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COMPANY INFORMATION

BOARD OF DIRECTORS	Dr. Ghaith R. Pharaon <i>Non Executive Director</i>	(Alternate Director Mr. Shuaib A. Malik)
	Mr. Laith G. Pharaon Non Executive Director	(Alternate Director Mr. Iqbal A. Khwaja)
	Mr. Wael G. Pharaon Non Executive Director	(Alternate Director Mr. Babar Bashir Nawaz
	Mr. Shuaib A. Malik Chairman / Non Executive Director	
	Mr. Abdus Sattar Non Executive Director	
	Mr. Munaf Ibrahim Independent Non Executive Director	
	Agha Sher Shah Independent Non Executive Director	(NIT Nominee)
CHIEF EXECUTIVE OFFICER	Mr. M. Adil Khattak	
CHIEF FINANCIAL OFFICER	Syed Asad Abbas	FCA
COMPANY SECRETARY	Mr. Saif ur Rehman Mirza	FCA
AUDIT COMMITTEE	Mr. Munaf Ibrahim	Chairman
	Mr. Abdus Sattar	Member
	Agha Sher Shah	Member
	Mr. Babar Bashir Nawaz	Member
AUDITORS	A.F. Ferguson & Co.	Chartered Accountants
LEGAL ADVISOR	Ali Sibtain Fazli & Associates	Legal Advisors, Advocates & Solicitors
SHARE REGISTRAR	THK Associates (Pvt.) Limited 2nd Floor, State Life Building No 3, Dr. Karachi-75530	Ziauddin Ahmed Road, P. O. Box No. 8533,
REGISTERED OFFICE	The Refinery Morgah, Rawalp Tel: (051) 5487041-5, Fax: (051) 5- E-mail: info@arl.com.pk, Website:	487093-94



Directors' Review

IN THE NAME OF ALLAH, THE MOST BENEVOLENT, THE MOST GRACIOUS

The Directors have pleasure in presenting a brief review of the financial results and operations of the Company for the 2nd quarter and half year ended December 31, 2013.

FINANCIAL RESULTS

During most part of the half year ended December 31, 2013, fluctuation in international prices of products and crude oil along with impact of time lag in revision of product and crude oil prices remained un-favourable. Rise in value of US Dollar versus Pak Rupee further aggravated the situation which resulted in exchange loss of Rs 857 million on foreign currency transactions relating to crude oil. As a result of these factors the Company suffered a loss of Rs 813 million from refinery operations as against profit of Rs 2,167 million in corresponding period of last year. This was offset by non-refinery income of Rs 1,362 million (December 31, 2012 : Rs 1,042 million) enabling the Company to close the half year end with profit after tax of Rs 549 million (December 31, 2012 : Rs 3,208 million).

REFINERY OPERATIONS

The Company successfully maintained continued supply of petroleum products by operating at 99% of its capacity and refined the growing volumes of crude oil available in the northern region of the country. The refining throughput during half year ended was 7.495 million barrels (December 31, 2012: 7.560 million barrels) while the sales volume was 7.252 million barrels (December 31, 2012: 7.319 million barrels). All the processing units of refinery operated smoothly during the period under review.

After the inter-corporate debt settlement arranged by the Government in June 2013, the amount of circular debt again started to build up with partial payments from time to time. As at December 31, 2013 the overdue outstanding balance was Rs 6,428 million. While there has been improvement on this issue because of the steps taken by the Government, we look forward for implementation of policy decisions to address root causes for resolution of the issue on a long term and permanent basis.

PROJECTS

The implementation phase of ARL Up-gradation Project comprising of a Preflash unit, Naphtha Isomerization unit, Diesel Hydrodesulphurization (DHDS) unit and Expansion of existing Captive Power Plant is progressing satisfactorily. Shipment of material has begun to arrive and civil construction activities regarding equipment foundations have been started.

ACKNOWLEDGEMENT

The Board of Directors would like to express their gratitude for the support received from its valued customers, suppliers, Ministry of Petroleum & Natural Resources and other relevant organizations.

On behalf of the Board

-b2-

January 21, 2014 Dubai, United Arab Emirates

Shuaib A. Malik Chairman





A. F. FERGUSON & CO.

Auditor's Report to the Members on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of Attock Refinery Limited as at December 31, 2013 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity and notes to the interim financial information for the six month period then ended (here-in-after referred to as the "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. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for three month periods ended December 31, 2013 and 2012 have not been reviewed, as we are required to review only the cumulative figures for the six month period ended December 31, 2013.

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 as of and for the six month period ended December 31, 2013 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.

-Sd-

Chartered Accountants Islamabad Dated: January 21, 2014

Engagement partner: S. Haider Abbas



Condensed Interim Balance Sheet (Unaudited) As At December 31, 2013

		December 31, 2013	Restated June 30, 2013	Restated July 01, 2012
	Note		(Rupees in thousand)	
SHARE CAPITAL AND RESERVES				
Share capital Authorised				
150,000,000 (June 30, 2013: 150,000,000) ordinary shares of Rs 10 each		1,500,000	1,500,000	1,500,000
Issued, subscribed and paid-up				
85,293,000 (June 30, 2013: 85,293,000) ordinary shares of Rs 10 each	4	852,930	852,930	852,930
Reserves and surplus	5	17,503,414 18,356,344	<u>17,168,063</u> 18,020,993	13,959,626 14,812,556
SURPLUS ON REVALUATION OF FREEHOLD LAN	ID	8,745,217	8,745,217	8,745,217
		27,101,561	26,766,210	23,557,773
LONG TERM LOANS	6	-	-	-
CURRENT LIABILITIES				
Short term finance Trade and other payables Provision for taxation	7 8	37,159,972 5,343,198 42,503,170	31,523,045 6,360,109 37,883,154	- 65,523,951 4,642,474 70,166,425
CONTINGENCIES AND COMMITMENTS	9			
		69,604,731	64,649,364	93,724,198





PROPERTY, PLANT AND EQUIPMENT	Note	December 31, 2013	Restated June 30, 2013 (Rupees in thousand)	Restated July 01, 2012
Operating assets Capital work-in-progress Stores and spares held for capital expenditure	10	9,461,114 2,480,182 91,539 12,032,835	9,499,335 438,710 77,529 10,015,574	9,303,712 469,516 67,067 9,840,295
TRANSACTION COST ON BORROWINGS	11	256,500	18,975	-
LONG TERM INVESTMENTS	12	13,264,915	13,264,915	13,264,915
LONG TERM LOANS AND DEPOSITS		17,001	16,632	14,760
DEFERRED TAXATION		87,163	86,484	132,848
CURRENT ASSETS				
Stores, spares and loose tools Stock-in-trade Trade debts Loans, advances, deposits, prepayments and other receivables Cash and bank balances	13 14 15 16	734,286 12,182,491 17,275,806 326,262 13,427,472 43,946,317	688,132 11,744,810 17,499,313 309,561 11,004,968 41,246,784	673,854 10,650,686 49,115,758 187,415 9,843,667 70,471,380
		69,604,731	64,649,364	93,724,198

The annexed notes 1 to 26 are an integral part of this condensed interim financial information.

-SdChief Executive Director



Condensed Interim Profit And Loss Account (Unaudited) For The Six Months Period Ended December 31, 2013

		3 Months to		6 Mon	ths to
		December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
	Note	(Rupees in	thousand)	(Rupees in	thousand)
Sales - net	17	44,354,558	43,546,371	86,895,756	81,993,976
Cost of sales Gross (loss) / profit	18	(44,601,330) (246,772)	<u>(42,561,676)</u> 984,695	(87,309,511) (413,755)	<u>(79,050,142)</u> 2,943,834
aloss (loss) / profit		(240,772)	904,093	(410,700)	2,940,004
Less: Administrative expenses Distribution cost		111,380 9,381	100,095 8,878	203,095 21,253	178,332 18,233
Finance cost Other charges	19 20	181 643	295,731 133,327	857,586 643	345,561 308,383
Ç		(121,585)	(538,031)	(1,082,577)	(850,509)
		(368,357)	446,664	(1,496,332)	2,093,325
Other income	21	382,297	808,111	792,012	1,515,206
Profit / (loss) before taxation from refinery operations		13,940	1,254,775	(704,320)	3,608,531
Provision for taxation	22	(60,530)	(560,643)	(108,622)	(1,441,912)
(Loss) / profit after taxation from refinery operations		(46,590)	694,132	(812,942)	2,166,619
(Loss) / income from non-refinery operations less applicable charges					
and taxation	23	(6,589)	1,041,877	1,361,526	1,041,877
(Loss) / profit after taxation		(53,179)	1,736,009	548,584	3,208,496
(Loss) / earnings per share - basic and diluted (Rupees)					
Refinery operations		(0.55)	8.14	(9.53)	25.40
Non-refinery operations		(0.08)	12.22	15.96	12.22
		(0.63)	20.36	6.43	37.62

The annexed notes 1 to 26 are an integral part of this condensed interim financial information.

-Sd-Chief Executive -Sd-

Director



Condensed Interim Statement of Comprehensive Income (Unaudited) For The Six Months Period Ended December 31, 2013

	3 Months to		6 Months to		
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012	
	(Rupees in	(Rupees in thousand)		thousand)	
(Loss)/ profit after taxation	(53,179)	1,736,009	548,584	3,208,496	
Other comprehensive income					
- Remeasurement of defined benefit plans (net of tax)	-	-	-	-	
Total comprehensive (loss) / income	(53,179)	1,736,009	548,584	3,208,496	

The annexed notes 1 to 26 are an integral part of this condensed interim financial information.

-SdChief Executive Director



Condensed Interim Cash Flow Statement (Unaudited) For The Six Months Period Ended December 31, 2013

	6 Months to	
	December 31, 2013	December 31, 2012
	(Rupees ir	thousand)
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash receipts from - Customers - Others	110,974,005 216,019	123,146,445 167,289
	111,190,024	123,313,734
Cash paid for operating costs Cash paid to Government for duties, taxes and other levies Income tax paid Net cash inflows from operating activities	(88,253,872) (17,987,032) (1,269,136) 3,679,984	(102,303,279) (17,462,325) (296,324) 3,251,806
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment Sale of property, plant and equipment Long term loans and deposits Income on bank deposits Dividends received Net cash inflows from investing activities	(2,075,058) 3,292 (369) 540,499 1,578,917 47,281	(45,031) 155 11 528,205 1,240,256 1,723,596
CASH FLOWS FROM FINANCING ACTIVITIES		
Finance cost Transaction cost on borrowings Dividend paid Net cash inflows from financing activities	(857,586) (237,525) (212,672) (1,307,783)	(345,561) - (510,244) (855,805)
INCREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD	2,419,482	4,119,597
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	11,004,968	9,843,667
EFFECT OF EXCHANGE RATE CHANGES	3,022	606
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	13,427,472	13,963,870
CASH AND CASH EQUIVALENTS COMPRISE OF CASH AND BANK BALANC	ES.	

The annexed notes 1 to 26 are an integral part of this condensed interim financial information.

-SdChief Executive Director



Condensed Interim Statement of Changes in Equity (Unaudited) For The Six Months Period Ended December 31, 2013

	Share capital	Capital reserve	Special reserve for expansion / modernisation	Investment reserve	General reserve	Un-appropriated profit	Surplus on revaluation of freehold land	Total
				Rupees	in thousand			
Balance at July 1, 2012 - as previously reported	852,930	5,948	6,163,935	3,762,775	55	4,109,581	8,745,217	23,640,441
Change in accounting policy for recognition of actuarial gains and losses - note 3.1 Balance at July 1, 2012 - as restated	<u>-</u> 852,930	5,948	6,163,935	3,762,775	<u>-</u> 55	(82,668) 4,026,913	8,745,217	(82,668)
Final cash dividend @ 60% related to the year ended June 30, 2012	-	-	-	-	-	(511,758)	-	(511,758)
Total comprehensive income for the period Profit after taxation Other comprehensive income for the period		-	-			3,208,496	- -	3,208,496
Transfer to special reserve for expansion/ modernisation - note 5.1	-	-	2,093,719	-	-	3,208,496 (2,093,719)	-	3,208,496
Balance at December 31, 2012	852,930	5,948	8,257,654	3,762,775	55	4,629,932	8,745,217	26,254,511
Interim cash dividend @ 25% related to the year ended June 30, 2013	-	-	-	-	-	(213,233)	-	(213,233)
Total comprehensive income for the period Profit after taxation Other comprehensive income for the period	-	-				707,160		707,160
Transfer to special reserve for expansion/ modernisation - note 5.1	-	-	378,043	-	-	707,160 (378,043)	-	707,160
Balance at June 30, 2013 - as restated	852,930	5,948	8,635,697	3,762,775	55	4,745,816	8,745,217	26,748,438
Balance at July 1, 2013	852,930	5,948	8,635,697	3,762,775	55	4,745,816	8,745,217	26,748,438
Change in accounting policy for recognition of actuarial gains and losses - note 3.1			<u> </u>			17,772		17,772
Balance at July 1, 2013 - as restated	852,930	5,948	8,635,697	3,762,775	55	4,763,588	8,745,217	26,766,210
Final cash dividend @ 25% related to the year ended June 30, 2013	-	-	-	-	-	(213,233)	-	(213,233)
Total comprehensive income for the period Profit after taxation Other comprehensive income for the period	-	-	-	-	-	548,584		548,584
Balance at December 31, 2013	852,930	5,948	8,635,697	3,762,775	- 55	5,098,939	8,745,217	548,584 27,101,561

The annexed notes 1 to 26 are an integral part of this condensed interim financial information.

-Sd-

Chief Executive

-Sd-

Director



Selected Notes To and Forming part of the Condensed Interim Financial Information (Unaudited) For The Six Months Period Ended December 31, 2013

1. LEGAL STATUS AND OPERATIONS

Attock Refinery Limited (the Company) was incorporated in Pakistan on November 8, 1978 as a private limited company and was converted into a public limited company on June 26, 1979. The registered office of the Company is situated at Morgah, Rawalpindi. Its shares are quoted on the Karachi, Lahore and Islamabad Stock Exchanges in Pakistan. It is principally engaged in the refining of crude oil.

The Company is a subsidiary of The Attock Oil Company Limited, UK and its ultimate parent is Bay View International Group S.A.

2. STATEMENT OF COMPLIANCE

This condensed interim financial information of the Company for the six months period ended December 31, 2013 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 shall prevail.

3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted 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 June 30, 2013 except for the change referred to in note 3.1 below.

3.1 Consequent to the revision of IAS 19 "Employee Benefits" which is effective for annual periods beginning on or after January 1, 2013, the Company has changed its accounting policy wherein, the actuarial gains and losses (remeasurement gains/losses) on employees' retirement benefit plans are recognised immediately in other comprehensive income and past service cost is recognized in profit and loss when they occur. Previously, the actuarial gains/losses in excess of the corridor limit were recognised in profit and loss over the remaining service life of the employees where as past service cost was recognized in profit and loss on a straight line basis over the average period until the benefits become vested. The change in accounting policy has been accounted for retrospectively and the corresponding figures have been restated.

Cumulative	Effect for the	Cumulative
effect upto	year ended	effect upto
June 30, 2013	June 30, 2013	July 1, 2012
(F	Rupees in thousand	d)

Condensed Interim Balance Sheet

(Decrease) / increase in unappropriated profit

 Actuarial (loss) / gain on retirement benefit plans (net of tax)

(Increase) / decrease in

- Deferred tax asset

Increase / (decrease) in trade and other payables

- Payable to ARL Gratuity Fund

(Increase)/decrease in loans, advances, deposits, prepayments and other receivables

- Due from Staff Pension Fund

(64,896)	17,772	(82,668)
(33,431)	9,156	(42,587)
79,458	(12,502)	91,960
18,869	(14,426)	33,295
98,327	(26,928)	125,255



The effect on the condensed interim profit and loss account and the condensed interim statement of comprehensive income for the six months period ended December 31, 2013 has not been incorporated in these financial statements since the actuarial valuation is carried out on annual basis. There is no impact on condensed interim statement of cash flows.

Since the impact of past service cost is immaterial, therefore it has not been incorporated in these financial information.

4. SHARE CAPITAL

5.

The parent company Attock Oil Company Limited held 52,039,224 (June 30, 2013: 52,039,224) ordinary shares and the associated company Attock Petroleum Limited held 1,432,000 (June 30, 2013: 1,432,000) ordinary shares as at December 31, 2013.

	December 31, 2013	(Restated) June 30, 2013
RESERVES AND SURPLUS	(Rupees in	thousand)
Capital reserve Special reserve for expansion / modernisation - note 5.1 Revenue reserve	5,948 8,635,697	5,948 8,635,697
Investment reserve - note 5.2 General reserve Unappropriated profit	3,762,775 55 5,098,939 8,861,769 17.503,414	3,762,775 55 4,763,588 8,526,418 17,168,063
	8,861,	769

5.1 Special reserve for expansion / modernisation

Represents amounts retained as per the stipulations of the Government under the pricing formula and is available only for making investment in expansion or upgradation of the refinery. Transfer to / from special reserve is recognised at each quarter end and is reviewed for adjustment based on profit / loss on an annual basis. The Company has incurred capital expenditure of Rs 6,586 million on upgradation and expansion projects from July 1, 1997 to December 31, 2013 (July 1, 1997 to June 30, 2013 : Rs 4,332 million).

On March 27, 2013, the Ministry of Petroleum & Natural Resources issued Policy Framework for Up-gradation and Expansion of Refineries. Among other directives, the Policy Framework requires refineries to deposit on half yearly basis (with final adjustment on annual basis), the amount of profit above 50% of paid up capital as at July 1, 2002 accumulated in the Special Reserve Account in an ESCROW Account to be operated jointly with Finance Division and shall be available for utilisation exclusively for up-gradation of refineries. Such amounts shall be transferred to the ESCROW Account on completion of certain formalities. Further, the refineries have been directed that till completion of the projects, offsetting of losses, if any for the year ended June 30, 2013 or subsequent years will not be allowed against the amount of profit above 50% of paid up capital as at July 1, 2002 accumulated or to be accumulated in the Special Reserve Account as per current pricing formula.

5.2 The Company has set aside gain on sale of investment as investment reserve to meet any future losses / impairment on investments.



June 30.

2013

6. LONG TERM LOANS

The Company has entered into a syndicated finance agreement with a consortium of banks which includes Bank AL Habib Limited as the Agent Bank for a term finance facility of PKR 22 billion for ARL Up-gradation Projects. The facility carries a markup of 3 month KIBOR plus 1.70% which will be payable on quarterly basis. The facility is secured by first pari passu charge by way of hypothecation over all present and future current assets to the extent of PKR 15 billion. Further the facility is also secured by first pari passu charge by way of hypothecation over all present and future movable fixed assets of the Company and mortgage over immovable property. The tenure of this facility is 12 years including the grace period of 2 years. As of the balance sheet date the Company has not drawn any amount against the said facility.

7. SHORT TERM FINANCE

8.

The Company has negotiated running finance facilities with banks and accepted facility offer letters to the extent of Rs 1 billion (June 30, 2013: Rs 1 billion) which were unutilised at the period end. As and when required, these facilities shall be secured by registered charge over the Company's current assets.

(Restated)

December 31.

2013

TRADE AND OTHER PAYABLES	(Rupees in	thousand)
Creditors - note 8.1	24,945,055	20,406,344
Due to The Attock Oil Company Limited - Holding Company Due to associated companies	61,602	51,081
Pakistan Oilfields Limited	1,892,783	1,528,852
Attock Information Technology Services (Private) Limited	7,601	6.640
National Refinery Limited	-	8,802
Sui Southern Gas Company Limited	41.721	75,288
Accrued liabilities and provisions - note 8.1	2,592,704	2,508,791
Due to the Government under the pricing formula	3,773,724	3,370,931
Advance payments and deposits from customers	12,648	18,024
Sales tax payable	2,282,154	1,847,723
Workers' Welfare Fund	635,853	604,507
Workers' Profit Participation Fund	44,729	-
General staff provident fund	1,757	-
Staff provident fund	1,714	-
ARL gratuity fund	181,135	179,896
Staff pension fund	16,310	15,359
Crude oil freight adjustable through inland freight		
equalisation margin	18,194	-
Deposits from customers adjustable against freight		070
and Government levies payable on their behalf	376	376
Payable to statutory authorities in respect of petroleum	044 000	000 400
development levy and excise duty	641,386	892,466
Security deposits	1,937	1,937
Unclaimed dividends	6,589	6,028
	37,159,972	31,523,045

8.1 These balances include amounts retained from payments to crude suppliers for purchase of local crude as per the directives of the Ministry of Petroleum and Natural Resources (the Ministry). Further, as per directive of the Ministry such withheld amounts are to be retained in designated 90 days interest bearing accounts. The amounts withheld alongwith accumulated profits amounted to Rs 2,318.762 million (June 30, 2013: Rs 2,245.176 million).





December 31, 2013 June 30, 2013

(Rupees in thousand)

9. CONTINGENCIES AND COMMITMENTS

Contingencies:

- 9.1 Due to huge circular debt in the oil industry, certain payments due from / to the oil marketing companies (OMCs) and crude oil suppliers respectively have not been made on their due dates of payment. As a result the Company has raised claims on OMCs in respect of mark-up on delayed payments as well as received counter claims from some crude oil suppliers which have not been recognized in the financial information as these have not been acknowledged as debt by either parties.
- 9.2 Securities and Exchange Commission of Pakistan (SECP) has raised a demand on the Company to surrender gain on purchase and sale of shares of Attock Petroleum Limited by the Company during the period May 2008 to August 2008. Based on legal advice, the Company has contested this demand in Appeal against the SECP order. The Company is confident that there are reasonable grounds for a favourable decision and accordingly this liability has not been recognized in the financial information.

52,204 52,204

9.3 Consequent to amendment through Finance Act 2013, section 2 (22A) of Sales Tax Act 1990 (the Act) has been amended relating to definition of Provincial Sales Tax and claim of input tax paid on provincial services has been disallowed from July 2013 onward. Accordingly the Federal Board of Revenue (FBR) has disallowed claim of sales tax paid on provincial services. The Company has filed writ petition with Lahore High Court, Rawalpindi Bench, which has granted interim order and provisionally allowed the company to claim input sales tax paid on Provincial services by filing the sales tax return electronically / manually. The Company claimed the input tax paid on provincial services for the period July to November 2013 in the return filed in December 2013.

108,995

1.300

9.4 Guarantees issued by banks on behalf of the Company9.5 Claims for land compensation contested by the Company

394 394

1.300

9.6 Price adjustment related to crude oil purchases as referred to in note 18.1, the amount of which can not be presently quantified

Commitments:

9.7 ARL Up-gradation Projects

17,572,819 18,459,249

Commitments outstanding for ARL Up-gradation Projects as at December 31, 2013 comprises of Rs 3,994 million and US\$ 129.07 million approximately (June 30, 2013 : Rs 4,368 million and US \$ 142.62 million approximately).

9.8 Capital expenditure (other than - note 9.7 above) **257,683** 187,899

9.9 Letters of credit for purchase of store items

69.088 29.428

15



	Six months to December 31, 2013	Year ended June 30, 2013
	(Rupees in	thousand)
10. OPERATING ASSETS		
Opening written down value Additions during the period / year Written down value of disposals Depreciation during the period / year Closing written down value	9,499,335 19,575 (11) (57,785) 9,461,114	9,303,712 308,310 (355) (112,332) 9,499,335
11. TRANSACTION COST ON BORROWINGS		
Balance at beginning of the period - note 26.1	18,975	-
Additions during the period	237,525	18,975
Balance at end of the period	256,500	18,975

11.1 This represents transaction cost incurred on long term loan which will be recognised in the profit and loss account over the period of the loan using the effective interest method.

		December 31, 2013		J	lune 30, 2013
		% age Holding	(Rupees in thousand)	% age Holding	(Rupees in thousand)
12.	LONG TERM INVESTMENTS - AT COST				
	Associated Companies				
	Quoted National Refinery Limited - note 12.1 Attock Petroleum Limited	25 21.88	8,046,635 4,463,485	25 21.88	8,046,635 4,463,485
	Unquoted Attock Gen Limited Attock Information Technology Services (Private) Limited	30 10	748,295 4.500	30 10	748,295 4,500
	Subsidiary Company		1,000		.,000
	Unquoted Attock Hospital (Private) Limited	100	2,000	100	2,000
			13,264,915		13,264,915

12.1 Based on a valuation analysis carried out at June 30, 2013, the recoverable amount of investment in National Refinery Limited exceeds its carrying amount. The recoverable amount has been estimated based on a value in use calculation.



13. STOCK-IN-TRADE

As at December 31, 2013, stock-in-trade includes stocks carried at net realisable value of Rs 7,205 million (June 30, 2013 : Rs 10,266 million). Adjustments amounting to Rs 521 million (June 30, 2013 : Rs 856 million) have been made to closing inventory to write down stocks-in-trade to net realizable value.

14. TRADE DEBTS

All trade debts are unsecured and considered good.

Trade debts include amounts receivable from associated companies Attock Petroleum Limited Rs 6,209 million (June 30, 2013 : Rs 6,971 million) and Pakistan Oilfields Limited Rs 25 million (June 30, 2013 : Rs 32 million).

	(nesiaieu)
December 31,	June 30,
2013	2013
(Rupees in the	ousand)

15. LOANS, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Due from subsidiary company		
Attock Hospital (Pvt) Limited	377	442
Due from associated companies		
Attock Gen Limited	733	215
National Cleaner Production Centre Foundation	468	543
Attock Leisure and Management Associates (Pvt) Limited	25	4,203
Attock Petroleum Limited	1,919	1,966
National Refinery Limited	14	-
Attock Cement Pakistan Limited	-	8
Income accrued on bank deposits	59,164	38,716
Crude oil freight adjustable through inland freight equalisation margin	-	15,802
Workers' Profit Participation Fund	-	65,958
Loans, deposits, prepayments and other receivables	263,562	181,708
	326,262	309,561

16. CASH AND BANK BALANCES

- 16.1 Balances with banks include Rs 2,248.069 million (June 30, 2013: Rs 2,190.198 million) in respect of deposits placed on 90-day interest-bearing account consequent to directives of the Ministry of Petroleum and Natural Resources on account of amounts withheld alongwith related interest earned thereon net of withholding tax, as referred to in note 8.1.
- **16.2** A lien on the Company's savings account has been marked by a bank to the extent of guarantees issued on behalf of the Company amounting to Rs 394 thousand, as referred in note 9.4.



	3 Mon	3 Months to		ths to
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
	(Rupees in	ı thousand)	(Rupees in	thousand)
17. SALES - NET	` •	,		•
Gross sales (excluding				
Naphtha export sales)	48,612,264	47,844,131	95,317,898	90,075,865
Naphtha export sales Sales proceeds of Naphtha	7,852,549	5,876,509	15,517,652	11,058,165
exports related to third parties	(2,864,016)	(786,149)	(5,654,979)	(1,374,429)
	4,988,533	5,090,360	9,862,673	9,683,736
	53,600,797	52,934,491	105,180,571	99,759,601
Duties, taxes and levies	(9,182,921)	(9,388,120)	(18,170,384)	(17,765,625)
	44,417,876	43,546,371	87,010,187	81,993,976
HSD price differential payable				
to Government - note 17.1	(63,318)		(114,431)	
	44,354,558	43,546,371	86,895,756	81,993,976
17.1 This represents amount primport parity price of HSD a		SO.	on account of di	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31 2012
	2013	2012	2010	2012

18. COST OF SALES

OCCI OI ONLEG				
Crude oil consumed - note 18.1	44,333,392	40,585,451	86,634,824	78,223,932
Transportation and handling charges	365,088	417,824	765,199	811,196
Salaries, wages and other benefits	162,743	141,469	339,770	281,862
Chemicals consumed	80,941	75,024	152,852	154,216
Fuel and power	238,399	229,779	423,788	439,027
Repairs and maintenance	79,917	62,956	114,118	98,268
Staff transport and travelling	4,252	3,334	7,738	6,315
Insurance	21,439	30,434	47,294	56,687
Cost of receptacles	3,657	5,731	10,716	12,228
Other operating costs	6,984	5,795	13,537	11,483
Depreciation	25,452	25,357	50,679	45,924
Cost of goods manufactured	45,322,264	41,583,154	88,560,515	80,141,138
Changes in stock	(720,934)	978,522	(1,251,004)	(1,090,996)
	44,601,330	42,561,676	87,309,511	79,050,142



18.1 Certain crude purchases have been recorded based on provisional prices notified by the Government and may require adjustment in subsequent periods.

19. FINANCE COST

This includes exchange loss amounting to Rs 858 million (six months period ended December 31, 2012: Rs 342 million) related to crude oil purchases in foreign currency and represents differential of price calculated at exchange rate prevailing on initial recognition of liability and exchange rate prevailing on the due date of payment or on December 31, 2013 for amounts outstanding but not due at period end.

		3 Months to		6 Mon	ths to
		December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
		(Rupees in	thousand)	(Rupees in	thousand)
20.	OTHER CHARGES				
	Provision for slow moving stores	_	36,500		36,500
	Workers' Profit Participation Fund	-	67,580	-	194,021
	Workers' Welfare Fund	643	29,247	643	77,862
		643	133,327	643	308,383
21.	OTHER INCOME				
	Income on bank deposits	317,742	332,076	560,947	607,206
	Interest on delayed payments	19,448	392,578	34,755	767,989
	Handling and service charges	21,959	23,283	43,985	45,752
	Rental income	18,524	19,166	35,939	37,040
	Exchange gain	2,268	26,909	92,491	36,707
	Others	2,356	14,099	23,895	20,512
		382,297	808,111	792,012	1,515,206
22.	PROVISION FOR TAXATION				
	Current	60,600	552,500	109,301	1,432,100
	Deferred	(70)	8,143	(679)	9,812
		60,530	560,643	108,622	1,441,912



6 Months to

		••		·		
		December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012	
		(Rupees in	thousand)	(Rupees ir	thousand)	
23.	(LOSS)/ INCOME FROM NON-REFINER' OPERATIONS LESS APPLICABLE CHARGES AND TAXATION	Y				
	Dividend income from associated companies	-	1,240,256	1,578,917	1,240,256	
	Less: Related charges Workers' Profit Participation Fund Workers' Welfare Fund Taxation	729 5,860 - 6,589 (6,589)	62,013 23,565 112,801 198,379 1,041,877	43,762 30,703 142,926 217,391 1,361,526	62,013 23,565 112,801 198,379 1,041,877	
		(0,009)	1,041,077	1,001,020	1,041,077	

3 Months to

24. OPERATING SEGMENTS

The financial information has been prepared on the basis of a single reportable segment. Revenue from external customers for products of the Company are as follows:

	3 Mont	3 Months to		ns to
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
	(Rupees in	thousand)	(Rupees in	thousand)
High Speed Diesel Premier Motor Gasoline Jet Petroleum Furnace Fuel Oil Naphtha Others	18,056,484 12,108,688 5,089,108 6,055,655 4,874,102 7,353,442	18,212,868 12,022,207 6,007,552 5,270,230 5,090,360 6,331,274	35,964,000 23,407,619 10,940,283 11,573,496 9,748,242 13,432,500 105,066,140	34,464,998 22,293,842 11,339,809 10,231,650 9,683,736 11,745,566
Duties, taxes and levies	53,537,479 (9,182,921)	52,934,491 (9,388,120)	(18,170,384)	99,759,601 (17,765,625)
	44,354,558	43,546,371	86,895,756	81,993,976

Revenue from four major customers of the Company constitute 87% of total revenue during the six months period ended December 31, 2013 (December 31, 2012: 88%).



25. RELATED PARTY TRANSACTIONS

Aggregate transactions with holding company, associated companies and subsidiary during the period were as follows:

	3 Months to		6 Months to	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
	(Rupees in t	housand)	(Rupees in	thousand)
Sale of goods and services to :				
Associated companies	12,991,469	10,955,792	24,834,448	21,195,904
Subsidiary company	2,040	637	3,970	2,013
Holding company	2,241	63	2,323	139
Interest income on delayed payments from an associated company	17,303	392,578	32,610	767,989
Purchase of goods and services fro	m:			
Associated companies	3,988,186	3,598,298	7,759,725	7,063,654
Subsidiary company	10,363	11,777	20,818	22,630
Holding company	94,541	115,091	186,634	240,141
Other related parties :				
Remuneration of Chief Executive and key management personnel including benefits and perquisites	48,155	58,076	111,617	89,732
Honorarium / remuneration to Non-Executive Directors	826	748	3,212	2,252
Contribution to Workers' Profit Participation Fund	729	129,593	43,762	256,034
Contribution to employees' pension, gratuity and provident funds	11,571	14,632	23,444	25,693



26. GENERAL

26.1 Previous year figure has been reclassified to conform to current period presentation as follows :

Reclassified from	Reclassified to	Rupees
		(in thousand)
Capital work-in-progress	Transaction cost on borrowings	18,975

26.2 Date of authorization

This condensed interim financial information was authorised for circulation to the shareholders by the Board of Directors of the Company on January 21, 2014.

-SdChief Executive -SdDirector

Condensed Interim Consolidated Financial Information For The Six Months Period Ended December 31, 2013



Condensed Interim Consolidated Balance Sheet (Unaudited) As At December 31, 2013

		December 31, 2013	Restated June 30, 2013	Restated July 01, 2012
	Note		(Rupees in thousand)	
SHARE CAPITAL AND RESERVES				
Share capital Authorised				
150,000,000 (June 30, 2013 : 150,000,000) ordinary shares of Rs 10 each		1,500,000	1,500,000	1,500,000
Issued, subscribed and paid-up				
85,293,000 (June 30, 2013 : 85,293,000) ordinary shares of Rs 10 each	4	852,930	852,930	852,930
Reserves and surplus	5	22,744,676	22,571,303	18,840,347
		23,597,606	23,424,233	19,693,277
SURPLUS ON REVALUATION OF FREEHOLD LAI	ND			
		8,745,217	8,745,217	8,745,217
		32,342,823	32,169,450	28,438,494
LONG TERM LOANS	6	-	-	-
CURRENT LIABILITIES				
Short term finance	7	-	-	3,288
Trade and other payables Provision for taxation	8	37,173,191 5,343,198	31,536,689 6,360,109	65,535,794 4,642,474
1 TOVISION TO TAXALLON		42,516,389	37,896,798	70,181,556
CONTINGENCIES AND COMMITMENTS	9			
		74,859,212	70,066,248	98,620,050



PROPERTY, PLANT AND EQUIPMENT	Note	December 31, 2013	Restated June 30, 2013 (Rupees in thousand)	Restated July 01, 2012
Operating assets Capital work-in-progress Stores and spares held for capital expenditure	10	9,466,425 2,480,183 91,539 12,038,147	9,504,110 438,710 77,529 10,020,349	9,308,006 469,516 67,067 9,844,589
TRANSACTION COST ON BORROWINGS	11	256,500	18,975	-
LONG TERM INVESTMENTS	12	18,494,116	18,656,872	18,134,870
LONG TERM LOANS AND DEPOSITS		17,001	16,632	14,760
DEFERRED TAXATION		86,823	86,151	134,467
CURRENT ASSETS				
Stores, spares and loose tools Stock-in-trade Trade debts Loans, advances, deposits, prepayments and other receivables Cash and bank balances	13 14 15 16	734,286 12,182,886 17,276,009 341,632 13,431,812	688,132 11,745,282 17,499,373 323,911 11,010,571	673,854 10,651,284 49,116,266 199,674 9,850,286
		43,966,625 74,859,212	41,267,269	70,491,364 98,620,050

The annexed notes 1 - 26 are an integral part of this condensed interim consolidated financial information.

-Sd-Chief Executive -Sd-Director



Condensed Interim Consolidated Profit And Loss Account (Unaudited) For The Six Months Period Ended December 31, 2013

		3 Months to		6 Months to		
		December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012	
	Note	(Rupees in	thousand)	(Rupees in	thousand)	
Sales - net	17	44,354,558	43,546,371	86,895,756	81,993,976	
Cost of sales	18	(44,601,330)	(42,561,676)	(87,309,511)	(79,050,142)	
Gross (loss) / profit		(246,772)	984,695	(413,755)	2,943,834	
Less : Administrative expenses Distribution costs Finance cost Other charges	19 20	111,380 9,381 181 643 (121,585) (368,357)	100,095 8,878 295,731 133,327 (538,031) 446,664	203,095 21,253 857,586 643 (1,082,577) (1,496,332)	178,332 18,233 345,561 308,383 (850,509) 2,093,325	
Other income	21	382,297	808,111	792,012	1,515,206	
Profit / (loss) before taxation from refinery operations		13,940	1,254,775	(704,320)	3,608,531	
Provision for taxation	22	(60,530)	(560,643)	(108,622)	(1,441,912)	
(Loss) / profit after taxation from refinery operations		(46,590)	694,132	(812,942)	2,166,619	
Non-refinery income : Share in profit of associated companies (net of reversal of impairment loss)	23	567,600	573,334	1,205,969	1,119,474	
Profit for the period		521,010	1,267,466	393,027	3,286,093	
(Loss) / earnings per share - basic and diluted (Rupees) Refinery operations Non-refinery operations		(0.55) 6.66	8.14 6.73	(9.53) 14.14	25.40 13.13	
		6.11	14.87	4.61	38.53	

The annexed notes 1 - 26 are an integral part of this condensed interim consolidated financial information.

-Sd-Chief Executive -Sd-Director



Condensed Interim Statement of Consolidated Comprehensive Income (Unaudited) For The Six Months Period Ended December 31, 2013

	3 Mon	ths to	6 Mon	ths to		
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012		
	(Rupees in thousand)		(Rupees in thousand)		(Rupees in	thousand)
Profit for the period	521,010	1,267,466	393,027	3,286,093		
Other comprehensive income Recognition of acturial losses - net Deferred tax thereon	(2,524) 765 (1,759)		(9,148) 2,727 (6,421)			
Total comprehensive income for the period	519,251	1,267,466	386,606	3,286,093		

The annexed notes 1 to 26 are an integral part of this condensed interim consolidated financial information.

-SdChief Executive -SdDirector



Condensed Interim Consolidated Cash Flow Statement (Unaudited) For The Six Months Period Ended December 31, 2013

	6 Months to		
	December 31, 2013	December 31, 2012	
	(Rupees in	thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from - Customers - Others	111,016,232 216,019	123,184,441 167,289	
	111,232,251	123,351,730	
Cash paid for operating costs Cash paid to Government for duties, taxes and other levies Income tax paid Net cash flows from operating activities	(88,295,181) (17,987,033) (1,270,507) 3,679,530	(102,340,302) (17,462,325) (297,939) 3,251,164	
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment Sale of property, plant and equipment Long term loans and deposits Income on bank deposits Dividends received Net cash flows from investing activities	(2,076,065) 3,292 (369) 540,697 1,578,917 46,472	(46,782) 803 11 528,278 1,240,256 1,722,566	
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance cost Transaction cost on borrowings Short term running finance Dividend paid	(857,586) (237,525) - (212,672)	(345,757) - (3,288) (510,244)	
Net cash flows from financing activities	(1,307,783)	(859,289)	
INCREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD EFFECT OF EXCHANGE RATE CHANGES	2,418,219 11,010,571 3,022	4,114,441 9,850,286 606	
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	13,431,812	13,965,333	

CASH AND CASH EQUIVALENTS COMPRISE OF CASH AND BANK BALANCES.

The annexed notes 1 - 26 are an integral part of this condensed interim consolidated financial information.

-Sd-Chief Executive -Sd-Director



Condensed Interim Consolidated Statement of Changes in Equity (Unaudited) For The Six Months Period Ended December 31, 2013

	Share capital		Special reserve for expansion / modernisation	Maintenance reserve	Investment reserve	General reserve	Un-appropriated profit	Surplus on revaluation of freehold land	Total
					Rupees in tho	usand			
Balance as at June 30, 2012 as previously reported Change in accounting policy for recognition actuarial gains and lossess - note 3.1	852,930	89,468	6,639,125	150,369	58,325	3,559,130	8,425,346 (82,668)	8,745,217	28,519,910 (82,668)
Balance as at July 1, 2012 as restated	852,930	89,468	6,639,125	150,369	58,325	3,559,130	8,342,678	8,745,217	28,437,242
Final cash dividend @ 60% related to the year ended June 30, 2012	-	-	-	-	-	-	(511,758)	-	(511,758)
Total comprehensive income for the period Profit for the period Other comprehensive income for the period	-	-			-	-	3,286,093		3,286,093
Transfer to special reserve for expansion / modernisation - note 5.1	-	-	2,093,719	-	-	-	3,286,093 (2,093,719)	-	3,286,093
Transfer to maintenance reserve by an associated company	-	-		6,306	-	-	(6,306)	-	-
Transfer to general reserve by an associated company						393.250	(393,250)		
Balance as at December 31, 2012	852,930	89,468	8,732,844	156,675	58,325	3,952,380	8,623,738	8,745,217	31,211,577
Total comprehensive income for the period Profit for the period Other comprehensive income for the period	-	-	-	<u>-</u>		-	1,153,334	-	1,153,334
Interim cash dividend @ 25% related to the	-	-		-	-	-	1,153,334	-	1,153,334
year ended June 30, 2013	-	-	-	-	-	-	(213,233)	-	(213,233)
Impairment loss on investment in associated company transferred from unappropriated profit to investment reserve	-	-	-	-	(58,325)	-	58,325	-	-
Transfer to special reserve for expansion / modernisation - note 5.1	-	-	378,043	-	-	-	(378,043)	-	-
Loss after tax from fuel refinery operations transferred to special reserve by associated companies - note 5.1	-	-	(257)	-	-	-	257	-	-
Transfer to maintenance reserve by an associated company	-	-	-	5,566	-	-	(5,566)	-	-
Balance as at June 30, 2013 as restated	852,930	89,468	9,110,630	162,241	-	3,952,380	9,238,812	8,745,217	32,151,678
Balance at July 1, 2013	852,930	89,468	9,110,630	162,241	-	3,952,380	9,238,812	8,745,217	32,151,678
Change in accounting policy for recognition actuarial gains and lossess - note 3.1							17.772		17.772
Balance as at July 1, 2013 as restated	852,930	89,468	9,110,630	162,241	-	3,952,380	9,256,584	8,745,217	32,169,450
Final cash dividend @ 25% related to the year ended June 30, 2013	-	-	-	-	-	-	(213,233)	-	(213,233)
Total comprehensive income/(loss) for the period Profit for the period		-]	-			393,027		393,027
Other comprehensive income / (loss) for the period	.	_		-	.	.	(6,421)	.	(6,421)
	-	-	-	-	-	-	386,606	-	386,606
Transfer to general reserve by an associated company	-	-	-	-	-	400,000	(400,000)	-	-
Bonus shares issued by an associated company	-	30,240	÷	-	-	-	(30,240)	-	-
Transfer to maintenance reserve by an associated company	· .	-		4,736	<u>-</u>		(4,736)		
Balance as at December 31, 2013	852,930	119,708	9,110,630	166,977	-	4,352,380	8,994,981	8,745,217	32,342,823

-Sd-

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Selected Notes To and Forming part of the Condensed Interim Consolidated Financial Information (Unaudited) For The Six Months Period Ended December 31, 2013

1. LEGAL STATUS AND OPERATIONS

Attock Refinery Limited (ARL) was incorporated in Pakistan on November 8, 1978 as a private limited company and was converted into a public limited company on June 26, 1979. The registered office of the Company is situated at Morgah, Rawalpindi. Its shares are quoted on the Karachi, Lahore and Islamabad Stock Exchanges in Pakistan. It is principally engaged in the refining of crude oil.

ARL is a subsidiary of The Attock Oil Company Limited, UK and its ultimate parent is Bay View International Group S.A.

Attock Hospital (Private) Limited (AHL) was incorporated in Pakistan on August 24, 1998 as a private limited company and commenced its operations from September 1, 1998. AHL is engaged in providing medical services. The Company is a wholly owned subsidiary of Attock Refinery Limited.

For the purpose of these condensed interim consolidated financial information, ARL and its above referred wholly owned subsidiary AHL is referred to as the Company.

2. BASIS OF PREPARATION

- 2.1 This condensed interim consolidated financial information of the company for the six months period ended December 31, 2013 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 shall prevail.
- **2.2** The condensed interim consolidated financial information include the accounts of Attock Refinery Limited and its wholly owned subsidiary Attock Hospital (Private) Limited.

3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim consolidated financial information are the same as those applied in the preparation of the consolidated financial information for the year ended June 30, 2013 except for the change referred to in note 3.1 below.

3.1 Consequent to the revision of IAS 19 "Employee Benefits" which is effective for annual periods beginning on or after January 1, 2013, the Company has changed its accounting policy wherein, the actuarial gains and losses (remeasurement gains / losses) on employees' retirement benefit plans are recognised immediately in other comprehensive income and past service cost is recognised in profit and loss when they occur. Previously, the actuarial gains / losses in excess of the corridor limit were recognised in profit and loss over the remaining service life of the employees where as past service cost was recognised in profit and loss on straight line basis over the average period until the benefits become vested. The change in accounting policy has been accounted for retrospectively and the corresponding figures have been restated.



Cumulative

effect upto

July 1, 2012

Effect for the

vear ended

June 30, 2013

(Rupees in thousand)

22,744,676



Condensed Interim Consolidated Balance Sheet			
(Decrease) / increase in unappropriated profit			
 Actuarial (loss) / gain on retirement benefit 			
plans (net of tax)	(64,896)	17,772	(82,668)
(Increase) / decrease in			
- Deferred tax asset	(33,431)	9,156	(42,587)
Increase / (decrease) in trade and other payables			
- Payable to ARL Gratuity Fund	79,458	(12,502)	91,960
(Increase)/decrease in loans, advances, deposits,			
prepayments and other receivables			
- Due from Staff Pension Fund	18,869	(14,426)	33,295
	98,327	(26,928)	125,255

Cumulative

effect upto

June 30, 2013

The effect on the condensed interim consolidated profit and loss account and the condensed interim consolidated statement of comprehensive income for the six months period ended December 31, 2013 has not been incorporated in these financial statements since the actuarial valuation is carried out on annual basis. There is no impact on condensed interim consolidated statement of cash flows.

Since the impact of past service cost is immaterial, therefore it has not been incorporated in these financial information.

4. SHARE CAPITAL

The parent company Attock Oil Company Limited held 52,039,224 (June 30, 2013: 52,039,224) ordinary shares and the associated company Attock Petroleum Limited held 1,432,000 (June 30, 2013: 1,432,000) ordinary shares as at December 31, 2013.

December 31,	(Restated) June 30,
2013 (Rupees in t	2013 housand)

5. RESERVES AND SURPLUS

Capital reserves Surplus profits under the import parity pricing formula - note 5.1 Surplus profits of associates under the import parity pricing formula Revenue reserves	119,708 8,635,697 474,933	89,468 8,635,697 474,933
Investment reserve - note 5.2	-	-
Maintenance reserve - note 5.3	166,977	162,241
General reserve	4,352,380	3,952,380
Unappropriated profit	8,994,981	9,256,584
	13,514,338	13,371,205

22,571,303



5.1 Special Reserve For Expansion / Modernisation

Represents amounts retained as per the stipulations of the Government under the pricing formula and is available only for making investment in expansion or upgradation of the refinery. Transfer to / from special reserve is recognised at each quarter end and is reviewed for adjustment based on profit / loss on an annual basis. The Company has incurred capital expenditure of Rs 6,586 million on upgradation and expansion projects from July 1, 1997 to December 31, 2013 (July 1, 1997 to June 30, 2013: Rs 4,332 million).

On March 27, 2013, the Ministry of Petroleum & Natural Resources issued Policy Framework for Up-gradation and Expansion of Refineries. Among other directives, the Policy Framework requires refineries to deposit on half yearly basis (with final adjustment on annual basis), the amount of profit above 50% of paid up capital as at July 1, 2002 accumulated in the Special Reserve Account in an ESCROW Account to be operated jointly with Finance Division and shall be available for utilisation exclusively for up-gradation of refineries. Such amounts shall be transferred to the ESCROW Account on completion of certain formalities. Further, the refineries have been directed that till completion of the projects, offsetting of losses, if any for the year ended June 30, 2013 or subsequent years will not be allowed against the amount of profit above 50% of paid up capital as at July 1, 2002 accumulated or to be accumulated in the Special Reserve Account as per current pricing formula.

- **5.2** The Company has set aside gain on sale of investments as investment reserve to meet any future losses/impairment on investments.
- **5.3** Represents amounts retained by Attock Gen Limited to pay for major maintenance expenses in terms of the Power Purchase Agreement.

6. LONG TERM LOANS

The Company has entered into a syndicated finance agreement with a consortium of banks which includes Bank AL-Habib Limited as the Agent Bank for a term finance facility of PKR 22 billion for ARL Up-gradation Projects. The facility carries a markup of 3 months KIBOR plus 1.70% which will be payable on quarterly basis. The facility is secured by first pari passu charge by way of hypothecation over all present and future current assets to the extent of PKR 15 billion. Further the facility is also secured by first pari passu charge by way of hypothecation over all present and future movable fixed assets of the Company and mortgage over immovable property. The tenure of this facility is 12 years including the grace period of 2 years. As of the balance sheet date the Company has not drawn any amount against the said facility.

7. SHORT TERM FINANCE

Attock Refinery Limited has negotiated running finance facilities with various banks and accepted facility offer letters to the extent of Rs 1 billion (June 30, 2013: Rs 1 billion), which were unutilised at the period end. As and when required, these facilities shall be secured by registered charge over the Company's current assets.





(Restated)

December 31, June 30, 2013 2013

2013 2 (Rupees in thousand)

8. TRADE AND OTHER PAYABLES

Creditors - note 8.1	24,949,522	20,408,881
Due to the Attock Oil Company Limited - Holding Company	61,601	51,081
Due to associated companies	4 000 004	4 500 040
Pakistan Oilfields Limited	1,892,061	1,528,040
Attock Information Technology Services (Private) Limited	7,601	6,640
National Refinery Limited	· •	8,802
Sui Southern Gas Company Limited	41,721	75,288
Accrued liabilities and provisions - note 8.1	2,601,958	2,520,343
Due to the Government under the pricing formula	3,773,725	3,370,931
Advance payments and deposits from customers	12,648	18,024
Sales tax payable	2,282,154	1,847,723
Workers' Welfare Fund	635,853	604,654
Workers' Profit Participation Fund	44,729	-
General Staff Provident Fund	1,757	-
Staff Provident Fund	1,714	-
ARL Gratuity Fund	181,135	179,896
Staff pension fund	16,310	15,359
Crude oil freight adjustable through inland freight	10,010	12,000
equalisation margin	18,194	-
Payable to statutory authorities in respect of petroleum	10,104	
development levy and excise duty	641,386	892,466
Deposits from customers adjustable against freight	041,000	032,400
and Government levies payable on their behalf	376	376
Security deposits	2,157	2,157
Unclaimed dividends	6,589	6,028
	37,173,191	31,536,689

^{8.1} These balances include amounts retained from payments to crude suppliers for purchase of local crude as per the directives of the Ministry of Petroleum and Natural Resources (the Ministry). Further, as per directive of the Ministry such withheld amounts are to be retained in designated 90 days interest bearing accounts. The amounts withheld alongwith accumulated profits amounted to Rs 2,318.762 million (June 30, 2013: Rs 2,245.176 million).



December 31, June 30, 2013

(Rupees in thousand)

9. CONTINGENCIES AND COMMITMENTS

Contingencies:

- 9.1 Due to huge circular debt in the oil industry, certain payments due from / to the oil marketing companies (OMCs) and crude oil suppliers respectively have not been made on their due dates of payment. As a result the Company has raised claims on OMCs in respect of mark-up on delayed payments as well as received counter claims from some crude oil suppliers which have not been recognized in the financial information as these have not been acknowledged as debt by either parties.
- 9.2 Securities and Exchange Commission of Pakistan (SECP) has raised a demand on the Company to surrender gain on purchase and sale of shares of Attock Petroleum Limited by the Company during the period May 2008 to August 2008. Based on legal advice, the Company has contested this demand in Appeal against the SECP order. The Company is confident that there are reasonable grounds for a favourable decision and accordingly this liability has not been recognized in the financial information.

52,204 52,204

9.3 Consequent to amendment through Finance Act 2013, section 2 (22A) of Sales Tax Act 1990 (the Act) has been amended relating to definition of Provincial Sales Tax and claim of input tax paid on provincial services has been disallowed from July 2013 onward. Accordingly the Federal Board of Revenue (FBR) has disallowed claim of sales tax paid on provincial services. The Company has filed writ petition with Lahore High Court, Rawalpindi Bench, which has granted interim order and provisionally allowed the company to claim input sales tax paid on Provincial services by filing the sales tax return electronically / manually. The Company claimed the input tax paid on provincial services for the period July to November 2013 in the return filed in December 2013.

108,995 -

9.4 Guarantees issued by banks on behalf of the Company

394 394

9.5 Claims for land compensation contested by the Company

1,300 1,300

- 9.6 Price adjustment related to crude oil purchases as referred to in note 18.1, the amount of which can not be presently quantified
- 9.7 Company's share in guarantees and indemnity bonds issued by associated companies459,801571,881
- 9.8 Company's share in tax contingency of an associated company related to proration of expenses against local and export sales for prior years, as per show cause notices of tax department.

153,154 153,154



		December 31, 2013 (Rupees in	June 30, 2013
	Commitments :	(Hupees III	iliousaliu)
	9.9 ARL Up-gradation Projects	17,572,819	18,459,249
	Commitments outstanding for ARL Up-gradation Projection 31, 2013 comprises of Rs 3,994 million and US approximately (June 30, 2013 : Rs 4,368 million and U approximately).	\$ 129.07 million	
	9.10 Capital expenditure (other than - note 9.9 above)	257,683	187,899
	9.11 Letters of credit for purchase of store items	69,088	29,428
		Six months to December 31, 2013	Year ended June 30, 2013
10.	OPERATING ASSETS	(Rupees in	thousand)
	Opening written down value Additions during the period / year Written down value of disposals Depreciation during the period / year Closing written down value	9,504,110 20,583 (11) (58,257) 9,466,425	9,308,006 310,216 (875) (113,237) 9,504,110
11.	TRANSACTION COST ON BORROWINGS		
	Balance at beginning of the period - note 26.1 Additions during the period Balance at end of the period	18,975 237,525 256,500	18,975 18,975
	11.1 This represents transaction cost incurred on long term to account over the period of the loan using the effective interest.		e profit and loss
		December 31, 2013	June 30, 2013
10	LONG TERM INVESTMENTS	(Rupees in	thousand)
12.	LONG TERM INVESTMENTS		
	Investment in associated companies		
	Beginning of the year Share of profit after tax of associated companies	18,656,872	18,134,870
	(net of reversal of impairment loss) Share of other comprehensive income / (loss) of associated c		2,061,577 -
	Dividend received from associated companies	(1,578,917)	(1,539,575)
		18,494,116	18,656,872



12.1 The Company's interest in associates are as follows :

	Dec	December 31, 2013		June 30, 2013
Quoted	% age Holding	(Rupees in thousand)	% age Holding	(Rupees in thousand)
National Refinery Limited	25	9,660,473	25	9,660,473
Attock Petroleum Limited	21.88	6,343,517	21.88	6,446,720
<u>Unquoted</u>				
Attock Gen Limited	30	2,478,476	30	2,538,824
Attock Information Technology Services (Private) Limited	10	11,650	10	10,855
		18,494,116		18,656,872

13. STOCK-IN-TRADE

As at December 31, 2013, stock-in-trade include stocks carried at net realisable value of Rs 7,205 million (June 30, 2013 : Rs 10,266 million). Adjustments amounting to Rs 521 million (June 30, 2013 : Rs 856 million) have been made to closing inventory to write down stocks-in-trade to net realizable value.

14. TRADE DEBTS

All trade debts are unsecured and considered good.

Trade debts include amount receivable from associated companies Attock Petroleum Limited Rs 6,209 million (June 30, 2013 : Rs 6,971 million) and Pakistan Oilfields Limited Rs 25 million (June 30, 2013 : Rs 32 million).

		December 31, 2013	(Restated) June 30, 2013
15.	LOANS, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES	(Rupees in t	housand)
	Due from associated companies Attock Petroleum Limited Attock Leisure and Management Associates (Private) Limited Attock Gen Limited Attock Cement Pakistan Limited National Cleaner Production Centre Foundation Capgas (Private) Limited National Refinery Limited	2,106 25 761 1 470 8 14	2,130 4,203 229 16 543 31
	Crude oil freight adjustable through inland freight equalisation margin Income accrued on bank deposits Workers' profit participation fund Loans, deposits, prepayments and other receivables	59,164 - 279,083 341,632	15,802 38,716 65,958 196,283 323,911



16. CASH AND BANK BALANCES

- 16.1 Balances with banks include Rs 2,248.069 million (June 30, 2013: Rs 2,190.198 million) in respect of deposits placed on 90-day interest-bearing account consequent to directives of the Ministry of Petroleum and Natural Resources on account of amounts withheld alongwith related interest earned thereon net of withholding tax, as referred to in note 8.1.
- **16.2** A lien on the Company's savings account has been marked by a bank to the extent of guarantees issued on behalf of the Company amounting to Rs 394 thousand as referred to in note 9.4.

3 Months to		6 Mon	6 Months to	
December 31,	December 31,	December 31,	December 31,	
2013	2012	2013	2012	
(Rupees in	thousand) (Rupees in thousand)		ı thousand)	

17. SALES - NET

Gross sales (excluding Naphtha export sales)	48,612,264	47,844,131	95,317,898	90,075,865
Naphtha export proceeds Sales proceeds of Naphtha	7,852,549	5,876,509	15,517,652	11,058,165
exports related to third parties	(2,864,016)	(786,149)	(5,654,979)	(1,374,429)
	4,988,533	5,090,360	9,862,673	9,683,736
	53,600,797	52,934,491	105,180,571	99,759,601
Duties, taxes and levies	(9,182,921)	(9,388,120)	(18,170,384)	(17,765,625)
	44,417,876	43,546,371	87,010,187	81,993,976
HSD price differential				
payable to Government - note 17.1	(63,318)	-	(114,431)	-
	44,354,558	43,546,371	86,895,756	81,993,976

17.1 This represents amount payable to the Government of Pakistan on account of differential between import parity price of HSD and import price of PSO.



	3 Months to		6 Months to	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
	(Rupees in	thousand)	(Rupees in	thousand)
18. COST OF SALES				
Crude oil consumed - note 18.1	44,333,392	40,585,451	86,634,824	78,223,932
Transportation and handling charges	365,088	417,824	765,199	811,196
Salaries, wages and other benefits	162,743	141,469	339,770	281,862
Chemicals consumed	80,941	75,024	152,852	154,216
Fuel and power	238,399	229,779	423,788	439,027
Repairs and maintenance	79,917	62,956	114,118	98,268
Staff transport and travelling	4,252	3,334	7,738	6,315
Insurance	21,439	30,434	47,294	56,687
Cost of receptacles	3,657	5,731	10,716	12,228
Other operating costs	6,984	5,795	13,537	11,483
Depreciation	25,452	25,357	50,679	45,924
Cost of goods manufactured	45,322,264	41,583,154	88,560,515	80,141,138
Changes in stock	(720,934)	978,522	(1,251,004)	(1,090,996)
	44,601,330	42,561,676	87,309,511	79,050,142

18.1 Certain crude purchases have been recorded based on provisional prices notified by the Government and may require adjustment in subsequent period.

19. FINANCE COST

This includes exchange loss amounting to Rs 858 million (Six months period ended December 31, 2012: Rs 342 million) related to crude oil purchase in foreign currency and represents differential of price calculated at exchange rate prevailing on initial recognition of liability and exchange rate prevailing on the due date of payment or on December 31, 2013 for amounts outstanding but not due at period end.

		3 Months to		6 Months to	
		December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
		(Rupees in	thousand)	(Rupees in	thousand)
20. OTHER CHARGI	ES .				
Provision for slo	w moving stores	-	36,500		36,500
Workers' profit p	articipation fund	-	67,580	-	194,021
Workers' welfare	e fund	643	29,247	643	77,862
		643	133,327	643	308,383



		3 Months to		6 Months to	
		December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
		(Rupees ir	thousand)	(Rupees in	thousand)
21.	OTHER INCOME				
	Income on bank deposits	317,742	332,076	560,947	607,206
	Interest on delayed payments	19,448	392,578	34,755	767,989
	Handling and service charges	21,959	23,283	43,985	45,752
	Rental income	18,524	19,166	35,939	37,040
	Exchange gain	2,268	26,909	92,491	36,707
	Others	2,356	14,099	23,895	20,512
		382,297	808,111	792,012	1,515,206
22.	PROVISION FOR TAXATION				
	Current	60,600	552,500	109,300	1,432,100
	Deferred	(70)	8,143	(678)	9,812
		60,530	560,643	108,622	1,441,912
23.	NON-REFINERY INCOME				
	Share of profit of associated companies (net of reversal of impairment loss)	574,039	769,887	1,422,582	1,315,466
	(net of reversal of impairment loss)	374,009	103,001	1,422,302	1,313,400
	Less: Related charges	700	00.040	40.700	00.040
	Workers' Profit Participation fund Workers' Welfare fund	729	62,013	43,762	62,013
	Taxation	5,860	23,565 112,801	30,703 142,926	23,565 112,801
	Ιαλαιίοτι				
		6,589 567,450	198,379_ 571,508	217,391 1,205,191	198,379 1,117,087
	Profit after taxation from Attock	JU1,4JU	37 1,300	1,200,191	1,111,001
	Hospital (Private) Limited				
	(wholly owned subsidiary)	150	1,826	778	2,387
		567,600	573,334	1,205,969	1,119,474



24. OPERATING SEGMENT

The financial information has been prepared on the basis of a single reportable segment. Revenue from external customers for products of the Company are as follows:

	3 Mon	3 Months to		6 Months to		
	December 31,	December 31,	December 31,	December 31,		
	2013	2012	2013	2012		
	(Rupees in	thousand)	(Rupees in thousand)			
High Speed Diesel	18,056,484	18,212,868	35,964,000	34,464,998		
Premier Motor Gasoline	12,108,688	12,022,207	23,407,619	22,293,842		
Jet Petroleum	5,089,108	6,007,552	10,940,283	11,339,809		
Furnace Fuel Oil	6,055,655	5,270,230	11,573,496	10,231,650		
Naphtha	4,874,102	5,090,360	9,748,242	9,683,736		
Others	7,353,442	6,331,274	13,432,500	11,745,566		
Duties, taxes and levies	53,537,479	52,934,491	105,066,140	99,759,601		
	(9,182,921)	(9,388,120)	(18,170,384)	(17,765,625)		
	44,354,558	43,546,371	86,895,756	81,993,976		

Revenue from four major customers of the Company constitute 87% of total revenue during the six months period ended December 31, 2013 (December 31, 2012: 88%).

25. RELATED PARTY TRANSACTIONS

Aggregate transactions with holding company, associated companies and subsidiary during the period were as follows:

	3 Months to		6 Months to			
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012		
	(Rupees in	thousand)	(Rupees ir	ı thousand)		
Sale of goods and services to :						
Associated companies	12,993,804	10,958,225	24,839,212	21,200,553		
Holding company	2,241	79	2,323	155		
Interest income on delayed paymen from an associated company	ts17,303	392,578	32,610	767,989		
Purchase of goods and services from :						
Associated companies	3,988,186	3,598,298	7,759,725	7,063,654		
Holding company	94,541	115,091	186,634	240,141		



	3 Months to		6 Months to	
	December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
	(Ru	pees in thousand)	(Rupees in	thousand)
Other related parties :				
Remuneration of Chief Executive and key management personnel				
including benefits and perquisites	50,430	61,598	117,264	94,851
Honorarium / remuneration to Non-Executive Directors	826	748	3,212	2,252
Contribution to Workers' Profit Participation Fund	729	129,593	43,762	256,034
Contribution to employees' pension, gratuity and provident funds	12,209	15,204	24,736	26,836

26. GENERAL

26.1 Previous year figure has been reclassified to conform to current period presentation as follows:

Reclassified from	Reclassified to	Rupees
		(in thousand)
Capital work-in-progress	Transaction cost on borrowings	18,975

26.2 Date of authorization

This condensed interim consolidated financial information was authorised for circulation to the shareholders by the Board of Directors of the Company on January 21, 2014.

-SdChief Executive -SdDirector