

**CONSOLIDATED CONDENSED INTERIM BALANCE SHEET  
AS AT DECEMBER 31, 2017**

	Note	December 31, 2017 (Un-audited) (Rupees in '000)	June 30, 2017 (Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	1,528,203	1,605,980
Long term deposits		13,018	13,018
Deferred cost	5	8,808	-
		<b>1,550,029</b>	<b>1,618,998</b>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		82,116	68,513
Stock-in-trade		1,236,293	1,087,399
Trade debts		758,834	508,023
Advances, deposits, prepayments and other receivables		29,167	12,390
Accrued profit		1,154	1,147
Sales tax receivable		-	42,100
Short-term investments	6	790,526	691,785
Taxation – net		173,497	317,586
Cash and bank balances		361,425	349,541
		<b>3,433,012</b>	<b>3,078,484</b>
<b>TOTAL ASSETS</b>		<b>4,983,041</b>	<b>4,697,482</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital 40,000,000 (June 30,2017: 40,000,000) Ordinary shares of Rs. 5/- each		200,000	200,000
Issued, subscribed and paid-up share capital		144,000	144,000
Reserves		4,204,380	3,928,163
		<b>4,348,380</b>	<b>3,072,163</b>
<b>NON CURRENT LIABILITY</b>			
Deferred taxation		84,276	92,313
<b>CURRENT LIABILITIES</b>			
Trade and other payables		544,305	533,006
Sales tax payable		6,080	-
		<b>550,385</b>	<b>533,006</b>
<b>COMMITMENTS</b>			
	7		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,983,041</b>	<b>4,697,482</b>

The annexed notes from 1 to 11 form an integral part of these consolidated condensed interim financial statements.



**YUTAKA ARAE**  
Chairman



**FAHIM KAPADIA**  
Chief Executive



**AQEEL LOON**  
Chief Financial Officer

**CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD & QUARTER ENDED DECEMBER 31, 2017 (UN-AUDITED)**

	Half-year ended		Quarter ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
	(Rupees in '000)		(Rupees in '000)	
Turnover – net	3,991,913	3,467,846	2,062,036	1,842,896
Cost of sales	(3,182,198)	(2,775,341)	(1,658,995)	(1,466,252)
<b>Gross profit</b>	<b>809,715</b>	<b>692,505</b>	<b>403,041</b>	<b>376,644</b>
Distribution costs	(58,344)	(54,098)	(29,630)	(28,743)
Administrative expenses	(115,350)	(101,364)	(57,105)	(49,648)
	(173,694)	(155,462)	(86,735)	(78,391)
<b>Operating profit</b>	<b>636,021</b>	<b>537,043</b>	<b>316,306</b>	<b>298,253</b>
Other expenses	(52,961)	(47,589)	(27,436)	(30,356)
Other income	30,640	18,263	17,328	8,244
Finance costs	(207)	(256)	(103)	(153)
	(22,528)	(29,582)	(10,211)	(22,265)
<b>Profit before taxation</b>	<b>613,493</b>	<b>507,461</b>	<b>306,095</b>	<b>275,988</b>
Taxation	(121,276)	(151,060)	(60,698)	(108,280)
<b>Profit after taxation</b>	<b>492,217</b>	<b>356,401</b>	<b>245,397</b>	<b>167,708</b>
<b>Earnings per share - basic and diluted</b>	<b>Rupees 17.09</b>	<b>Rupees 12.38</b>	<b>Rupees 8.52</b>	<b>Rupees 5.82</b>

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**YUTAKA ARAE**  
Chairman



**FAHIM KAPADIA**  
Chief Executive



**AQEEL LOON**  
Chief Financial Officer

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD & QUARTER ENDED DECEMBER 31, 2017 (UN-AUDITED)**

	Half-year ended		Quarter ended	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
	(Rupees in '000)		(Rupees in '000)	
<b>Net profit for the period</b>	492,217	356,401	245,397	167,708
Other comprehensive income	-	-	-	-
<b>Total comprehensive income the period</b>	<u>492,217</u>	<u>356,401</u>	<u>245,397</u>	<u>167,708</u>

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**CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT  
FOR THE HALF YEAR ENDED DECEMBER 31, 2017 (UN-AUDITED)**

	Half-year ended	
	December 31, 2017	December 31, 2016
	(Rs. in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	<b>613,493</b>	507,461
Adjustments for:		
Depreciation	98,806	84,754
Amortization of deferred cost	644	-
Finance costs	207	256
Provision for impairment of trade debts	(39)	73
Gain on disposal of property, plant and equipment	(2,219)	(780)
Liabilities no longer payable – written back	-	(4)
Profit on short-term investments / bank balances	(24,919)	(14,445)
	<b>685,973</b>	577,315
Increase in current assets	(393,423)	(387,467)
Decrease in current liabilities	37,682	(2,543)
<b>Cash generated from operations</b>	<b>330,232</b>	187,305
Finance costs paid	(207)	(256)
Income tax paid	(6,292)	(230,245)
<b>Net cash generated from / (used in) operating activities</b>	<b>323,733</b>	(43,196)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(26,209)	(175,916)
Proceeds from disposal of property, plant and equipment	7,401	3,441
Technical fee paid	(9,452)	-
Profit received on investments / bank balances	23,989	15,639
<b>Net cash used in investing activities</b>	<b>(4,271)</b>	(156,836)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(209,762)	(176,440)
<b>Net increased / (decreased) in cash and cash equivalents</b>	<b>109,700</b>	(376,472)
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,037,261</b>	864,202
<b>Cash and cash equivalents at the end of the period</b>	<b>1,146,961</b>	487,730
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	361,425	220,730
Short-term investments	785,536	267,000
	<b>1,146,961</b>	487,730

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**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED DECEMBER 31, 2017 (UN-AUDITED)**

	Issued, subscribed and paid- up capital	Capital reserve	Revenue reserves		Total	Total equity
		Share premium	General	Unapp- ropriated profit		
<b>Balance as at July 01, 2016</b>	144,000	12,598	2,675,000	746,936	3,434,534	3,578,534
Final dividend for the year ended June 30, 2016 @ Rs.6/50 per share	-	-	-	(180,000)	(180,000)	(180,000)
Transfer to general reserve	-	-	400,000	(400,000)	-	-
Profit after taxation for the period	-	-	-	356,401	356,401	356,401
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	356,401	356,401	356,401
<b>Balance as at December 31, 2016</b>	<b>144,000</b>	<b>12,598</b>	<b>3,075,000</b>	<b>523,337</b>	<b>3,610,935</b>	<b>3,754,935</b>
<b>Balance as at July 01, 2017</b>	<b>144,000</b>	<b>12,598</b>	<b>3,075,000</b>	<b>840,565</b>	<b>3,928,163</b>	<b>4,072,163</b>
Final dividend for the year ended June 30, 2017 @ Rs.7.50 /- per share	-	-	-	(216,000)	(216,000)	(216,000)
Transfer to general reserve	-	-	580,000	(580,000)	-	-
Profit after taxation for the period	-	-	-	492,217	492,217	492,217
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	492,217	492,217	492,217
<b>Balance as at December 31, 2017</b>	<b>144,000</b>	<b>12,598</b>	<b>3,655,000</b>	<b>536,782</b>	<b>4,204,380</b>	<b>4,348,380</b>

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**YUTAKA ARAE**  
Chairman



**FAHIM KAPADIA**  
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**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD & QUARTER ENDED DECEMBER 31, 2017 (UN-AUDITED)**

**1. THE COMPANY AND ITS OPERATIONS**

- 1.1** Agriauto Industries Limited (the Holding Company) was incorporated in Pakistan on June 25, 1981 as a public limited company, under the Companies Act, 1913 (now the repealed Companies Ordinance 1984), and is listed on the Pakistan Stock Exchange. The Company is engaged in the manufacture and sale of components for automotive vehicles, motor cycles and agricultural tractors. The registered office of the Company is situated at 5<sup>th</sup> Floor, House of Habib, Main Shahrah-e-Faisal, Karachi.
- 1.2** The Group comprises of the Holding Company and Agriauto Stamping Company (Private) Limited (the Subsidiary Company). The Subsidiary Company was incorporated in Pakistan on January 20, 2012 as a private limited company, under the repealed Companies Ordinance 1984. The Subsidiary Company is engaged in stamping of sheet metal parts, dies, fixtures primarily for the automotive industry and has commenced its commercial operations on July 2, 2014. The registered office of the Subsidiary Company is situated at 5th Floor, House of Habib, Main Shahrah-e-Faisal, Karachi.

**2. BASIS OF PREPARATION**

These consolidated condensed interim financial statements have 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 repealed Companies Ordinance, 1984 (note 2.1.1). In case where requirements differ, the provisions of or directives issued under the repealed Companies Ordinance, 1984 have been followed.

- 2.1.1** The Companies Ordinance, 1984 has been repealed after the enactment of Companies Act, 2017. However, as allowed by the SECP vide its circular dated October 04, 2017, these consolidated financial statements have been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984.
- 2.2** These consolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited consolidated financial statements for the year ended June 30, 2017..
- 2.2** These consolidated condensed interim financial statements are un-audited but subject to limited scope review by the auditors except for the figures of the consolidated condensed interim profit and loss account and consolidated condensed interim statement of comprehensive income for the quarters ended December 31, 2017 and December 31, 2016.

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD & QUARTER ENDED DECEMBER 31, 2017 (UN-AUDITED)**

**3. ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of the consolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's audited consolidated financial statements for the year ended Jun 30, 2017. The company has adopted certain amended International Financial Reporting Standards which became effective during the period and referred to in note 4.2 to the audited consolidated financial statements for the year ended June 30, 2017. The adoption of such amended standard did not have any effect on these consolidated condensed interim financial statements.

	<b>Note</b>	<b>December 31, 2017 (Un-audited)</b>	<b>June 30, 2017 (Audited)</b>
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>		<b>(Rupees in '000)</b>	
Operating fixed assets	4.1	<b>1,527,513</b>	1,605,290
Capital work-in-progress		<b>690</b>	690
		<b><u>1,528,203</u></b>	<u>1,605,980</u>

4.1 The following additions and deletions (at cost) were made in operating fixed assets during the period:

	<b>Additions at cost Half year ended</b>		<b>Deletions at cost Quarter ended</b>	
	<b>December 31, 2017 (Un-audited)</b>	<b>2016</b>	<b>December 31, 2017 (Un-audited)</b>	<b>2016</b>
	<b>----- (Rupees in '000) -----</b>		<b>----- (Rupees in '000) -----</b>	
<b>Owned</b>				
Plant and machinery	<b>10,915</b>	32,106	<b>2,636</b>	4,791
Vehicles	<b>10,014</b>	11,022	<b>9,251</b>	3,048
Furniture and fixtures	<b>757</b>	3,546	-	96
Computers	<b>1,427</b>	485	<b>437</b>	-
Office equipment	<b>96</b>	80	-	-
	<b><u>26,209</u></b>	<u>47,239</u>	<b><u>12,324</u></b>	<u>7,935</u>

**5. DEFERRED COST**

This represents amount paid for technical assistance and expertise acquired in respect of parts for upcoming models.

	<b>Note</b>	<b>December 31, 2017 (Un-audited)</b>	<b>June 30, 2017 (Audited)</b>
<b>6. SHORT TERM INVESTMENTS</b>		<b>(Rs. in 000')</b>	
<b>Held- to- maturity</b>			
Term deposit receipts	6.1	<b>292,000</b>	292,000
Treasury bills	6.2	<b>493,536</b>	395,720
Accrued profit thereon		<b>4,990</b>	4,065
		<b><u>790,526</u></b>	<u>691,785</u>

6.1 Represents one to three months term deposit receipts with a commercial bank under conventional banking relationship carrying profit rate ranging from of 4.05% to 5.30% (June 30, 2017: 4.25% to 6.25%) per annum having maturity date of 30 January 2018.

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD & QUARTER ENDED DECEMBER 31, 2017 (UN-AUDITED)**

**6.2** Represents one to three months treasury bills with a commercial bank under conventional banking relationship carrying profit rate ranging from 5.88% to 5.93% (June 30, 2017: 5.75% to 5.90%) per annum having maturity date of 15 March 2018.

**7. COMMITMENTS**

There is no material change in the status of contingencies and commitments as reported in the annual financial statements for the year ended June 30, 2017 other than described below:

**7.1** Commitments in respect of outstanding letters of credit for raw material amount to Rs. 584.818 million (June 30, 2017: Rs. 689.030 million).

**7.2** Commitments in respect of capital expenditure amount to Rs. 30.564 million (June 30, 2017: Rs. 0.978 million).

**8. TRANSACTIONS WITH RELATED PARTIES**

Related parties of the Company comprise subsidiary company, companies with common directorship, retirement funds, directors and key management personnel. Detail of transactions with related parties during the period, other than disclosed elsewhere in this unconsolidated condensed interim financial information, are as follows:

	<b>December 31, 2017 (Un-audited)</b>	<b>December 31, 2016 (Un-audited)</b>
	<b>(Rs. in 000')</b>	
Purchase of goods/assets	<u>883</u>	<u>610</u>
Contribution to provident fund	<u>4,837</u>	<u>4,429</u>
Key management personnel compensation	<u>6,084</u>	<u>6,954</u>

**9. NON ADJUSTING EVENT AFTER THE BALANCE SHEET DATE**

The Board of Directors has proposed and approved an interim cash dividend of Rs. 4.00 per share for the half year ended December 31 2017, in its meeting held on February 21, 2018

**10. DATE OF AUTHORISATION FOR ISSUE**

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

**11. GENERAL**

Figures have been rounded off to the nearest thousands.



**YUTAKA ARAE**  
Chairman



**FAHIM KAPADIA**  
Chief Executive



**AQEEL LOON**  
Chief Financial Officer