



Abbott Pakistan

Un-Audited Financial Statements for the
Quarter and Six Months Ended June 30, 2014

 **Abbott**
A Promise for Life

Corporate Information

Board Of Directors

Munir A. Shaikh (Chairman)
Arshad Saeed Husain
(Chief Executive Officer)
Kamran Y. Mirza
Ehsan Ali Malik
Syed Anis Ahmed
Atif Aslam Bajwa
Shamim Ahmad Khan

Audit Committee

Ehsan Ali Malik (Chairman)
Shamim Ahmad Khan
Kamran Y. Mirza
Maria Memon
(Chief Internal Auditor - by Invitation)
Syed Anis Ahmed (CFO - by Invitation)

Human Resource and Remuneration Committee

Munir A. Shaikh (Chairman)
Atif Aslam Bajwa
Arshad Saeed Husain
Shamim Ahmad Khan
Shahrukh Masood (Secretary)

Share Transfer Committee

Arshad Saeed Husain (Chairman)
Syed Anis Ahmed
Kamran Y. Mirza

Banking Committee

Atif Aslam Bajwa (Chairman)
Arshad Saeed Husain
Syed Anis Ahmed

Chief Financial Officer

Syed Anis Ahmed

Company Secretary

Malik Saadatullah

Auditors

Ernst & Young Ford Rhodes
Sidat Hyder & Company,
(a member firm of Ernst & Young)
Chartered Accountants

Legal Advisors

Orr, Dignam & Co.
Surridge & Beecheno

Share Registrar

FAMCO Associates (Pvt) Ltd.
8-F, Next to Hotel Faran, Nursery, Block 6,
P.E.C.H.S, Shahrah-e-Faisal, Karachi.

Bankers

Faysal Bank Limited
Citibank N.A.
Deutsche Bank AG
MCB Bank Limited
National Bank of Pakistan
Standard Chartered Bank
(Pakistan) Limited
The Bank of Tokyo-Mitsubishi UFJ Limited
Barclays Bank PLC

Registered Office

Opposite Radio Pakistan
Transmission Centre,
Hyderabad Road, Landhi,
P.O. Box 7229, Karachi Pakistan.

City Office

8th Floor, Faysal House,
St-02, Shahrah-e-Faisal, Karachi Pakistan.

Website

www.abbott.com.pk

Senior Management Team

Arshad Saeed Husain
(Chief Executive Officer)
Syed Anis Ahmed (Chief Financial Officer)
Anis A. Shah (Director Plant Operations)
Asim Shafiq (General Manager, Abbott
Nutrition International Pakistan)
Habib Ahmed
(Country Manager, Abbott Diagnostics
Division Pakistan)
Dr. Sheikh Adnan Lateef
(Head of Abbott Diabetes Care Pakistan)
Dr. Farrukh Hafeez
(Director Quality Assurance)
Dr. Sarmad Maqbool
(Director Marketing & Strategy)
Seema Khan (Director Regulatory Affairs)
Dr. Raeeef Ahmed (Director Medical Affairs)
Shahrukh Masood
(Director Human Resources)
Dr. Suleman Alvi
(Director Business Development)
Rana A. Latif
(Director Manufacturing)
Zahid Hussain
(Director Materials Management)

Directors' Report

The Directors have pleasure in presenting their Report with the accounts of the Company for the second quarter ended June 30th, 2014.

FINANCIAL RESULTS

Sales for the quarter increased by 12% over the same quarter last year. Pharmaceutical sales increased by 12%, Nutritional increased by 15% and Other grew by 4%. Gross profit to sales ratio was at 37%. Selling and distribution expenses increased by 11% mainly due to inflation and increase in fuel prices. Administrative expenses increased by 21% mainly due to increase in utility prices and general inflation.

FUTURE OUTLOOK

Increasing energy prices and inflation continue to remain a source of concern for the Industry. It is essential for the Government to implement a transparent Pricing Policy which allows for an annual review of prices to offset impact of increased energy prices and inflation.

We look forward to working with the Drug Regulatory Authority Pakistan (DRAP) to streamline process for ensuring adequate availability of quality Pharmaceutical products to patients and the development of the Pharmaceutical industry.

KARACHI: August 21st, 2014



Munir A. Shaikh
Chairman

Auditors' Report to the Members on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of Abbott Laboratories (Pakistan) Limited as at 30 June 2014, related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity and notes to the accounts for the six months period then ended (herein after referred to as "interim financial information"). Management is responsible for the preparation and presentation of this interim 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 interim 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 interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matters

The condensed interim financial information of the Company for the six months ended 30 June 2013 and the annual financial statements for the year ended 31 December 2013 were reviewed and audited by another firm of Chartered Accountants, whose review report dated 19 August 2013 and audit report dated 13 February 2014 expressed an unmodified conclusion and unmodified opinion on those statements respectively.



Chartered Accountants
Review Engagement Partner: Riaz A. Rehman Chamdia
Date: 21 August 2014
Place: Karachi


A member firm Ernst & Young Global Limited

Condensed Interim Balance Sheet

As at June 30, 2014

	Note	Un-audited June 30, 2014 ----- Rupees in '000 -----	Audited December 31, 2013
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
- Property, plant and equipment	3	3,307,318	3,183,735
- Intangible asset		33,005	41,615
		<u>3,340,323</u>	<u>3,225,350</u>
Long-term loans and advances		45,922	31,896
Long-term deposits		3,984	4,103
Long-term prepayments		<u>9,937</u>	<u>8,065</u>
		<u>3,400,166</u>	<u>3,269,414</u>
CURRENT ASSETS			
Stores and spares		95,420	107,238
Stock-in-trade		3,238,808	2,762,690
Trade debts		470,695	546,093
Loans and advances - considered good		249,078	172,205
Trade deposits and short-term prepayments		193,930	154,613
Accrued profit		6,330	5,922
Other receivables		84,281	79,269
Taxation recoverable		38,033	173,509
Cash and bank balances		<u>4,873,486</u>	<u>3,897,051</u>
		<u>9,250,061</u>	<u>7,898,590</u>
TOTAL ASSETS		<u>12,650,227</u>	<u>11,168,004</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised 200,000,000 ordinary shares of Rs.10 each		<u>2,000,000</u>	<u>2,000,000</u>
Issued, subscribed and paid-up	5	979,003	979,003
Reserves			
- Capital		321,831	300,030
- Revenue		<u>8,404,367</u>	<u>7,468,232</u>
		<u>8,726,198</u>	<u>7,768,262</u>
		<u>9,705,201</u>	<u>8,747,265</u>
NON-CURRENT LIABILITY			
Deferred taxation		226,302	203,562
CURRENT LIABILITY			
Trade and other payables		2,718,724	2,217,177
CONTINGENCIES AND COMMITMENTS	4		
TOTAL EQUITY AND LIABILITIES		<u>12,650,227</u>	<u>11,168,004</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.


ARSHAD SAEED HUSAIN
CHIEF EXECUTIVE



SYED ANIS AHMED
DIRECTOR

Condensed Interim Profit and Loss Account (Unaudited)

For the quarter and six months ended June 30, 2014

	Six Months Ended		Quarter Ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
----- Rupees in '000 -----				
NET SALES				
Domestic	8,971,050	7,921,256	4,666,675	4,217,738
Export	362,037	294,061	217,863	162,207
	<u>9,333,087</u>	<u>8,215,317</u>	<u>4,884,538</u>	<u>4,379,945</u>
Service fee for toll manufacturing	-	6,900	-	1,362
	<u>9,333,087</u>	<u>8,222,217</u>	<u>4,884,538</u>	<u>4,381,307</u>
Cost of goods sold and services	(5,803,292)	(5,053,139)	(3,067,929)	(2,615,444)
GROSS PROFIT	<u>3,529,795</u>	<u>3,169,078</u>	<u>1,816,609</u>	<u>1,765,863</u>
Distribution and marketing expenses	(1,387,384)	(1,223,840)	(707,139)	(638,730)
Administrative expenses	(202,426)	(175,104)	(105,384)	(87,177)
Other charges	(171,088)	(183,491)	(86,325)	(102,663)
Other income	248,336	123,520	101,963	59,543
	<u>(1,512,562)</u>	<u>(1,458,915)</u>	<u>(796,885)</u>	<u>(769,027)</u>
	<u>2,017,233</u>	<u>1,710,163</u>	<u>1,019,724</u>	<u>996,836</u>
Finance costs	(1,988)	(1,391)	(1,234)	(667)
PROFIT BEFORE TAXATION FOR THE PERIOD	<u>2,015,245</u>	<u>1,708,772</u>	<u>1,018,490</u>	<u>996,169</u>
Taxation				
- Current	(664,769)	(579,080)	(299,346)	(311,754)
- Deferred	(22,740)	9,400	(21,363)	(4,358)
	<u>(687,509)</u>	<u>(569,680)</u>	<u>(320,709)</u>	<u>(316,112)</u>
NET PROFIT FOR THE PERIOD	<u>1,327,736</u>	<u>1,139,092</u>	<u>697,781</u>	<u>680,057</u>
BASIC AND DILUTED EARNINGS PER SHARE (Rs. per share)	<u>13.56</u>	<u>11.64</u>	<u>7.13</u>	<u>6.95</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.


ARSHAD SAEED HUSAIN
CHIEF EXECUTIVE



SYED ANIS AHMED
DIRECTOR

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the quarter and six months ended June 30, 2014

	Six Months Ended		Quarter Ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
----- Rupees in ' 000 -----				
Net profit for the period	1,327,736	1,139,092	697,781	680,057
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>1,327,736</u>	<u>1,139,092</u>	<u>697,781</u>	<u>680,057</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.


ARSHAD SAEED HUSAIN
CHIEF EXECUTIVE

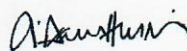

SYED ANIS AHMED
DIRECTOR

Condensed Interim Cash Flow Statement (Unaudited)

For the six months ended June 30, 2014

		June 30, 2014	June 30, 2013
	Note	---- Rupees in '000 ----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	6	2,046,351	1,513,980
Income tax paid		(529,293)	(462,721)
Long-term loans and advances - net		(14,026)	4,160
Long-term deposits - net		119	-
Long-term prepayment - net		(1,872)	579
Net cash generated from operating activities		1,501,279	1,055,998
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(353,756)	(525,178)
Sale proceeds from disposal of operating fixed assets		27,878	12,657
Interest income		192,434	102,751
Net cash used in investing activities		(133,444)	(409,770)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance costs paid		(1,988)	(1,391)
Dividend paid		(389,412)	(390,126)
Net cash used in financing activities		(391,400)	(391,517)
Net increase in cash and cash equivalents		976,435	254,711
Cash and cash equivalents at the beginning of the period		3,897,051	2,790,212
Cash and cash equivalents at the end of the period		4,873,486	3,044,923

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.


ARSHAD SAEED HUSAIN
CHIEF EXECUTIVE

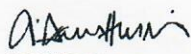

SYED ANIS AHMED
DIRECTOR

Condensed Interim Statement of Changes in Equity (Unaudited)

For the six months ended June 30, 2014

	Share Capital	Reserves				Total	Total Equity
		Capital Reserves		Revenue Reserves			
		Reserve Arising on Merger	Other	General Reserve	Un-appropriated Profit		
(Rupees '000)							
Balance as at January 1, 2013	979,003	46,097	216,211	3,588,422	1,877,661	5,728,391	6,707,394
Transactions with owners, recorded directly in equity							
Final dividend for the year ended December 31, 2012 @ Rs. 4 per share declared subsequent to the year end	-	-	-	-	(391,601)	(391,601)	(391,601)
Employee benefit cost under IFRS 2 - "Share based payment"	-	-	18,114	-	-	18,114	18,114
Transfer from unappropriated profit to general reserve made subsequent to the year ended December 31, 2012	-	-	-	1,750,000	(1,750,000)	-	-
Profit for the period	-	-	-	-	1,139,092	1,139,092	1,139,092
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	1,139,092	1,139,092	1,139,092
Balance as at June 30, 2013	979,003	46,097	234,325	5,338,422	875,152	6,493,996	7,472,999
Balance as at January 1, 2014	979,003	46,097	253,933	5,338,422	2,129,810	7,768,262	8,747,265
Transactions with owners, recorded directly in equity							
Final dividend for the year ended December 31, 2013 @ Rs. 4 per share declared subsequent to the year end	-	-	-	-	(391,601)	(391,601)	(391,601)
Employee benefit cost under IFRS 2 - "Share based payment"	-	-	21,801	-	-	21,801	21,801
Profit for the period	-	-	-	-	1,327,736	1,327,736	1,327,736
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	1,327,736	1,327,736	1,327,736
Balance as at June 30, 2014	979,003	46,097	275,734	5,338,422	3,065,945	8,726,198	9,705,201

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.


ARSHAD SAEED HUSAIN
CHIEF EXECUTIVE


SYED ANIS AHMED
DIRECTOR

Notes to the Condensed Interim Financial Information (Unaudited)

For the six months ended June 30, 2014

1. THE COMPANY AND ITS OPERATIONS

Abbott Laboratories (Pakistan) Limited (the Company) is a public limited company incorporated in Pakistan on July 02, 1948, and its shares are quoted on the Karachi, Lahore and Islamabad stock exchanges. The address of its registered office is opposite Radio Pakistan Transmission Centre, Hyderabad Road, Landhi, Karachi. The Company is principally engaged in the manufacture, import and marketing of research based pharmaceutical, nutritional, diagnostic, diabetic care, molecular devices, hospital and consumer products and in providing toll manufacturing services.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

Statement of compliance

This condensed interim financial information have 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 and directives issued under the Companies Ordinance, 1984 have been followed. These condensed interim financial statements of the Company for the half year ended June 30, 2014 are unaudited but subject to limited scope review by the statutory auditors as required by the Code of Corporate Governance.

The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended June 30, 2014 and 2013 have not been reviewed by the external auditors of the Company as they have reviewed the cumulative figures for the half year ended June 30, 2014. These condensed interim financial statements do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2013.

This condensed interim financial information is being submitted to the shareholders as required by the Listing Regulations of Karachi, Lahore and Islamabad stock exchanges and section 245 of the Companies Ordinance, 1984.

2.2 Accounting policies

The accounting policies and the methods of computation used 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 December 31, 2013 except as disclosed below:

New, amended and revised standards and interpretations

The Company has adopted the following revised standards, amendments and interpretations of IFRSs which became effective for the current period:

IAS 32 - Financial Instruments : Presentation - Offsetting Financial Assets and Financial Liabilities (Amendment)

IAS 36 - Impairment of Assets - Recoverable Amount Disclosures for Non-Financial Assets (Amendment)

IAS 39 – Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting (Amendment)

IFRIC 21 – Levies

The adoption of the above revision and amendments of the standards did not have any effect on the financial statements.

Notes to the Condensed Interim Financial Information (Unaudited)

For the six months ended June 30, 2014

2.3 Accounting estimates and judgments

The preparation of condensed interim financial information in conformity with approved accounting standards, as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of policies and the reported amount of asset, liabilities and income and expenses.

Estimates and judgments made by management in the preparation of this condensed interim financial information are the same as those that were applied to the annual financial statements of the Company as at and for the year ended December 31, 2013.

	Note	Un-audited June 30, 2014 ---- Rupees in '000 ----	Audited December 31, 2013 ---- Rupees in '000 ----
3. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	3.1	2,860,248	2,831,420
Capital work-in-progress		447,070	352,315
		<u>3,307,318</u>	<u>3,183,735</u>

3.1 Operating fixed assets

Following were the additions and disposals of fixed assets during the period :

	Additions	Disposals Cost	Accumulated Depreciation
	----- Rupees in '000 -----		
Plant and machinery	67,824	25,250	20,333
Office equipment	2,533	3,048	2,999
Vehicles	59,812	37,446	20,311
Computers	8,034	1,227	1,227
Demonstration equipment	120,799	20,966	20,966
Capital work in progress (CWIP)			
- net of transfers	94,754	-	-
	<u>353,756</u>	<u>87,937</u>	<u>65,836</u>

4. CONTINGENCIES AND COMMITMENTS

4.1 Contingencies

- 4.1.1 The Company has given bank guarantees of Rs. 118.111 million (December 31, 2013: Rs 111.980 million) to the Customs Department, a utility company and other institutions against tenders.

Notes to the Condensed Interim Financial Information (Unaudited)

For the six months ended June 30, 2014

- 4.1.2 The returns of total income for four tax years (Tax Years 2005 – 2008) were selected for audit by the tax authority. The Taxation Officer disallowed certain expenses claimed by the Company against which the Company filed appeals before the Commissioner Inland Revenue (Appeals) [CIR(A)]. The CIR(A) allowed certain expenses, however, maintained majority of the disallowances resulting in tax demand of Rs. 239.695 million. The Company has now filed the appeals before the Appellate Tribunal Inland Revenue (ATIR) which are pending adjudication.

Management is of the view that the position of the Company is sound and eventual outcome is expected to be in Company's favour. However, being prudent, management has made a provision of Rs. 90 million (December 31, 2013: Rs. 30 million) in the financial statements.

- 4.1.3 The Company has filed a reference application before the High Court of Sindh for assessment years 1997-98, 1999-00 to 2002-03 in respect of certain disallowances resulting in a tax demand of Rs 154.500 million, which is pending adjudication.

Management is of the view that the position of the Company is sound and eventual outcome is expected to be in Company's favour. However, being prudent, management has made a provision of entire tax demand in the financial statements.

- 4.1.4 The Commissioner Inland Revenue (CIR) has selected the case of the Company for audit of tax year 2012 (accounting year December 31, 2011) and has requested various information from the Company in this regard. The Company believes that only the Federal Board of Revenue has the right to select the Company for audit based on defined criteria or through random balloting and the CIR does not have the right to select the Company for Audit. The Company has filed writ petition in the High court in this regard.

4.2 Commitments

- 4.2.1 Commitments for capital expenditure as at June 30, 2014 aggregated to Rs. 103.830 million (December 31, 2013: Rs. 90.475 million).

- 4.2.2 The Company has obtained short term financing facilities from various commercial banks amounting to Rs. 1,376 million (December 31, 2013: Rs. 1,397 million). These facilities can be utilized for letters of credit, guarantees and running finance / short term loans. However, the running finance / short term loan utilization cannot exceed Rs. 310 million (December 31, 2013: Rs. 310 million). The running finance / short term loan carries markup at rates ranging from KIBOR plus 1% to KIBOR plus 2% (December 31, 2013: KIBOR plus 1% to KIBOR plus 2%) and are secured against first joint pari passu hypothecation charge over stocks and book debts of the Company, ranking hypothecation charge over stocks and book debts of the Company, promissory notes, and counter guarantees. The Company has not borrowed any amount against running finance / short term loan facilities at the balance sheet date. Commitments in respect of letters of credit as at balance sheet date aggregated to Rs. 320.955 million (December 31, 2013: Rs. 396.908 million).

5. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

As at June 30, 2014, Abbott Asia Investments Limited, UK held 76,259,454 (December 31, 2013: 76,259,454) shares. The ultimate holding company is Abbott International LLC, USA.

Notes to the Condensed Interim Financial Information (Unaudited)

For the six months ended June 30, 2014

Six months
ended June
30, 2014 Six months
ended June
30, 2013
Note ---- Rupees in '000----

6. CASH GENERATED FROM OPERATIONS

Profit before taxation	2,015,245	1,708,772
Adjustment for non-cash changes and other items:		
Depreciation	208,072	188,146
Amortisation on intangible asset	8,610	8,610
Gain on disposal of operating fixed assets	(5,777)	(3,230)
Income on investments and deposits	(192,842)	(109,213)
Expenses arising from equity-settled share-based payment plans	21,801	18,114
Finance costs	1,988	1,391
Working capital changes	6.1 (10,746)	(298,610)
	<u>2,046,351</u>	<u>1,513,980</u>

6.1 Working capital changes

(Increase) / decrease in current assets net of provision:

Stores and spares	11,818	14,649
Stock-in-trade	(476,118)	(335,194)
Trade debts	75,398	79,538
Loans and advances	(76,873)	(123,207)
Trade deposits and short-term prepayments	(39,317)	(29,740)
Other receivables	(5,012)	(7,212)
	<u>(510,104)</u>	<u>(401,166)</u>

Increase in current liability:

Trade and other payables	499,358	102,556
	<u>(10,746)</u>	<u>(298,610)</u>

7. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise group companies, associated undertakings, employee retirement benefit plans, directors and key management personnel. Transactions with related parties essentially entail sale and purchase of goods and services and expenses charged between these parties. Transactions with related parties are as follows:

Notes to the Condensed Interim Financial Information (Unaudited)

For the six months ended June 30, 2014

June 30, June 30,
2014 2013
---- Rupees in '000----

Other related parties

Sale of goods	41,236	49,496
Purchase of materials	1,951,955	1,711,366
Technical service fee	66,324	58,595

Reimbursements from a related party on account of:

- Selling and distribution expenses	39,689	34,505
- Administrative expenses	5,956	3,673

Interest income earned	14,384	9,296
------------------------	--------	-------

Contribution paid

- Pension fund	67,259	59,291
- Provident fund	32,973	29,079

Key management personnel

Short-term employee benefits	89,791	84,032
Post-employment benefits	10,769	9,108

8. SEGMENT ANALYSIS

8.1 Segment wise operating results for the six months ended (Un-audited):

	June 30, 2014				June 30, 2013			
	Pharmaceutical	Nutritional	Others	Total	Pharmaceutical	Nutritional	Others	Total
(Rupees '000)								
Sales	7,168,286	1,502,978	904,106	9,575,370	6,146,607	1,319,324	969,585	8,437,516
Less:								
Sales return and discount	38,158	888	3,515	42,561	16,970	3,320	1,886	22,176
Sales tax and excise duty	-	139,967	59,755	199,722	-	119,625	80,398	200,023
Sales - net	7,130,128	1,362,123	840,836	9,333,087	6,131,637	1,196,379	887,301	8,215,317
Service fee for toll manufacturing	-	-	-	-	-	-	6,900	6,900
	7,130,128	1,362,123	840,836	9,333,087	6,131,637	1,196,379	894,201	8,222,217
Cost of goods sold and services	4,326,364	893,627	583,301	5,803,292	3,744,381	748,080	560,678	5,053,139
Gross profit	2,803,764	468,496	257,535	3,529,795	2,387,256	448,299	333,523	3,169,078
Selling and distribution expenses	997,379	221,074	168,931	1,387,384	892,895	187,552	143,393	1,223,840
Administrative expenses	176,680	17,538	8,208	202,426	143,152	25,388	6,564	175,104
Segment result	1,629,705	229,884	80,396	1,939,985	1,351,209	235,359	183,566	1,770,134

Notes to the Condensed Interim Financial Information (Unaudited)

For the six months ended June 30, 2014

8.2 Segment wise operating results for the quarter ended (Un-audited):

	June 30, 2014				June 30, 2013			
	Pharmaceutical	Nutritional	Others	Total	Pharmaceutical	Nutritional	Others	Total
	(Rupees '000)							
Sales	3,717,224	802,195	484,037	5,003,456	3,321,750	697,748	476,211	4,495,709
Less:								
Sales return and discount	13,060	888	887	14,835	9,046	1	1,155	10,202
Sales tax and excise duty	-	74,546	29,537	104,083	-	63,598	41,964	105,562
Sales - net	3,704,164	726,761	453,613	4,884,538	3,312,704	634,149	433,092	4,379,945
Service fee for toll manufacturing	-	-	-	-	-	-	1,362	1,362
Cost of goods sold and services	3,704,164	726,761	453,613	4,884,538	3,312,704	634,149	434,454	4,381,307
	2,284,303	461,397	322,229	3,067,929	1,937,659	397,955	279,830	2,615,444
Gross profit	1,419,861	265,364	131,384	1,816,609	1,375,045	236,194	154,624	1,765,863
Selling and distribution expenses	505,104	109,691	92,344	707,139	466,486	89,221	83,023	638,730
Administrative expenses	93,976	6,978	4,430	105,384	70,789	13,262	3,126	87,177
Segment result	820,781	148,695	34,610	1,004,086	837,770	133,711	68,475	1,039,956

8.3 Reconciliation of segment results with profit before taxation (Un-audited):

	Six Months Ended		Quarter Ended	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Total segment results	1,939,985	1,770,134	1,004,086	1,039,956
Other income	248,336	123,520	101,963	59,543
Other charges	(171,088)	(183,491)	(86,325)	(102,663)
Finance cost	(1,988)	(1,391)	(1,234)	(667)
Profit before taxation	2,015,245	1,708,772	1,018,490	996,169

8.4 Geographical information (Un-audited):

Sales to external customers

Pakistan	8,971,050	7,928,156	4,666,675	4,219,100
Afghanistan	306,566	226,738	194,133	134,006
Srilanka	14,235	13,992	14,235	10,298
Netherland	6,321	49,496	-	17,903
Bangladesh	-	3,835	-	-
Switzerland	34,915	-	9,495	-
	9,333,087	8,222,217	4,884,538	4,381,307

Notes to the Condensed Interim Financial Information (Unaudited)

For the six months ended June 30, 2014

8.5 Segment Assets

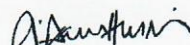
	UNAUDITED				AUDITED			
	June 30, 2014				December 31, 2013			
	Pharmaceutical	Nutritional	Others	Total	Pharmaceutical	Nutritional	Others	Total
	(Rupees '000)							
Segment assets employed	5,783,777	557,130	1,090,814	7,431,721	5,255,722	428,253	1,046,695	6,730,670
Unallocated corporate assets				5,218,506				4,437,334
Total reported assets				12,650,227				11,168,004

9. NON ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Directors in their meeting held on August 21, 2014 have proposed an interim cash dividend @ 30% (June 30, 2013: 30%). This condensed interim financial information for the six months ended June 30, 2014 does not include the effect of the above interim cash dividend which will be accounted for subsequent to the period end.

10. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue on August 21, 2014 by the Board of Directors of the Company.


ARSHAD SAEED HUSAIN
CHIEF EXECUTIVE


SYED ANIS AHMED
DIRECTOR

ABBOTT LABORATORIES (PAKISTAN) LIMITED

Registered Office

Opposite Radio Pakistan
Transmission Centre, Hyderabad Road,
Landhi, P.O. Box 7229, Karachi
Phone :111-ABBOTT (111-222-688)
Fax: (92-21) 35001903

City Office

8th Floor, Faysal House,
St-02, Shahr-e-Faisal, Karachi
Phone: (92-21) 32799018, 32799019
Fax: (92-21) 32800244
URL: www.abbott.com.pk



YACEN

YACEN