in '000)	
6	LONG-TERM INVESTMENT		
	Other investment - Nextar Pharma (Private) Limited	187,792	188,975
	Share of loss for the period/year	(2,857)	(1,183)
		<u>184,935</u>	<u>187,792</u>
		<u>184,935</u>	<u>187,792</u>
7	TRADE DEBTS		
	Considered good		
	- Secured: Export debtors	108,100	60,467
	- Unsecured: Due from:		
	- associated companies, unsecured	1,699,258	2,049,855
	- others	570,048	324,193
		<u>2,269,306</u>	<u>2,374,048</u>
	Considered doubtful - others	2,287	2,287
	Less: Provision for doubtful debts	(2,287)	(2,287)
		<u>-</u>	<u>-</u>
		<u>2,377,406</u>	<u>2,434,515</u>
7.1	The receivable is stated net of amounts payable aggregating Rs. 60 million (2015: Rs. 58.49 million) on account of expenses claimed by the associated company.		

Selected Notes to the Condensed Interim Consolidated Financial Information

For the period ended September 30, 2015

	Un-audited September 30, 2015	Audited June 30, 2015
8 CASH AND BANK BALANCES	(Rupees in '000)	
Cash in hand	1,494	1,478
Cheques in hand	50,550	100,000
Cash with banks in:		
- deposit accounts	-	21,386
- current accounts	44,659	30,012
	<u>96,703</u>	<u>152,876</u>

9 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Un-audited September 30, 2015	Audited June 30, 2015		Un-audited September 30, 2015	Audited June 30, 2015
(Number of shares)			(Rupees in '000)	
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
81,847,745	81,847,745	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	818,477	818,477
<u>85,840,745</u>	<u>85,840,745</u>		<u>858,407</u>	<u>858,407</u>

9.1 Movement in number of shares

(No. in '000)

Number of shares at beginning of the period	85,841	61,315
Bonus shares issued during the period	-	24,526
Number of shares at end of the period	<u>85,841</u>	<u>85,841</u>

10 CONTINGENCIES AND COMMITMENTS

There is no change in the contingencies and commitment since the last financial year ended June 30, 2015 except the following:

10.1 Contingencies

The facility for opening letters of credit (LCs) acceptances and guarantees as at September 30, 2015 amounted to Rs. 1,275 million (2015: Rs. 1,275 million) of which the amount remaining unutilized as at year end amounted to Rs. 705 million (2015: Rs. 726 million).

Selected Notes to the Condensed Interim Consolidated Financial Information

For the period ended September 30, 2015

10.2 Commitments

Future rentals payable against operating lease arrangement

During the year ended June 30, 2010, the Company obtained factory building at Karachi on rent for a period of 5 years.

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

	Un-audited September 30, 2015	Audited June 30, 2015
	(Rupees in '000)	
Not later than one year	5,648	5,580
Later than one year but not later than five years	4,938	5,883
	<u>10,586</u>	<u>11,463</u>

	Un-audited September 30, 2015	Un-audited September 30, 2014
11 EARNINGS PER SHARE - Basic and Diluted		

Basic earnings per share

Profit attributable to shareholders of the Holding Company - Rupees in thousands	<u>543,431</u>	<u>334,212</u>
Weighted average number of shares	<u>85,840,745</u>	<u>85,840,745</u>
Earnings per share (Rupees)	<u>6.33</u>	<u>3.89</u>

Diluted earning per share

There is no dilution effect on the basic earning per share of the Holding Company as the Holding Company has no convertible dilutive potential ordinary shares outstanding on September 30, 2015.

Selected Notes to the Condensed Interim Consolidated Financial Information

For the period ended September 30, 2015

	Un-audited September 30, 2015	Un-audited September 30, 2014
	(Rupees in '000)	
12 CASH GENERATED FROM OPERATIONS AFTER WORKING CAPITAL CHANGES		
Profit before taxation	689,145	468,084
Adjustments for non-cash items and other items:		
Depreciation	25,273	14,053
Amortization of intangible assets	2,810	2,582
Gain on disposal of property, plant and equipment - net	(2,935)	(9,069)
Provision for staff retirement gratuity	750	750
Impairment of intangibles	-	672
Negative goodwill	(6,269)	-
Share of loss from associates	2,857	-
Unrealized gain on investments	(1,501)	-
Financial charges - net	40,538	55,464
Net (increase) in working capital	12.1 <u>308,344</u>	<u>(283,323)</u>
	<u>1,059,012</u>	<u>249,213</u>
12.1 Working capital changes		
Current assets		
Decrease in stores and spares	-	-
Decrease in stock-in-trade	97,186	55,984
Decrease/(increase) in trade debts	57,372	(393,598)
Increase in trade deposits and short term prepayments	(29,622)	(18,516)
Decrease in other receivables	(50,170)	(15,772)
	<u>74,766</u>	<u>(371,902)</u>
Current liabilities		
Increase in trade and other payables	233,578	88,579
Net increase in working capital	<u>308,344</u>	<u>(283,323)</u>
13 CASH AND CASH EQUIVALENTS		
Cash and bank balances	96,703	51,882
Short term finances	(174,502)	(762,700)
	<u>(77,799)</u>	<u>(710,818)</u>

Selected Notes to the Condensed Interim Consolidated Financial Information

For the period ended September 30, 2015

14 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 three 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		Investment Property		Total	
	Unaudited September 30, 2015	Unaudited September 30, 2014	Unaudited September 30, 2015	Unaudited September 30, 2014	Unaudited September 30, 2015	Unaudited September 30, 2014	Unaudited September 30, 2015	Unaudited September 30, 2014
	----- (Rupees in '000) -----							
Segment revenue	<u>2,073,872</u>	<u>1,946,797</u>	<u>617,377</u>	<u>216,156</u>	<u>27,450</u>	<u>835</u>	<u>2,718,699</u>	<u>2,163,788</u>
Segment result	<u>617,907</u>	<u>485,405</u>	<u>153,338</u>	<u>59,933</u>	<u>-</u>	<u>-</u>	<u>771,245</u>	<u>545,338</u>
Unallocated income and expenses								
Other operating income							24,444	16,763
Finance cost							(40,538)	(55,878)
Other charges							(66,006)	(38,139)
Profit before taxation							689,145	468,084
Income tax expense							(122,247)	(94,480)
Profit for the period							<u>566,898</u>	<u>373,604</u>
Depreciation	<u>21,742</u>	<u>12,090</u>	<u>3,531</u>	<u>1,963</u>	<u>-</u>	<u>-</u>	<u>25,273</u>	<u>14,053</u>

Selected Notes to the Condensed Interim Consolidated Financial Information

For the period ended September 30, 2015

	Pharmaceutical		Consumer		Investment Property		Total	
	Unaudited September 30, 2015	Audited June 30, 2015	Unaudited September 30, 2015	Audited June 30, 2015	Unaudited September 30, 2015	Audited June 30, 2015	Unaudited September 30, 2015	Audited June 30, 2015
----- (Rupees in '000) -----								
Segment assets and liabilities								
Segment assets	165,769	144,603	26,922	25,280	2,611,349	2,614,906	2,804,040	2,784,789
Unallocated assets							5,908,804	5,595,189
Total assets							8,712,844	8,379,978
Segment liabilities	-	-	-	-	750,000	750,000	750,000	750,000
Unallocated liabilities	-	-	-	-	-	-	2,079,688	2,313,720
Total Liabilities							2,829,688	3,063,720
Additions in segment assets	12,056	78,376	1,958	11,711	-	203,879	14,014	293,966
Percentage for allocation	86%	87%	14%	13%	0%	0%	100%	100%

14.1 Geographical segments

	Unaudited September 30, 2015	Unaudited September 30, 2014
	Note	(Rupees in '000)
Net sales by region		
Pakistan	2,468,763	2,071,304
Asia	91,771	27,394
East Africa	9,690	1,402
South East Asia	46,214	16,112
Far Eastern countries	100,032	33,957
Middle East	2,229	13,619
	14.1.1	
	2,718,699	2,163,788

The geographical segment has been categorized using United Nation's composition of macro geographical (continental) regions.

- 14.1.1 The Company has presented the net sales amounts for the current and comparative prior period.
- 14.2 The Company's revenue from one of the major customer represents approximately Rs. 2.12 billion (September 30, 2014: Rs. 1.64 billion) of the total revenues.

Selected Notes to the Condensed Interim Consolidated Financial Information

For the period ended September 30, 2015

Unaudited
September 30,
2015

Unaudited
September 30,
2014

(Rupees in '000)

15 Transactions

(i) IBL Operations (Private) Limited - associated company

Sales	2,121,342	1,636,972
Sales returned	5,440	12,770

Expenses claimed by the associated company

Carriage and duties	-	4,193
Staff salaries and benefits	-	105
Discounts	60,000	22,724
Warehouse rent	-	574
Corporate services charged	18,000	-
Sales promotion expenses	1,059	6,824

Expenses claimed by the Company

Staff salaries and other expenses	13,579	-
Royalty and price difference claims	10,379	6,204

(ii) International Franchises (Private) Limited - associated company

Sales	-	148
Sales returned	-	19
Rent, utility and other income	2,754	699
Purchase of Promotional Items	41	28

(iii) United Distributors Pakistan Limited (UDPL) - associated company

Expenses claimed by UDPL

Warehouse rent & expenses	-	163
Sale of assets	-	2,010

(iv) HABITT - associate

Sales	-	3,441
Rent income	13,715	-
Purchase of Promotional Items from Habitt	43	-

Selected Notes to the Condensed Interim Consolidated Financial Information

For the period ended September 30, 2015

	Unaudited September 30, 2015	Unaudited September 30, 2014
	(Rupees in '000)	
(v) The Citizens Foundation - associate		
Donations	10,000	-
(vi) Arshad Shahid Abdulla (Private) Limited - associated company		
Architect fee	4,337	1,260
(vii) Multinet Pakistan (Private) Limited - associated company		
Internet services	749	-
(viii) United Brands Limited - associated company		
Sales	-	27,314
Expenses claimed by United Brands Limited		
Discounts	-	138
Purchase of promotional items	-	529
	Unaudited September 30, 2015	Audited June 30, 2015
	(Rupees in '000)	
Balances		
(i) Loans and advances - key management personnel		
At beginning of the period/year	7,004	3,458
Given during the period/year	175	4,043
Repaid during the period/year	(2,824)	(3,897)
At the end of the period/year	<u>4,355</u>	<u>3,604</u>

Selected Notes to the Condensed Interim Consolidated Financial Information

For the period ended September 30, 2015

	Unaudited September 30, 2015	Audited June 30, 2015
	(Rupees in '000)	
(ii) Trade debts - associated company		
At beginning of the period/year	1,855,372	1,071,559
Addition during the period/year	2,119,832	5,119,950
Repaid during the period/year	<u>(2,275,946)</u>	<u>(4,938,866)</u>
At the end of the period/year	<u><u>1,699,258</u></u>	<u><u>1,252,643</u></u>
(iii) Other receivables - associates		
At beginning of the period/year	39,643	107,490
Addition during the period/year	23,958	5,465
Repaid during the period/year	<u>(10,379)</u>	<u>(71,663)</u>
At the end of the period/year	<u><u>53,222</u></u>	<u><u>41,292</u></u>

16 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim consolidated financial information was authorized for issue on October 16, 2015, by the Board of Directors of the Company.




Rashid Abdulla
Chief Executive Officer



Syed Nadeem Ahmed
Managing Director



Unconsolidated Financial Statements



Directors' Report to the Members

We are pleased to present the financial information of your Company for the three months ended September 30, 2015. This financial information is submitted in accordance with section 245 of the Companies Ordinance, 1984.

Operating results

	September 30,	
	2015	2014
	Rupees in 000	
Revenue	2,284,176	1,686,813
Gross profit	882,372	733,123
Operating expenses	584,735	445,036
Operating profit	297,637	288,087
Profit before taxation	589,880	341,258
Profit after taxation	510,032	268,161

Net sales of the Company were reported at Rs. 2,284 million, registered a growth of 35.4% over the corresponding period of last year. However, the gross margin were 38.6% as compared to 43.5% of the last corresponding period.

The percentage of sales devoted to the operating expenses shrunk down to 25.6% as compared to 26.4% for the corresponding three months last year, the said decrease is mainly due to tight control over the expenditure.

Profit before tax as a percent of net sales increased to 25.82% (2014: 20.2%). Similarly, the profit after tax increased to 22.3% (2014: 15.9%).

Future outlook

Searle is regarded very high on its commitment to premium quality, unmatched efficacy and its Socially Responsible Stance, evident by many of project heavily funded by Searle.

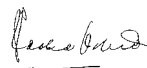
We are in almost all high-density therapeutic avenues such as Cardiovascular, Diabetes, Orthopedics, Neurology, and Pediatrics and are constantly increasing our presence in other therapeutic areas such as Antibiotics, Gastroenterology, Pulmonology, Virology and Oncology.

We are more confident than ever that Searle is well placed to succeed in emerging markets. Searle is planning to align with global trends including an ongoing population growth, rising demand of generic branded pharmaceuticals and nutritional products. Searle will aggressively focus on the global market and will primarily focus to expand the business operation in existing export countries while looking to penetrate into new countries as well.

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 period. 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
Chief Executive Officer

Karachi
October 16, 2015

Condensed Interim Unconsolidated Balance Sheet

As at September 30, 2015

ASSETS	Note	Un-audited September 30, 2015 (Rupees in '000)	Audited June 30, 2015
Non-current assets			
Fixed assets			
- Property, plant and equipment	5	705,943	687,332
- Intangible assets		29,048	30,642
		734,991	717,974
Investment property		2,487,761	2,491,318
Long-term investment	6	576,939	519,091
Long-term loans		435	446
Long-term deposits		1,598	1,598
Total non-current assets		3,801,724	3,730,427
Current assets			
Stores and spares		1,004	1,004
Stock-in-trade		988,715	1,016,154
Trade debts	7	1,854,357	2,182,838
Loans and advances		485,004	352,331
Trade deposits and short term prepayments		133,191	101,295
Other receivables		94,542	300,188
Advance Tax		388,842	171,580
Cash and bank balances	8	24,096	122,821
Total current assets		3,969,751	4,248,211
Total assets		7,771,475	7,978,638
EQUITY AND LIABILITIES			
Shareholders' equity			
Authorized share capital			
140,000,000 (June 2015: 140,000,000) ordinary shares of Rs. 10 each		1,400,000	1,400,000
Issued, subscribed and paid-up capital	9	858,407	858,407
General reserve		280,251	280,251
Unappropriated profit		3,919,049	3,409,017
Total shareholders' equity		5,057,707	4,547,675
Surplus on revaluation of fixed assets		296,961	296,961
Non-current liabilities			
Long term finances - secured			
Deferred liabilities		642,857	642,857
Taxation		30,174	30,174
Gratuity - unfunded		40,561	39,811
		70,735	69,985
Total non-current liabilities		713,592	712,842
Current liabilities			
Trade and other payables		1,396,290	1,617,026
Accrued mark-up		40,337	14,657
Short-term finances		159,445	682,334
Current portion of long term finances		107,143	107,143
Total current liabilities		1,703,215	2,421,160
Total liabilities		2,416,807	3,134,002
Contingencies and commitments	10		
Total equity and liabilities		7,771,475	7,978,638

The annexed selected notes from 1 to 18 form an integral part of this condensed interim financial information.



Rashid Abdulla
Chief Executive Officer



Syed Nadeem Ahmed
Managing Director

Condensed Interim Unconsolidated Profit and Loss Account - Un-audited

For the period ended September 30, 2015

	Note	Period ended	
		September 30, 2015	September 30, 2014
		(Rupees in '000)	
NET SALES		2,284,176	1,687,648
COST OF SALES		<u>1,401,804</u>	<u>953,690</u>
GROSS PROFIT		882,372	733,958
Selling and distribution expenses		<u>512,805</u>	<u>395,966</u>
Administrative expenses		<u>71,930</u>	<u>49,070</u>
		<u>584,735</u>	<u>445,036</u>
OPERATING PROFIT		297,637	288,922
Other operating income		<u>384,414</u>	<u>141,175</u>
		682,051	430,097
Other operating expenses			
- Financial charges		<u>40,293</u>	<u>55,464</u>
- Other charges		<u>51,878</u>	<u>33,375</u>
		<u>92,171</u>	<u>88,839</u>
PROFIT BEFORE INCOME TAX		589,880	341,258
Income tax expense		79,848	73,097
PROFIT FOR THE PERIOD		<u>510,032</u>	<u>268,161</u>
		----- (Rupees) -----	
EARNINGS PER SHARE - BASIC AND DILUTED	11	<u>5.94</u>	<u>3.12</u>

The annexed selected notes from 1 to 18 form an integral part of this condensed interim financial information.



Rashid Abdulla
Chief Executive Officer



Syed Nadeem Ahmed
Managing Director

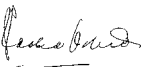


Condensed Interim Unconsolidated Statement of Comprehensive Income - Un-audited

For the period ended September 30, 2015

	Quarter ended	
	September 30, 2015	September 30, 2014
	(Rupees in '000)	
PROFIT FOR THE PERIOD	510,032	268,161
Other comprehensive income	-	-
Items that may be reclassified to profit and loss account subsequently	-	-
Items that will not be subsequently reclassified to profit and loss account	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>510,032</u>	<u>268,161</u>

The annexed selected notes from 1 to 18 form an integral part of this condensed interim financial information.



Rashid Abdulla
Chief Executive Officer



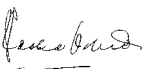
Syed Nadeem Ahmed
Managing Director

Unconsolidated Statement of Cash Flows - Un-audited

For the period ended September 30, 2015

		Period ended	
		September 30, 2015	September 30, 2014
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
	Note		
Cash generated from operations after working capital changes	12	965,116	218,818
Taxes paid		(297,110)	(75,923)
Recovery/(Advance) of long-term loans		11	(79)
Advance of short-term loans		<u>(132,673)</u>	<u>(19,224)</u>
Net cash generated from operating activities		535,344	123,592
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipments		(32,957)	(10,380)
Expenditures incurred on investment property		(7,232)	(36,736)
Long-term investments		(57,848)	(31,000)
Proceeds from disposal of property, plant and equipment		<u>3,245</u>	<u>11,894</u>
Net cash used in investing activities		(110,061)	(66,222)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		13,494	-
Financial charges paid		(14,613)	(28,476)
Net cash used in financing activities		<u>(1,119)</u>	<u>(28,476)</u>
Net increase in cash and cash equivalents		424,164	28,894
Cash and cash equivalents at the beginning of the period		(559,513)	(775,261)
Cash and cash equivalents at the end of the period	13	<u>(135,349)</u>	<u>(746,367)</u>

The annexed selected notes from 1 to 18 form an integral part of this condensed interim financial information.



Rashid Abdulla
Chief Executive Officer



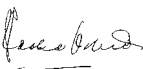
Syed Nadeem Ahmed
Managing Director

Unconsolidated Statement of Changes in Equity

For the period ended September 30, 2015

	Capital Reserve	Revenue Reserve				
	Share capital	Reserve for issue of bonus shares	General reserve	Total reserves	Unappropriated profit	Share holders' equity
	----- Rupees in '000' -----					
Balance as at July 01, 2014	613,148	-	280,251	280,251	2,250,665	3,144,064
Total comprehensive income for the period	-	-	-	-	268,161	268,161
Balance as at September 30, 2014	<u>613,148</u>	<u>-</u>	<u>280,251</u>	<u>280,251</u>	<u>2,518,826</u>	<u>3,412,225</u>
Balance as at July 01, 2015	858,407	-	280,251	280,251	3,409,017	4,547,675
Total comprehensive income for the period	-	-	-	-	510,032	510,032
Balance as at September 30, 2015	<u>858,407</u>	<u>-</u>	<u>280,251</u>	<u>280,251</u>	<u>3,919,049</u>	<u>5,057,707</u>

The annexed selected notes from 1 to 18 form an integral part of this condensed interim financial information.



Rashid Abdulla
Chief Executive Officer



Syed Nadeem Ahmed
Managing Director



Selected Notes to the Condensed Interim Unconsolidated Financial Information

For the period ended September 30, 2015

1 LEGAL STATUS AND OPERATIONS

The Searle Company Limited (the Company) was incorporated in Pakistan as a private limited company in October 1965. In November 1993, the Company was converted into 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 other consumer products. In addition, the Company is engaged in sale of food and consumer products, and manufacture of pharmaceutical products for other companies. The registered office of the Company is situated at First Floor, N.I.C. Building, Abbasi Shaheed Road, Karachi.

International Brands Limited is the holding company, which holds 55.31% shareholding in the Company.

The Company is the holding company of IBL HealthCare Limited due to significant representation in Board of directors of, and 51.97% shareholding in, IBL HealthCare Limited.

The Company four wholly owned subsidiaries namely Searle Pharmaceuticals (Private) Limited, Searle Laboratories (Private) Limited, Searle Biosciences (Private) Limited and Al-Abid Exports (Private) Limited.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information of the Company for the period ended September 30, 2015 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. This 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, 2015.

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, 2015.

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, 2015.

Selected Notes to the Condensed Interim Unconsolidated Financial Information

For the period ended September 30, 2015

		Un-audited September 30, 2015	Audited June 30, 2015
5	PROPERTY, PLANT AND EQUIPMENT	(Rupees in '000)	
	Operating fixed assets	681,758	687,332
	Capital work in progress	24,185	-
		<u>705,943</u>	<u>687,332</u>
5.1	Details of additions and disposals to operating assets during the period ended September 30, 2015 are as follows:		
		Additions at cost	Deletions at net book value
	Owned assets		
	Plant and machinery	5,435	-
	Office and electrical equipments	846	-
	Air - conditioning	266	-
	Vehicles	2,225	(310)
	September 30, 2015	<u>8,772</u>	<u>(310)</u>
	June 30, 2015	<u>65,919</u>	<u>(7,873)</u>
		Un-audited September 30, 2015	Audited June 30, 2015
		(Rupees in '000)	
6	LONG-TERM INVESTMENT		
	Quoted subsidiary - at cost	194,716	194,716
	Unquoted subsidiaries - at cost		
	Searle Pharmaceuticals (Private) Limited	400	400
	Searle Laboratories (Private) Limited	125,000	125,000
	Searle Biosciences (Private) Limited	10,000	10,000
	Al-Abid Exports (Private) Limited.	49,875	-
		185,275	135,400
	Other investment - Nextar Pharma (Private) Limited	188,975	188,975
	Advance against issue of shares	7,973	-
		<u>576,939</u>	<u>519,091</u>

Selected Notes to the Condensed Interim Unconsolidated Financial Information

For the period ended September 30, 2015

	Note	Un-audited September 30, 2015 (Rupees in '000)	Audited June 30, 2015
7	TRADE DEBTS		
	Considered good		
	- Secured: Export debtors	108,100	60,467
	- Unsecured: Due from:		
	- associated companies	7.1 1,486,796	1,855,372
	- others	259,461	266,999
		<u>1,746,257</u>	<u>2,122,371</u>
	Considered doubtful - others	622	622
	Less: Provision for doubtful debts	(622)	(622)
		-	-
		<u>1,854,357</u>	<u>2,182,838</u>

7.1 The receivable is stated net of amounts payable aggregating Rs. 60 million (2015: Rs. 58.49 million) on account of expenses claimed by the associated company.

		Un-audited September 30, 2015 (Rupees in '000)	Audited June 30, 2015
8	CASH AND BANK BALANCES		
	Cash in hand	1,494	1,429
	Cheques in hand	-	100,000
	Cash with banks in:		
	- deposit accounts	-	9
	- current accounts	22,602	21,383
		<u>24,096</u>	<u>122,821</u>

9 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

Un-audited September 30, 2015 (Number of shares)	Audited June 30, 2015		Un-audited September 30, 2015 (Rupees in '000)	Audited June 30, 2015
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
81,847,745	81,847,745	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	818,477	818,477
<u>85,840,745</u>	<u>85,840,745</u>		<u>858,407</u>	<u>858,407</u>

Selected Notes to the Condensed Interim Unconsolidated Financial Information

For the period ended September 30, 2015

Un-audited September 30, 2015	Audited June 30, 2015
-------------------------------------	-----------------------------

(No. in '000)

9.1 Movement in number of shares

Number of shares at beginning of the period	85,841	61,315
Bonus shares issued during the period	-	24,526
Number of shares at end of the period	<u>85,841</u>	<u>85,841</u>

10 CONTINGENCIES AND COMMITMENTS

There is no change in the contingencies and commitment since the last financial year ended June 30, 2015 except the following:

10.1 Contingencies

The facility for opening letters of credit (LCs) acceptances and guarantees as at September 30, 2015 amounted to Rs. 1,010 million (2015: Rs. 1,010 million) of which the amount remaining unutilized as at year end amounted to Rs. 570 million (2015: Rs. 547 million).

10.2 Commitments

Future rentals payable against operating lease arrangement

During the year ended June 30, 2010, the Company obtained factory building at Karachi on rent for a period of 5 years.

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

Un-audited September 30, 2015	Audited June 30, 2015
-------------------------------------	-----------------------------

(Rupees in '000)

Not later than one year	5,648	5,580
Later than one year but not later than five years	4,938	5,883
	<u>10,586</u>	<u>11,463</u>

Un-audited September 30, 2015	Audited September 30, 2014
-------------------------------------	----------------------------------

(Rupees in '000)

11 EARNINGS PER SHARE - Basic and Diluted

Basic earnings per share

Profit for the period (Rupees in thousands)	<u>510,032</u>	<u>268,161</u>
Weighted average number of shares	<u>85,840,745</u>	<u>85,840,745</u>
Earnings per share (Rupees)	<u>5.94</u>	<u>3.12</u>

Selected Notes to the Condensed Interim Unconsolidated Financial Information

For the period ended September 30, 2015

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.

	Un-audited September 30, 2015	Un-audited September 30, 2014
Note	(Rupees in '000)	
12 CASH GENERATED FROM OPERATIONS AFTER WORKING CAPITAL CHANGES		
Profit before taxation	589,800	341,258
Adjustments for non-cash items and other items:		
Depreciation	24,825	13,867
Amortization of intangible assets	1,594	1,359
Gain on disposal of property, plant and equipment - net	(2,935)	(8,330)
Provision for staff retirement gratuity	750	750
Financial charges - net	40,293	55,464
Net decrease/(increase) in working capital	12.1 310,709	(185,550)
	<u>965,116</u>	<u>218,818</u>
12.1 Working capital changes		
Current assets		
Decrease/(Increase) in stock-in-trade	27,439	42,178
Decrease/(increase) in trade debts	328,481	(176,840)
Increase in trade deposits and short term prepayments	(31,896)	(23,483)
Decrease in other receivables	220,915	22,061
	<u>544,939</u>	<u>(136,084)</u>
Current liabilities		
Increase in trade and other payables	(234,230)	(49,466)
Net decrease/(increase) in working capital	<u>310,709</u>	<u>(185,550)</u>
13 CASH AND CASH EQUIVALENTS		
Cash and bank balances	24,096	13,884
Short term finances	(159,445)	(760,251)
	<u>(135,349)</u>	<u>(746,367)</u>

Selected Notes to the Condensed Interim Unconsolidated Financial Information

For the period ended September 30, 2015

14 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 three 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		Investment Property		Total	
	Un-audited September 30, 2015	Un-audited September 30, 2014	Un-audited September 30, 2015	Un-audited September 30, 2014	Un-audited September 30, 2015	Un-audited September 30, 2014	Un-audited September 30, 2015	Un-audited September 30, 2014
----- (Rupees in '000)-----								
Segment revenue	<u>1,931,806</u>	<u>1,470,657</u>	<u>324,920</u>	<u>216,156</u>	<u>27,450</u>	<u>835</u>	<u>2,284,176</u>	<u>1,687,648</u>
Segment result	<u>199,143</u>	<u>228,867</u>	<u>106,404</u>	<u>59,933</u>	<u>(7,910)</u>	<u>122</u>	<u>297,637</u>	<u>288,922</u>
Unallocated income and expenses								
Other operating income							<u>384,414</u>	141,175
Finance cost							<u>(40,293)</u>	(55,464)
Other charges							<u>(51,878)</u>	(33,375)
Profit before taxation							<u>589,880</u>	341,258
Income tax expense							<u>(79,848)</u>	(73,097)
Profit for the period							<u>510,032</u>	268,161
Depreciation	<u>12,039</u>	<u>11,930</u>	<u>1,997</u>	<u>1,937</u>	<u>10,789</u>	<u>-</u>	<u>24,825</u>	<u>13,867</u>

Selected Notes to the Condensed Interim Unconsolidated Financial Information

For the period ended September 30, 2015

	Pharmaceutical		Consumer		Investment Property		Total	
	Unaudited September 30, 2015	Audited June 30, 2015	Unaudited September 30, 2015	Audited June 30, 2015	Unaudited September 30, 2015	Audited June 30, 2015	Unaudited September 30, 2015	Audited June 30, 2015
	----- (Rupees in '000) -----							
Segment assets and liabilities								
Segment assets	140,660	169,185	23,658	25,280	2,487,761	2,491,318	2,652,079	2,685,783
Unallocated assets							5,119,396	5,292,855
Total assets							7,771,475	7,978,638
Segment liabilities	-	-	-	-	750,000	750,000	750,000	750,000
Unallocated liabilities	-	-	-	-	-	-	1,666,807	2,384,002
Total Liabilities							2,416,807	3,134,002
Additions in segment assets	7,524	51,031	1,248	15,243	-	723,388	8,772	789,662
Percentage for allocation	84.57%	87.14%	14.22%	12.81%	1.20%	0.05%	100.00%	100.00%

14.1 Geographical segments

	Unaudited September 30, 2015	Unaudited September 30, 2014
Note	(Rupees in '000)	
Net sales by region		
Pakistan	2,034,240	1,620,278
Asia	91,771	27,394
East Africa	9,690	1,402
South East Asia	46,214	16,112
Far Eastern countries	100,032	33,957
Middle East	2,229	13,619
14.1.1	2,284,176	1,712,762

The geographical segment has been categorized using United Nation's composition of macro geographical (continental) regions.

- 14.1.1 The Company has presented the net sales amounts for the current and comparative prior period.
- 14.2 The Company's revenue from one of the major customer represents approximately Rs. 1.8 billion (September 30, 2014: Rs. 1.4 billion) of the total revenues.

Selected Notes to the Condensed Interim Unconsolidated Financial Information

For the period ended September 30, 2015

	Unaudited September 30, 2015	Unaudited September 30, 2014
	(Rupees in '000)	
15 Transactions		
(i) IBL Operations (Private) Limited - associated company		
Sales	1,889,577	1,434,072
Sales returned	5,440	12,770
Expenses claimed by the associated company		
Carriage and duties	-	4,193
Staff salaries and benefits	-	105
Discounts	60,000	22,724
Warehouse rent	-	574
Professional services rendered	-	4,742
Corporate services charged	18,000	-
Sales promotion expenses	1,059	6,824
Expenses claimed by the Company		
Staff salaries and other expenses	13,579	-
Royalty and price difference claims	10,379	6,204
(ii) International Franchises (Private) Limited (IFL) - associated company		
Sales	-	148
Sales returned	-	19
Rent, utility and other income	2,754	699
Purchase of Promotional Items	41	28
(iii) United Distributors Pakistan Limited (UDPL) - associated company		
Expenses claimed by UDPL		
Warehouse rent & expenses	-	163
Sale of assets	-	2,010
(iv) HABITT - associate		
Sales	-	3,441
Sales returned	-	-
Rent income	13,715	-
Purchase of promotional Items from Habitt	43	-

Selected Notes to the Condensed Interim Unconsolidated Financial Information

For the period ended September 30, 2015

Unaudited Unaudited
September 30, September 30,
2015 2014
(Rupees in '000)

(v)	IBL HealthCare Limited - subsidiary company		
	Expenses claimed by IBL HealthCare Limited		
	Purchases of promotional items	-	22
	Vehicle Hiring	-	75
(vi)	The Citizens Foundation - associate		
	Donations	10,000	-
(vii)	Arshad Shahid Abdulla (Private) Limited - associated company		
	Architect fee	4,337	1,260
(viii)	Multinet Pakistan (Private) Limited - associated company		
	Internet services	749	-
(ix)	United Brands Limited - associated company		
	Sales	-	27,314
	Expenses claimed by United Brands Limited		
	Discounts	-	138
	Purchase of promotional items	-	529
(x)	Searle Pharmaceuticals (Private) Limited - subsidiary company		
	Purchases	510,739	229,154
	Dividend income	370,000	125,000
	Rent Income claimed by TSCL	-	1,500
(xi)	Searle Laboratories (Private) Limited - subsidiary company		
	Purchases	-	-

Selected Notes to the Condensed Interim Unconsolidated Financial Information

For the period ended September 30, 2015

	Unaudited September 30, 2015	Unaudited September 30, 2014
	(Rupees in '000)	
Balances		
(i) Loans and advances - key management personnel		
At beginning of the period/year	7,004	3,604
Given during the period/year	175	7,259
Repaid during the period/year	<u>(2,824)</u>	<u>(3,859)</u>
At the end of the period/year	<u>4,355</u>	<u>7,004</u>
(ii) Trade debts - associated company		
At beginning of the period/year	1,855,372	1,252,643
Addition during the period/year	1,907,370	6,666,488
Repaid during the period/year	<u>(2,275,946)</u>	<u>(6,063,759)</u>
At the end of the period/year	<u>1,486,796</u>	<u>1,855,372</u>
(iii) Other receivables - associates		
At beginning of the period/year	39,643	41,292
Addition during the period/year	23,958	19,387
Repaid during the period/year	<u>(10,379)</u>	<u>(21,036)</u>
At the end of the period/year	<u>53,222</u>	<u>39,643</u>
(v) Creditors - subsidiary company		
At beginning of the period/year	345,424	291,694
Addition during the period/year	510,739	972,836
Repaid during the period/year	<u>(117,522)</u>	<u>(919,106)</u>
At the end of the period/year	<u>738,641</u>	<u>345,424</u>

16 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim unconsolidated financial information was authorized for issue on October 16, 2015, by the Board of Directors of the Company.



Selected Notes to the Condensed Interim Unconsolidated Financial Information

For the period ended September 30, 2015

17 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim balance sheet comprise of balances as per the audited financial statements of the Company for the year ended June 30, 2015 and the corresponding figures in the condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows comprise of balances of comparable period as per the condensed interim financial information of the Company for the period ended September 30, 2014.

18 General

Figures have been rounded-off to nearest thousand rupee.



Rashid Abdulla
Chief Executive Officer



Syed Nadeem Ahmed
Managing Director