

BERGER

Trusted Worldwide

Accounts for the Half Year
ended 31 December 2010



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COMPANY INFORMATION

BOARD OF DIRECTORS

Sikander Dada - Chairman
Dr. Mahmood Ahmad - Chief Executive
Hamid Masood Sohail
Maqbool H. H. Rahimtoola
C. H. Clover
Ilyas Sharif
Muhammad Naseem
Muhammad Saeed - Alternate to Ilyas Sharif

AUDIT COMMITTEE

Hamid Masood Sohail
Maqbool H. H. Rahimtoola
Muhammad Naseem

CFO & COMPANY SECRETARY

Abdul Wahid Qureshi

BANKERS

Habib Bank Limited
MCB Bank Limited
United Bank Limited
The Royal Bank of Scotland
JS Bank Limited
Habib Metropolitan Bank Limited
Citibank N. A.

AUDITORS

KPMG Taseer Hadi & Co.
Chartered Accountants

SOLICITORS

SurrIDGE & BeechENO

COMPANY REGISTRAR

Gangjees Registrar Services (Pvt.) Ltd.

DIRECTORS' REVIEW

The Directors of your company are submitting the financial statement of the company together with auditors' review report thereon for the half year ended December 31, 2010.

OPERATIONAL RESULTS

This Financial year started in the aftermath of the unprecedented floods which adversely affected sales in the first quarter of the year. Your Company, however managed to recover in a short period of time and have since shown improvements in each segment of business. Business environment remained under pressure due to continual power and gas load shedding and inflationary trend in all input costs which resulted in the erosion of margins. During the period under review Company achieved 10% growth in sales over the corresponding period last year. However by the Grace of Allah, Sales in the second quarter was 30% higher than the same quarter last year. There has been a reduction of 12% in selling and administrative costs and 21% reduction in the financial cost, through cost reduction measures.

We look forward to keeping up the momentum in the second half of the year. We thank our shareholders, valued customers, all employees of the Company for their continued support.

On behalf of the Board

Lahore
Dated: February 22, 2011

Dr. Mahmood Ahmad
Chief Executive



KPMG Taseer Hadi & Co.
Chartered Accountants
53 L Gulberg III
Lahore Pakistan

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Independent Auditors Report on Review of Condensed Interim Financial Information to the Members

Introduction

We have reviewed the accompanying condensed interim unconsolidated balance sheet of Berger Paints Pakistan Limited ("the Company") as at 31 December 2010, and the related condensed interim unconsolidated profit and loss account, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated cash flow statement, condensed interim unconsolidated statement of changes in equity and notes to the condensed interim unconsolidated financial information for the six-months period then ended (here-in-after referred as the "condensed interim unconsolidated financial information"). Management is responsible for the preparation and presentation of this condensed interim unconsolidated financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim unconsolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim unconsolidated financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

The figures for the quarter ended 31 December 2010 and 31 December 2009, in the condensed interim unconsolidated profit and loss account and condensed interim unconsolidated statement of comprehensive income have not been reviewed and we do not express a conclusion thereon.

The corresponding figures presented are based on financial statements of the Company for the half year ended 31 December 2009 and year ended 30 June 2010, which were reviewed / audited by another firm of auditors, whose reports dated 26 February 2010 and 28 September 2010, respectively, expressed an unqualified conclusion / opinion thereon.

Lahore

Date: February 22, 2011

KPMG Taseer Hadi & Co.
KPMG Taseer Hadi & Co.
Chartered Accountants
(Bilal Ali)

BERGER PAINTS PAKISTAN LIMITED
 CONDENSED INTERIM UNCONSOLIDATED BALANCE SHEET (UN-AUDITED)
 FOR THE PERIOD ENDED 31 DECEMBER 2010

	Notes	31 December 2010 (Rupees in thousand)	30 June 2010
Non current assets			
Property, plant and equipment	5	726,981	721,967
Goodwill		40,750	40,750
Long-term investments (subsidiaries and an associate)		6,962	6,962
Long-term loans		13,748	9,928
Long-term deposits		14,701	13,580
Deferred taxation		95,174	96,022
		898,316	889,209
Current assets			
Stores		6,354	8,375
Stock in trade	6	961,529	966,347
Trade debts		749,768	599,377
Loans and advances		32,246	47,633
Trade deposits and short term prepayments		25,393	19,638
Other receivables	7	39,471	65,928
Taxation-net		110,822	105,508
Cash and bank balances	8	163,853	282,170
		2,089,436	2,094,976
Total Assets		2,987,752	2,984,185
Equity and Liabilities			
Share Capital and Reserves			
Authorised share capital 25,000,000 ordinary shares of Rs. 10 each		250,000	250,000
18,186,409 (30 June 2010 : 18,186,409) ordinary shares of Rs. 10/- each		181,864	181,864
Reserves		341,819	341,819
Accumulated losses		(122,294)	(64,226)
		401,389	459,457
Surplus on revaluation of property, plant and equipment		207,921	210,343
Non-current liabilities			
Long term financing	9	160,000	-
Liability against assets subject to finance lease		5,626	4,023
		165,626	4,023
Current liabilities			
Trade and other payables		932,329	960,277
Current maturity of long term financing		56,667	50,000
Current maturity of liability against assets subject to finance lease		2,923	2,112
Accrued Markup		50,230	44,420
Short term borrowings		1,170,667	1,253,553
		2,212,816	2,310,362
Contingencies and Commitments	10		
Total Equity and liabilities		2,987,752	2,984,185

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

Chief Executive

Director

BERGER PAINTS PAKISTAN LIMITED
 CONDENSED INTERIM UNCONSOLIDATED PROFIT AND LOSS ACCOUNT (UN-AUDITED)
 FOR THE PERIOD ENDED 31 DECEMBER 2010

Note	For the half year ended		For the quarter ended	
	31 December 2010	31 December 2009	31 December 2010	31 December 2009
————— (Rupees in thousand) —————				
Sales - net	1,675,314	1,517,132	950,442	731,747
Cost of goods sold	(1,347,497)	(1,175,282)	(773,004)	(588,081)
Gross profit	327,817	341,850	177,438	143,666
Administration expenses	(70,009)	(69,415)	(32,029)	(32,730)
Distribution expenses	(245,937)	(290,789)	(142,408)	(153,986)
	(315,946)	(360,204)	(174,437)	(186,716)
Operating profit	11,871	(18,354)	3,001	(43,050)
Finance cost	(103,298)	(131,722)	(53,789)	(70,476)
Other operating expenses	(1,366)	(3,698)	1,738	6,235
	(104,664)	(135,420)	(52,051)	(64,241)
Other operating income	52,393	79,114	42,062	65,588
Loss before taxation	(40,400)	(74,660)	(6,988)	(41,703)
Taxation	(19,242)	26,038	(11,964)	14,503
Loss after taxation	(59,642)	(48,622)	(18,952)	(27,200)
Loss per share - basic and diluted - Rupees	(3.28)	(2.67)	(1.04)	(1.50)

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

Chief Executive

Director

BERGER PAINTS PAKISTAN LIMITED
 CONDENSED INTERIM UNCONSOLIDATED
 STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE PERIOD ENDED 31 DECEMBER 2010

	For the half year ended		For the quarter ended	
	31 December 2010	31 December 2009	31 December 2010	31 December 2009
	————— (Rupees in thousand) —————			
Loss after taxation	(59,642)	(48,622)	(18,952)	(27,200)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the period	(59,642)	(48,622)	(18,952)	(27,200)

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

Chief Executive

Director

BERGER PAINTS PAKISTAN LIMITED
 CONDENSED INTERIM UNCONSOLIDATED
 CASH FLOW STATEMENT (UN-AUDITED)
 FOR THE PERIOD ENDED 31 DECEMBER 2010

	31 December 2010	31 December 2009
	(Rupees in thousand)	
Note		
Cash flow from operating activities		
Cash (utilized) / generated from operations	(39,842)	68,450
Finance cost paid	(97,488)	(131,750)
Income tax paid	(24,556)	(21,427)
Long-term loans - net	(3,820)	1,166
Long-term deposits - net	(1,121)	(752)
Net cash outflow from operating activities	(166,827)	(84,313)
Cash flows from investing activities		
Capital expenditure incurred	(35,580)	(28,710)
Sale proceeds from sale of property, plant and equipment	2,177	-
Net cash outflow in investing activities	(33,403)	(28,710)
Cash flows from financing activities		
Short-term borrowings - net	(72,500)	25,000
Lease rentals paid	(1,868)	-
Long term financing - net	166,667	228,125
Net cash generated from financing activities	92,299	253,125
Net (decrease) / increase in cash and cash equivalents	(107,931)	140,102
Cash and cash equivalents at the beginning of the year	(641,383)	(908,388)
Cash and cash equivalents at the end of the period	(749,314)	(768,286)
	11	

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

Chief Executive

Director

BERGER PAINTS PAKISTAN LIMITED
 CONDENSED INTERIM UNCONSOLIDATED
 STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
 FOR THE PERIOD ENDED 31 DECEMBER 2010

	Share capital	Capital Reserves	Revenue Reserves		Total
		Share premium	General reserve	Accumulated losses	
(Rupees in thousand)					
Balance as at July 1, 2009	81,864	56,819	285,000	(227,032)	196,651
Changes in equity for 2009					
Total comprehensive loss for the six months ended 31 December 2009	-	-	-	(48,622)	(48,622)
Surplus on revaluation of property plant and equipment realized through incremental depreciation charged on related assets during the year- net of tax.	-	-	-	2,539	2,539
Balance as at 31 December 2009	81,864	56,819	285,000	(273,115)	150,568
Total comprehensive loss for the six months period ended 30 June 2010	-	-	-	(67,599)	(67,599)
Ordinary Shares of Rs. 10 each issued as right shares	100,000	-	-	-	100,000
Surplus on revaluation of property plant and equipment realized through disposal of lease hold land.	-	-	-	267,051	267,051
Surplus on revaluation of property plant and equipment realized through incremental depreciation charged on related assets during the year- net of tax.	-	-	-	9,437	9,437
Balance as at 30 June 2010	181,864	56,819	285,000	(64,226)	459,457
Changes in equity for 2010					
Total comprehensive loss for the six months ended 31 December 2010	-	-	-	(59,642)	(59,642)
Surplus on revaluation of property plant and equipment realized through incremental depreciation charged on related assets during the year- net of tax.	-	-	-	1,574	1,574
Balance as at 31 December 2010	181,864	56,819	285,000	(122,294)	401,389

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

Chief Executive

Director

BERGER PAINTS PAKISTAN LIMITED

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)

FOR THE PERIOD ENDED 31 DECEMBER 2010

1. STATUS AND NATURE OF BUSINESS

Berger Paint Pakistan Limited ('the Company') was incorporated in Pakistan on 25 March 1950 as a private limited company under the Companies Act, 1913 and was subsequently converted into a public limited company. The Company is listed on the Karachi and Islamabad stock exchanges. The Company is engaged in the manufacturing of paints, varnishes and other related items. Slotrapid Limited, based in British Virgin Island is the holding Company.

The registered office of the Company is situated at D-31, South Avenue, S.I.T.E., Karachi.

2. BASIS OF PREPARATION

The condensed interim unconsolidated financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. The disclosures in the condensed interim financial information do not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements for the year ended 30 June 2010.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of this condensed interim unconsolidated financial information are the same as those applied in the preparation of the financial statements for the preceding year ended 30 June 2010.

4. ESTIMATES

The preparation of the condensed interim unconsolidated financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing the condensed interim unconsolidated financial information, the significant judgments made by the management in applying accounting policies, key estimates and uncertainty includes:

- Residual value and useful life estimation of fixed assets
- Taxation
- Retirements and other benefits
- Provisions and Contingencies
- Trade debts

5. PROPERTY, PLANT AND EQUIPMENT

	Notes	31 December 2010 (Rupees in thousand)	30 June 2010
Operating fixed assets	5.1	705,750	715,499
Asset subject to finance lease	5.2	9,218	6,468
Capital work-in-progress		12,013	-
		726,981	721,967

		31 December 2010	30 June 2010
	Notes	(Rupees in thousand)	
5.1 Owned			
Opening net book value		715,499	1,052,460
Additions during the period	5.3	23,566	56,836
Net book value of assets disposed off		(639)	(296,596)
Depreciation charge for the period		(32,676)	(62,262)
Deficit on revaluation - net		-	(34,939)
		<hr/> 705,750 <hr/>	<hr/> 715,499 <hr/>
5.2 Leased			
Opening net book value		6,468	-
Additions during the period	5.4	4,282	7,517
Net book value of assets disposed off - motor vehicles		(420)	-
Depreciation charge for the period		(1,112)	(1,049)
		<hr/> 9,218 <hr/>	<hr/> 6,468 <hr/>
5.3 Additions during the period/ year - owned			
- Buildings on free hold		7,141	18,599
- Plant and machinery		7,611	22,582
- Laboratory equipment		37	1,518
- Electric fittings		3,584	4,607
- Computer & related accessories		819	2,354
- Office machines		16	-
- Furniture and fixture		1,090	2,947
- Motor vehicles		3,268	4,229
		<hr/> 23,566 <hr/>	<hr/> 56,836 <hr/>
5.4 Additions during the period/ year - leased			
- Motor vehicles		4,282	7,517
		<hr/> 4,282 <hr/>	<hr/> 7,517 <hr/>
6. STOCK IN TRADE			
Raw and packing material			
- In hand		441,451	422,380
- In transit		117,230	136,084
Semi processed goods		126,814	121,972
Finished goods		272,219	282,096
Ink bank machines		15,129	15,129
		<hr/> 972,843 <hr/>	<hr/> 977,661 <hr/>
Less: Provision against slow moving stock		(11,314)	(11,314)
		<hr/> 961,529 <hr/>	<hr/> 966,347 <hr/>

	Notes	31 December 2010 (Rupees in thousand)	30 June 2010
7. OTHER RECEIVABLES			
Insurance claims receivable		8,779	12,608
Current account with related parties		5,587	-
Receivable against sale of lease hold land		-	27,650
Receivable against color bank machines		10,086	7,994
Margin against letter of guarantee		3,200	8,395
Accrued income		6,750	3,896
Others		5,069	5,385
		39,471	65,928

8. CASH AND BANK BALANCES

With banks:

In current accounts			
Local currency		109,875	236,570
Foreign currency		105	105
		109,980	236,675
In deposit accounts			
Local currency		52,171	43,976
Cash in hand		1,702	1,519
		163,853	282,170

9. LONG TERM FINANCING

Secured loans from a commercial bank	9.1	216,667	50,000
Less: Current maturity		(56,667)	(50,000)
		160,000	-

9.1 The movement of long term financing during the six months ended 31 December 2010 is as follows:

Opening balance		50,000	100,000
Loan obtained during the period	9.2	200,000	-
		250,000	100,000
Loan repaid during the period		(33,333)	(50,000)
Closing balance		216,667	50,000

9.2 This represents loan obtained from a commercial bank of Rs. 200 million on 25 November 2010. The facility is secured against an equitable mortgage of Rs. 267 million on land and building of the Company. Markup is payable quarterly and charged at the rate of three month KIBOR plus 250 bps per annum. The balance is repayable in 10 equal quarterly installments of Rs. 20 million each, commencing on 25 September 2011. The effective rate of markup is 15.54%.

10. CONTINGENCIES AND COMMITMENTS

- a) There is no material change in contingencies since the last audited published financial statements.
- b) Outstanding letters of credit as at 31 December 2010 amounted to Rs 238.72 million (2010: Rs 378.268 million).
- c) Outstanding letters of guarantee as at 31 December 2010 amounted to Rs 51.783 million (2010: Rs 43.265 million).

31 December 2010 31 December 2009
(Rupees in thousand)

11. CASH AND CASH EQUIVALENTS

Cash and bank balances	163,853	223,844
Short term running finance	(913,167)	(992,130)
	(749,314)	(768,286)

31 December 2010 30 June 2010
(Rupees in thousand)

12. FINANCE COST

Mark-up on:		
- Secured long term loans	4,554	19,461
- Secured short term loans	27,236	29,743
- Secured short term running finance	67,766	74,585
- Bank and other charges	3,742	7,933
	103,298	131,722

13. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise subsidiaries, associated undertakings, employees' gratuity fund, employees' pension fund, directors and key management personnel. The Company in the normal course of business carries out transactions with various related parties. There have been no guarantees provided or received for any related party receivable or payable.

Name of parties	Nature of relationship	Nature and description of related party transactions	As at		For the six months ended	
			31 Dec 2010	30 Jun 2010	31 Dec 2010	31 Dec 2009
..... Rupees in thousands						
Buxly Paints Limited	Associate	Sales	-	-	33,859	25,084
Dadex Eternit Limited	Associate	Sales	-	-	145	1,451
Berger DPI (Private) Limited	Subsidiary	Sales	-	-	4,917	14,571
Berger Road Safety (Private) Limited	Associate	Sales	-	-	20,634	3,958
Berdex Construction Chemicals (Private) Limited	Subsidiary	Sales	-	-	6,864	9,596
Buxly Paints Limited	Associate	Toll Manufacturing	-	-	1,575	920
Berdex Construction Chemicals (Private) Limited	Subsidiary	Rental Income and other service charges	-	-	3,027	3,027
Berger DPI (Private) Limited	Subsidiary	Rental Income and other service charges	-	-	2,214	2,214
Buxly Paints Limited	Associate	Rental Income and other service charges	-	-	480	480
Buxly Paints Limited	Associate	Royalty expense	-	-	418	519
Slotrapid Limited B.V.I.	Holding company	Royalty expense	-	-	10,139	8,821
Receivable from related parties			98,640	53,865		
Payable to related parties			415	-		
Remuneration of key management personnel			-	-	31,412	32,445
Contribution to employees pension fund			-	-	268	254

The transactions were carried out at an arm's length basis, in accordance with the Company's accounting policy.

No buying and selling commission has been paid to any associated undertaking.

14. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the financial statements as at and for the year 31 December 2010.

15. AUTHORIZATION

This un-audited condensed interim financial information was authorized for issue by the Board of Directors on 22 February 2011.

16. GENERAL

Figures have been rounded off to the nearest thousand of rupees.

Chief Executive

Director

**BERGER PAINTS PAKISTAN LIMITED
CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 DECEMBER 2010**

BERGER PAINTS PAKISTAN LIMITED
CONDENSED INTERIM CONSOLIDATED BALANCE SHEET (UN-AUDITED)
FOR THE PERIOD ENDED 31 DECEMBER 2010 (UN-AUDITED)

	31 December 2010	30 June 2010
	(Rupees in thousand)	
Non current assets		
Property, plant and equipment	728,911	724,211
Goodwill	40,750	40,750
Long-term investments (subsidiaries and an associate)	2,495	3,510
Long-term loans	14,323	10,570
Long-term deposits	15,966	14,845
Deferred taxation	95,174	96,022
	897,619	889,908
Current assets		
Stores	6,354	8,375
Stock in trade	961,529	966,347
Trade debts	765,105	620,935
Loans and advances	33,477	48,892
Trade deposits and short-term prepayments	25,768	20,013
Other receivables	40,471	69,426
Taxation - net	115,499	109,945
Cash and bank balances	168,334	289,245
	2,116,537	2,133,178
Total Assets	3,014,156	3,023,086
Equity and Liabilities		
Share Capital and Reserves		
Authorized share capital 25,000,000 ordinary shares of Rs.10 each	250,000	250,000
18,186,409 (30 June 2010 : 18,186,409) ordinary shares of Rs. 10/- each	181,864	181,864
Reserves	341,819	341,819
Accumulated loss	(114,905)	(51,648)
	408,778	472,035
Minority Interest	11,445	15,419
Advance against issue of share capital	41	41
Surplus on revaluation of property, plant & equipment	207,921	210,343
Non-current liabilities		
Long term financing	160,000	-
Liability against assets subject to finance lease	5,626	4,023
	165,626	4,023
Current liabilities		
Trade and other payables	939,171	971,140
Current maturity of long-term financing	56,667	50,000
Current maturity of liability against assets subject to finance lease	2,923	2,112
Accrued mark-up	50,230	44,420
Short-term borrowings	1,171,354	1,253,553
	2,220,345	2,321,225
Total Equity and Liabilities	3,014,156	3,023,086

Chief Executive

Director

BERGER PAINTS PAKISTAN LIMITED
 CONDENSED INTERIM CONSOLIDATED PROFIT AND
 LOSS ACCOUNT (UN-AUDITED)
 FOR THE PERIOD ENDED 31 DECEMBER 2010

	For the half year ended		For the quarter ended	
	31 December 2010	31 December 2009	31 December 2010	31 December 2009
	————— (Rupees in thousand) —————			
Sales - net	1,677,129	1,538,165	950,540	747,414
Cost of sales	(1,349,673)	(1,179,434)	(774,681)	(591,433)
Gross profit	327,456	358,731	175,859	155,981
Distribution expenses	(250,020)	(293,079)	(145,051)	(155,218)
Administration expenses	(70,851)	(73,953)	(32,512)	(37,365)
	(320,871)	(367,032)	(177,563)	(192,583)
Operating profit/ (loss)	6,585	(8,301)	(1,704)	(36,602)
Finance costs	(103,308)	(131,747)	(53,792)	(70,479)
Other operating expenses	(1,366)	(3,698)	1,738	6,235
	(104,674)	(135,445)	(52,054)	(64,244)
Other operating income	49,686	73,861	40,725	62,955
	(48,403)	(69,885)	(13,033)	(37,891)
(Loss)/ profit from associate	(1,015)	1,292	(708)	1,292
Loss before taxation	(49,418)	(68,593)	(13,741)	(36,599)
Taxation	(19,387)	22,693	(12,109)	11,795
Loss after taxation	(68,805)	(45,900)	(25,851)	(24,804)
Minority interest	3,974	(702)	3,045	(537)
Net (loss) for the period attributable to the holding company	(64,831)	(46,602)	(22,806)	(25,341)
Earnings per share - basic and diluted (Rupees)	(Rs.3.56)	(Rs.2.56)	(Rs.1.25)	(Rs.1.39)

Chief Executive

Director

BERGER PAINTS PAKISTAN LIMITED
 CONDENSED INTERIM CONSOLIDATED STATEMENT OF
 COMPREHENSIVE INCOME (UN-AUDITED)
 FOR THE PERIOD ENDED 31 DECEMBER 2010

	For the half year ended		For the quarter ended	
	31 December 2010	31 December 2009	31 December 2010	31 December 2009
	————— (Rupees in thousand) —————			
Loss after taxation	(68,805)	(45,900)	(25,851)	(24,804)
Minority interest	3,974	(702)	3,045	(537)
Total comprehensive loss for the period	(64,831)	(46,602)	(22,806)	(25,341)

Chief Executive

Director

BERGER PAINTS PAKISTAN LIMITED
 CONDENSED INTERIM CONSOLIDATED CASH FLOW
 STATEMENT (UN-AUDITED)
 FOR THE PERIOD ENDED 31 DECEMBER 2010

31 December 2010 31 December 2009
 (Rupees in thousand)

Cash flow from operating activities

Cash (utilized) / generated in operations
 Finance costs paid
 Income tax paid
 Long-term loans - net
 Long-term deposits - net

(42,796)	65,433
(97,498)	(131,775)
(24,940)	(24,115)
(3,754)	1,091
(1,121)	(602)

Net cash outflow from operating activities

(170,109) (89,968)

Cash flows from investing activities

Capital expenditure
 Sales proceeds from disposal of fixed assets

(35,580)	(29,290)
2,177	-

Net cash outflow in investing activities

(33,403) (29,290)

Cash flows from financing activities

Short-term borrowings - net
 Lease rentals paid
 Long term financing - net

(72,500)	25,000
(1,868)	-
166,667	228,125

Net cash inflow from financing activities

92,299 253,125

Net decrease in cash and cash equivalents

(111,213) 133,867

Cash and cash equivalents at the beginning of the year

(634,308) (905,966)

Cash and cash equivalents at the end of the period

(745,521) (772,099)

Chief Executive

Director

BERGER PAINTS PAKISTAN LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED 31 DECEMBER 2010

	Capital Reserves		Revenue Reserves		Total Share Capital and Reserves	Non-controlling interest	Total Equity
	Share capital	Share premium	General reserve	Accumulated losses			
	(Rupees in thousand)						
Balance as at July 1, 2009 - restated	81,864	56,819	285,000	(219,352)	204,331	16,719	221,050
Surplus on revaluation of property plant and equipment realized through incremental depreciation charged on related assets during the year- net of tax.	-	-	-	2,539	2,539	-	2,539
Total comprehensive loss for the six months ended December 31, 2009	-	-	-	(46,602)	(46,602)	702	(45,900)
Balance as at December 31, 2009 - restated	81,864	56,819	285,000	(263,415)	160,268	17,421	177,689
Ordinary shares of Rs 10 each issued as right shares during the year ended June 30, 2010	100,000	-	-	-	100,000	-	100,000
Surplus on revaluation of property, plant and equipment realised through disposal of leasehold land	-	-	-	267,051	267,051	-	267,051
Surplus on revaluation of property plant and equipment realized through incremental depreciation charged on related assets during the year- net of tax.	-	-	-	9,437	9,437	-	9,437
Total comprehensive loss for the period ended June 30, 2010 - restated	-	-	-	(64,721)	(64,721)	(2,002)	(66,723)
Balance as at June 30, 2010 - restated	181,864	56,819	285,000	(51,648)	472,035	15,419	487,454
Surplus on revaluation of property plant and equipment realized through incremental depreciation charged on related assets during the year- net of tax.	-	-	-	1,574	1,574	-	1,574
Total comprehensive loss for the six months ended December 31, 2010	-	-	-	(64,831)	(64,831)	(3,974)	(68,805)
Balance as at December 31, 2010	181,864	56,819	285,000	(114,905)	408,778	11,445	420,223

Chief Executive

Director

BERGER

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