1. GENERAL

1.1 These un-audited accounts are being presented to shareholders as required under SECP Notification No. SRO 764/(1)2001 dated November 05, 2001 and are in accordance with requirements of International Accounting Standard - 34 "Interim Reporting".

1.2 The accounting policies adopted for the preparation of these interim financial statements are consistent except as stated in Note 1.3 below, with those applied in the preparation of the preceding annual published financial statements of the Company for the period ended June 30, 2007.

1.3 During the current year, Company reviewed the useful life of some of the operating assets and estimated that useful life of these assets is higher than existing. Accordingly depreciation rates of the following operating assets were reduced from 10% p.a to 5% pa:

   **Nature of operating assets**
   - Factory building
   - Plant and machinery
   - Electric fittings and installation
   - Sui gas installations
   - Tools, laboratory equipments and arms
   - Fire extinguishing equipment and weighing scales

   The above mentioned revision has been accounted for as change in accounting estimates in accordance with the requirements of IAS-8 “Accounting Policies, Changes in Accounting Estimates and Errors”. Accordingly the effect of change in accounting estimate has been recognized prospectively in the profit and loss account for the current quarter. Had there been no change in the accounting estimate, the profit before taxation for the quarter and written down value of these operating assets would have been decreased by Rs.55.857 million.

2. BASIC EARNINGS PER SHARE

<table>
<thead>
<tr>
<th></th>
<th>2007 Rupees</th>
<th>2006 Rupees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit after taxation attributable to ordinary shareholders</td>
<td>58,344,280</td>
<td>54,100,204</td>
</tr>
<tr>
<td>Number of Shares</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weighted average number of ordinary shares for the purpose of basic earnings per share</td>
<td>18,755,194</td>
<td>16,308,864</td>
</tr>
<tr>
<td>Effect of dilutive potential ordinary shares: Convertible preference shares</td>
<td>25,000,000</td>
<td>25,000,000</td>
</tr>
<tr>
<td>Weighted average number of ordinary shares for the purpose of diluted earnings per share</td>
<td>43,755,194</td>
<td>41,308,864</td>
</tr>
<tr>
<td>Basic earnings per share</td>
<td>3.11</td>
<td>3.32</td>
</tr>
<tr>
<td>Diluted earnings per share</td>
<td>1.33</td>
<td>1.31</td>
</tr>
</tbody>
</table>

Revised due to issue of bonus shares (2006)
Basic earnings per share | 2.88
Diluted earnings per share | 1.24

Sd/-
**CHIEF EXECUTIVE OFFICER**
Sd/-
**DIRECTOR**
Sd/-
**CHIEF FINANCIAL OFFICER**