

**OTSUKA PAKISTAN LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2010**

	<b>Half year ended, December 31,</b>	
	<b>2010</b>	<b>2009</b>
	<b>------(Rupees in '000)-----</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	31,962	54,050
<b>Adjustment for non-cash and other items</b>		
Depreciation	29,732	28,729
Profit on disposal of property, plant and equipment	(148)	(426)
Provision for slow moving and obsolete stock-in-trade	1,449	(28)
Provision for impairment of trade debt	578	3,156
Markup expense on short-term borrowing	11,141	8,493
	<u>42,752</u>	<u>39,924</u>
<b>Operating surplus before working capital changes</b>	<b>74,714</b>	<b>93,974</b>
<b>Movement in working capital</b>		
<b>(Increase) / decrease in current assets</b>		
Stores and spares	(6,344)	21
Stock-in-trade	(8,205)	(38,543)
Trade debts	18,734	(300)
Loans and advances	(8,972)	(19,480)
Trade deposits, short-term prepayments and other receivable	(8,866)	(1,433)
	<u>(13,653)</u>	<u>(59,735)</u>
<b>(Decrease) / Increase in current liabilities</b>		
Trade and other payable	(38,960)	26,055
	<u>(38,960)</u>	<u>26,055</u>
<b>Cash generated from operations</b>	<b>22,101</b>	<b>60,294</b>
<b>Taxes paid</b>		
Taxes paid	(20,311)	(20,162)
Decrease / (increase) in long-term loan	533	(803)
Decrease in long-term deposit	-	121
	<u>(19,778)</u>	<u>(20,844)</u>
<b>Net cash generated from operating activities</b>	<b>2,323</b>	<b>39,450</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure incurred	(13,054)	(21,085)
Proceeds from disposal of property, plant and equipment	472	843
<b>Net cash used in investing activities</b>	<b>(12,582)</b>	<b>(20,242)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Finance cost paid	(11,463)	(11,388)
Repayment of long-term finance	-	(8,333)
Dividends paid	(14,932)	(14,729)
<b>Net cash used in financing activities</b>	<b>(26,395)</b>	<b>(34,450)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(36,654)</b>	<b>(15,242)</b>
Cash and cash equivalents at the beginning of the period	(129,136)	(131,164)
<b>Cash and cash equivalents at the end of the period</b>	<b>(165,790)</b>	<b>(146,406)</b>

The annexed notes from 1 to 9 form an integral part of these condensed interim financial statements.

Chief Executive

Director