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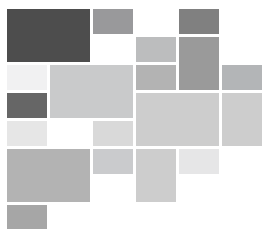
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Company Information

Board of Directors

Mr. Maqbool H. H. Rahimtoola - Chairman
Dr. Mahmood Ahmad - Chief Executive
Mr. Hamid Masood Sohail
Mr. Muhammad Naseem
Mr. Ilyas Sharif
Mr. Shahzad M. Husain
Mr. Zafar A. Osmani

Bankers

Habib Bank Limited
MCB Bank Limited
United Bank Limited
JS Bank Limited
Habib Metropolitan Bank Limited
Faysal Bank Limited
Citibank N. A.
Bank Al-Habib Limited

Audit Committee

Mr. Hamid Masood Sohail - Chairman
Mr. Maqbool H. H. Rahimtoola
Mr. Muhammad Naseem

CFO & Company Secretary

Mr. Abdul Wahid Qureshi

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Solicitors

Surr ridge & Beecheno

Company Registrar

Gangjees Registrar Services Private Ltd.

Registered Office

D-31, South Avenue, S.I.T.E, Karachi.

Directors' Review

The Directors of your company are submitting the un-audited financial statements of the company for the quarter ended 30 September 2011.

Operational Results

This year was started with worsening economic conditions resulting in poor law & order situation, persistent energy shortages, renewed increase in inflation, together with the impact of floods has arrested the recovery process.

Despite of all these conditions your company has achieved sales of Rs.983 million during the Quarter ended 30 September 2011 as compared to Rs. 724 million for the same period last year, which shows 36% growth over the corresponding period. However, we have managed to maintain selling and administrative costs through cost reduction measures.

Rupee devaluation and rapid increase in raw material prices coupled with the energy crises, is affecting all Industry margins.

Future Outlook

We look forward a healthy sales trend and expect socio political stability in the country. However rapidly escalating costs of input and highly competitive trends is making the business environment very challenging. However, Company is focused on maintaining margins.

ON BEHALF OF THE BOARD

Dr. Mahmood Ahmad
Chief Executive

Karachi
Dated: 25 October 2011

Condensed Interim Balance Sheet (Un-audited)

for the period ended 30 September 2011

(Rupees in '000)	Notes	30 Sep 2011	30 June 2011
Assets			
Non-current assets			
Property, plant and equipment		688,628	703,653
Intangible asset-in progress		13,513	13,513
Goodwill		40,750	40,750
Long-term investments (subsidiaries and an associate)		5,567	5,567
Long-term loans		14,303	14,742
Long-term deposits		16,192	17,119
Deferred taxation		138,783	131,685
		917,736	927,029
Current assets			
Stores		7,968	8,574
Stock in trade		1,080,819	1,099,616
Trade debts		755,833	655,993
Loans and advances		37,195	26,920
Trade deposits and short-term prepayments		4,744	12,127
Other receivables		43,826	37,487
Taxation - net		130,989	130,503
Cash and bank balances		174,065	257,449
		2,235,439	2,228,669
Total Assets		3,153,175	3,155,698
Equity and liabilities			
Share Capital and Reserves			
Authorised share capital			
25,000,000 ordinary shares of Rs.10 each		250,000	250,000
Issued, Subscribed and paid-up capital		181,864	181,864
Reserves		225,966	220,726
		407,830	402,590
Surplus on revaluation of property, plant & equipment		195,072	197,997
Non-current liabilities			
Long term financing		193,750	220,000
Liability under finance lease		14,019	13,732
Current liabilities			
Trade and other payables		1,188,084	1,188,083
Current maturity of long-term financing		105,000	105,000
Current maturity of liability under finance lease		5,530	4,857
Accrued mark-up		46,217	48,460
Short-term borrowings		997,673	974,979
		2,342,504	2,321,379
Contingencies and commitments	5		
Total Equity and Liabilities		3,153,175	3,155,698

The annexed notes form an integral part of these condensed interim financial statements.

Chief Executive

Director

Condensed Interim Profit and Loss Account (Un-audited)

for the period ended 30 September 2011

(Rupees in '000)	30 Sep 2011	30 Sep 2010
Sales - net	983,506	724,872
Cost of sales	(788,775)	(574,493)
Gross profit	194,731	150,379
Administrative expenses	(35,359)	(37,980)
Distribution cost	(105,639)	(103,529)
	(140,998)	(141,509)
Operating Profit	53,733	8,870
Other operating income	8,020	10,331
	61,753	19,201
Finance cost	(53,095)	(49,509)
Other charges	(3,606)	(3,104)
	(56,701)	(52,613)
Profit/ (Loss) before taxation	5,052	(33,412)
Taxation	(2,737)	11,694
Profit/(Loss) after taxation	2,315	(21,718)
Earnings / (loss) per share - basic and diluted	Rs.0.13	(Rs.1.19)

The annexed notes form an integral part of these condensed interim financial statements.

Condensed Interim Statement of Comprehensive Income (Un-audited)
for the period ended 30 September 2011

(Rupees in '000)	30 Sep 2011	30 Sep 2010
Profit/ (Loss) after taxation	2,315	(21,718)
Total comprehensive Profit/ (Loss) for the quarter	2,315	(21,718)

The annexed notes form an integral part of these condensed interim financial statements.

Condensed Interim Cash Flow Statement (Un-audited)

for the period ended 30 September 2011

(Rupees in '000)	30 Sep 2011	30 Sep 2010
Cash flows from operating activities		
Cash utilised in operations	(13,787)	(106,733)
Finance costs paid	(55,338)	(45,782)
Income tax paid	(10,321)	(11,362)
Long-term loans - net	439	(646)
Long-term deposits - net	927	(377)
Net cash outflow from operating activities	(78,080)	(164,900)
Cash flows from investing activities		
Capital expenditure	(3,626)	(15,688)
Sales proceeds from disposal of fixed assets	918	500
Net cash outflow from investing activities	(2,708)	(15,188)
Cash flows from financing activities		
Short-term borrowings - net	-	57,500
Lease liability - net	960	2,269
Long term financing - net	(26,250)	(16,667)
Net cash (outflow)/ inflow from financing activities	(25,290)	43,102
Net decrease in cash and cash equivalents	(106,078)	(136,986)
Cash and cash equivalents at 1 July	(640,030)	(641,383)
Cash and cash equivalents at 30 September	(746,108)	(778,369)

The annexed notes form an integral part of these condensed interim financial statements.

Condensed Interim Statement of Changes in Equity (Un-audited) for the period ended 30 September 2011

	Capital Reserves		Revenue Reserves		Total Share Capital & Reserves
	Share Capital	Share Premium	General reserves	Accumulated profit / (loss)	
(Rupees in '000)					
Balance as at 1 July 2010	181,864	56,819	285,000	(64,226)	459,457
Total comprehensive loss for the period ended 30 September 2010	-	-	-	(21,718)	(21,718)
Surplus on revaluation of property plant and equipment realized through incremental depreciation charged on related assets during the period - net of tax	-	-	-	1,212	1,212
Balance as at 30 September 2010	181,864	56,819	285,000	(84,732)	438,951
Total comprehensive loss for the period ended 30 June 2011	-	-	-	(47,495)	(47,495)
Surplus on revaluation of property plant and equipment realized through incremental depreciation charged on related assets during the period - net of tax	-	-	-	11,134	11,134
Balance as at 30 June 2011	181,864	56,819	285,000	(121,093)	402,590
Total comprehensive profit for the period ended 30 September 2011	-	-	-	2,315	2,315
Surplus on revaluation of property plant and equipment realized through incremental depreciation charged on related assets during the period - net of tax	-	-	-	2,925	2,925
Balance as at 30 September 2011	181,864	56,819	285,000	(115,853)	407,830

The annexed notes form an integral part of these condensed interim financial statements.

Notes to the Condensed Interim Financial Statements

for the period ended 30 September 2011

1. The company and its operations

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's shares are quoted 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 of Berger Paints Pakistan Limited.

The registered office of the Company is situated at D-31, South Avenue, S.I.T.E Karachi and the production facility of the Company are located at Karachi and Lahore.

2. Basis of preparation

These interim condensed financial statements are unaudited and are being submitted to the shareholders in accordance with section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of International Accounting Standard (IAS) - 34 "Interim Financial Reporting", as applicable in Pakistan.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at 30 June 2011.

3. Significant accounting policies

The accounting policies and methods of computation followed in the preparation of interim condensed financial statements are same as those published in the annual financial statements for the year ended 30 June 2011.

(Rupees in '000)	30 Sep 2011	30 Sep 2010
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4. Property, plant and equipment

Additions	3,626	15,688
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5. Contingencies and commitments

5.1 Contingencies

There is no change in the status of contingency, set out in note 27 to the annual financial statements of the company for the year ended 30 June 2011.

5.2 Commitments

5.2.1 Outstanding letter of credit as at 30 September 2011 amounted to Rs.400.225 million (30 June 2011: Rs 378.268 million).

5.2.2 Outstanding letter of guarantees as at 30 September 2011 amounted to Rs 22.032 million (30 June 2011: Rs 58.193 million).

Notes to the Condensed Interim Financial Statements

for the period ended 30 September 2011

6. TRANSACTION WITH RELATED PARTIES

The following table provides details in respect of transactions entered into with related parties during the Quarter ended 30 September 2011 and 30 September 2010.

(Rupees in '000)	30 Sep 2011	30 Sep 2010
Sales		
Berger DPI (Private) Limited - a subsidiary	-	557
Berger Road Safety (Private) Limited - a subsidiary	7,510	5,538
Buxly Paints Limited - an associated	17,435	21,262
Dadex Eternit Limited - an associated	27	145
Berdex Construction Chemicals Private Limited - a subsidiary	979	3,238
Toll manufacturing Income		
Buxly Paints Limited - an associated	989	1,046
Commission Expense		
Berdex Construction Chemicals Private Limited - a subsidiary	336	-
Rental income and other services charged		
Berdex Construction Chemicals Private Limited - a subsidiary	-	1,513
Berger DPI (Private) Limited - a subsidiary	125	1,107
Buxly Paints Limited - an associated	1,065	240
Berger Road Safety (Private) Limited - a subsidiary	625	-
Royalty Expense		
Buxly Paints Limited - an associated	290	122
Slotrapid Limited B.V.I - holding company	6,124	5,100

7. DATE OF AUTHORISATION FOR ISSUE

These interim condensed financial statements were authorized for issue on 25 October 2011 by the Board of Directors of the Company.

8. GENERAL

Figures presented in these interim condensed financial statements have been rounded off to the nearest thousand rupees.



**Consolidated
Financial Statements
Berger Paints Pakistan Limited**
for the period ended 30 September 2011

Condensed Interim Consolidated Balance Sheet (Un-audited)

for the period ended 30 September 2011

(Rupees in '000)	30 Sep 2011	30 June 2011
Assets		
Non-current assets		
Property, plant and equipment	690,769	705,825
Intangible asset-in progress	13,513	13,513
Goodwill	40,750	40,750
Long-term investments (subsidiaries and an associate)	1,516	1,516
Long-term loans	14,600	15,051
Long-term deposits	17,507	18,884
Deferred taxation	138,783	131,571
	917,438	927,109
Current assets		
Stores	7,968	8,574
Stock in trade	1,085,697	1,104,021
Trade debts	765,970	668,489
Loans and advances	41,206	28,093
Trade deposits and short-term prepayments	4,744	12,943
Other receivables	38,690	35,134
Taxation - net	141,973	141,875
Cash and bank balances	181,361	265,672
	2,267,609	2,264,801
Total Assets	3,185,047	3,191,910
Equity and liabilities		
Share Capital and Reserves		
Authorized share capital		
25,000,000 ordinary shares of Rs.10 each	250,000	250,000
Issued, Subscribed and paid-up capital	181,864	181,864
Reserves	234,216	231,692
	416,080	413,556
Minority Interest	12,759	14,868
Advance against issue of share capital	41	41
Surplus on revaluation of property, plant & equipment	195,072	197,997
Non-current liabilities		
Long term financing	193,750	220,000
Liability against assets subject to finance lease	14,019	13,732
	207,769	233,732
Current liabilities		
Trade and other payables	1,198,906	1,198,420
Current maturity of long-term financing	105,000	105,000
Current maturity of liability against assets subject to finance lease	5,530	4,857
Accrued mark-up	46,217	48,460
Short-term borrowings	997,673	974,979
	2,353,326	2,331,716
Total Equity and Liabilities	3,185,047	3,191,910

Condensed Interim Consolidated Profit and Loss Account (Un-audited)
 for the period ended 30 September 2011

(Rupees in '000)	30 Sep 2011	30 Sep 2010
Sales - net	987,102	726,589
Cost of sales	(791,020)	(574,992)
Gross profit	196,082	151,597
Distribution cost	(108,815)	(104,969)
Administrative expenses	(36,251)	(38,339)
	(145,066)	(143,308)
Operating profit	51,016	8,289
Finance costs	(53,097)	(49,516)
Other charges	(3,609)	(3,104)
	(56,706)	(52,620)
Other operating income	7,294	8,961
	1,604	(35,370)
Loss from associate	-	(307)
Profit/ (Loss) before taxation	1,604	(35,677)
Taxation	(4,114)	11,694
Loss after taxation	(2,510)	(23,983)
Minority interest	2,109	929
Net loss for the period attributable to the holding company	(401)	(23,054)
Loss per share - basic and diluted	(Rs.0.02)	(Rs.1.27)

Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited)
for the period ended 30 September 2011

(Rupees in '000)	30 Sep 2011	30 Sep 2010
Loss after taxation	(2,510)	(23,983)
Minority interest	2,109	929
Total comprehensive loss for the quarter	(401)	(23,054)

Condensed Interim Consolidated Cash Flow Statement (Un-audited)

for the period ended 30 September 2011

(Rupees in '000)	30 Sep 2011	30 Sep 2010
Cash flows from operating activities		
Cash utilized in operations	(14,071)	(108,037)
Finance cost paid	(55,340)	(45,788)
Income tax paid	(11,424)	(12,268)
Long-term loans - net	451	(763)
Long-term deposits - net	1,377	(377)
Net cash outflow from operating activities	(79,007)	(167,233)
Cash flows from investing activities		
Capital expenditure	(3,626)	(15,688)
Sales proceeds from disposal of fixed assets	918	500
Net cash outflow from investing activities	(2,708)	(15,188)
Cash flows from financing activities		
Short-term borrowings - net	-	57,500
Lease liability - net	960	2,269
Long term financing - net	(26,250)	(16,667)
Net cash (outflow)/ inflow from financing activities	(25,290)	43,102
Net decrease in cash and cash equivalents	(107,005)	(139,319)
Cash and cash equivalents at 1 July	(631,807)	(634,308)
Cash and cash equivalents at 30 September	(738,812)	(773,627)

Condensed Interim Consolidated Statement of Changes in Equity (Un-audited) for the period ended 30 September 2011

	Share capital	Capital Reserves		Revenue Reserves		Total Share Capital and Reserves	Non-controlling interest	Total Equity
		Share premium	General reserve	Accumulated profit/ (loss)				
(Rupees in '000)								
Balance as at 1 July 2010								
- restated	181,864	56,819	285,000	(51,648)	472,035	15,418	487,453	
Total comprehensive loss for the period ended 30 September 2010	-	-	-	(23,054)	(23,054)	(929)	(23,983)	
Surplus on revaluation of property plant and equipment realized through incremental depreciation charged on related assets during the period - net of tax	-	-	-	1,212	1,212	-	1,212	
Balance as at 30 September 2010								
- restated	181,864	56,819	285,000	(73,490)	450,193	14,489	464,682	
Total comprehensive loss for the period ended 30 June 2011	-	-	-	(47,771)	(47,771)	379	(47,392)	
Surplus on revaluation of property plant and equipment realized through incremental depreciation charged on related assets during the period - net of tax	-	-	-	11,134	11,134	-	11,134	
Balance as at 30 June 2011								
- restated	181,864	56,819	285,000	(110,127)	413,556	14,868	428,424	
Total comprehensive loss for the period ended 30 September 2011	-	-	-	(401)	(401)	(2,109)	(2,510)	
Surplus on revaluation of property plant and equipment realized through incremental depreciation charged on related assets during the period - net of tax	-	-	-	2,925	2,925	-	2,925	
Balance as at 30 September 2011								
	181,864	56,819	285,000	(107,603)	416,080	12,759	428,839	

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