



**United Brands  
Limited**

(Formerly UDL Industries Ltd.)

THIRD QUARTER MARCH 2007 (Unaudited)

	March 2007 (Rupees)	June 2006 (Rupees)
5. BASIC EARNING PER SHARE		
Profit after taxation	4,917,633	2,934,682
Number of ordinary shares	1,200,000	1,200,000
<b>Earning per share</b>	<u><u>4.098</u></u>	<u><u>2.446</u></u>

6. TAXATION

This represent minimum tax liability under section 113 of the Income Tax Ordinance 2001.

7. DATE OF AUTHORIZATION FOR ISSUE

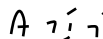
These financial statements were authorized for issue on April 19, 2007 by the Board of Directors of the Company.

8. GENERAL

Figures have been rounded off to nearest Rupees.



CHIEF EXECUTIVE



DIRECTOR

CORPORATE INFORMATION

BOARD OF DIRECTORS

1. Mr. Rashid Abdulla	Chairman & Chief Executive
2. Mr. Mushtaq Abdulla	Director
3. Mr. Amal Ismail	Director
4. Mr. Shahid Abdulla	Director
5. Mr. Monis Abdulla	Director
6. Mr. Asad Abdulla	Director
7. Mr. Faisal Abdulla	Director

AUDIT COMMITTEE

1. Mr. Rashid Abdulla	Chairman
2. Mr. Amal Ismail	Director
3. Mr. Shahid Abdulla	Director

COMPANY SECRETARY & CHIEF FINANCIAL OFFICER

Mr. Javed Khan

AUDITORS

Mehmood Idress Qamar & Company (Chartered Accountants)

INTERNAL AUDITORS

Namdar & Co., Chartered Accountants

LEGAL ADVISOR

Raja Qasit Nawaz Khan

BANKERS

Habib Bank Limited  
Standard Chartered Bank (Pakistan) Limited  
Saudi Pak Commercial Bank Limited  
Meezan Bank Limited

REGISTERED OFFICE

9<sup>th</sup> Floor, NIC Building, Abbasi Shaheed Road, Karachi. 75530  
Tel : 5675111-7, 5683944-6 Fax : 5682772

REGISTRAR

Gangjees Registrar Services (Pvt) Limited  
Room No. 513, 5<sup>th</sup> Floor, Clifton Center,  
Khayaban-e-Roomi, Block-5, Clifton, Karachi - 75600

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**DIRECTOR'S REVIEW**

On behalf of the Board of Directors, we have pleasure in presenting performance review together with the accounts of the Company for the nine months ended March 31, 2007.

We are pleased to report that by the Grace of Almighty Allah the performance of your Company for the period under review has been encouraging and sustained growth in profitability over the corresponding period of the last year.

The sales improved by 31% as a result of volume gains, favourable product mix and improved selling strategies over the corresponding period of the last year. We have been able to achieve these gains as a result of consistent quality of services.

Profit after tax for the quarter has decreased due to pre-launching expenses incurred on Kraft Foods Business, which will be adjusted against the sales in fourth quarter of the current financial year. However, over all profit after tax for nine months is Rs. 4.918 Million compared to Rs. 2.408 Million in the corresponding period i.e. increase by 104%, this increase in profit is in line with increased sales volumes as a result of induction of new business lines and cost effective business strategies.

Our growth in business is going according to plan. In the fourth quarter, we will launch Kraft Foods Business. We are constantly working toward improving our existing business, while creating new avenues to expand our business for long-term growth and success.

We are thankful to all our principals, customers and bankers for their continuing support. We also thank all our staff for their contribution to the improvement of the company's performance, and we look forward for their continued support.

April 19, 2007  
Karachi

*On behalf of the Board*



**RASHID ABDULLA**  
Chief Executive

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER ENDED MARCH 31, 2007  
(UN-AUDITED)**

**1. STATUS AND NATURE OF BUSINESS**

The Company was incorporated in Pakistan in 1965 as a Public Limited Company by shares under the Companies Ordinance, 1984. The shares of the Company are quoted on Karachi Stock Exchange. The registered office of the Company is situated at 9th Floor, NIC Building, Abbasi Shaheed Road, Karachi. The principal activities of the Company was manufacturing/assembling and trading in electrical domestic appliances. Commencing from the month of January, 2006 the principal activities of the company are trading and distribution of consumer goods, pharmaceutical and allied products.

**2. BASIS OF PRESENTATION**

2.1 These financial statements have been prepared in accordance with the requirements of the International Accounting Standard No. 34 "Interim Financial Reporting" and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and the listing regulations of the Karachi Stock Exchange.

The financial statements comprise of the balance sheet as at March 31, 2007 and the profit and loss account, statement of changes in equity and the cash flow statement for the quarter ended March 31, 2007.

The comparative balance sheet presented in these financial statements as at June 30, 2006 has been extracted from the audited financial statements of the company for the year ended June 30, 2006 whereas the comparative profit and loss account, statement of changes in equity and cash flow statement are for the quarter ended March 31, 2006.

2.2 The accounting policies adopted in the preparation of these financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended June 30, 2006.

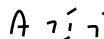
	March 2007 (Rupees)	June 2006 (Rupees)
3. ISSUED, SUBSCRIBED AND PAID UP CAPITAL	<u>12,000,000</u>	<u>12,000,000</u>
4. DUE TO RELATED PARTIES		
General Commodities (Pvt) Ltd	<u>15,553,163</u>	<u>11,452,387</u>

STATEMENT OF CHANGES IN EQUITY  
FOR THE THIRD QUARTER ENDED MARCH 31, 2007  
(UN-AUDITED)

	Share Capital	Accumulated Profit / (Loss)	Total
	<u>Rupees</u>		
Balance as on June 30, 2005,	12,000,000	(10,952,531)	1,047,469
Profit for the year ended June 30, 2006		2,934,682	2,934,682
<b>Balance as at June 30, 2006</b>	<b>12,000,000</b>	<b>(8,017,849)</b>	<b>3,982,151</b>
Final dividend of 10% for the year ended June 30, 2006	0	(1,200,000)	(1,200,000)
Profit upto third quarter ended March 31, 2007	0	4,917,634	4,917,634
<b>Balance as at March 31, 2007</b>	<b>12,000,000</b>	<b>(4,300,215)</b>	<b>7,699,785</b>



CHIEF EXECUTIVE



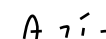
DIRECTOR

BALANCE SHEET  
AS AT March 31, 2007  
(UN-AUDITED)

Note	Mar 2007 (Rupees)	June 2006 (Rupees)
<b>CAPITAL AND RESERVES</b>		
	<b>Authorized Capital</b>	
	30,000,000	30,000,000
	3,000,000 ordinary shares of Rs. 10/-each	
	<b>Issued, Subscribed and paid-up capital</b>	
	12,000,000	12,000,000
	1,200,000 ordinary shares of Rs. 10/- each	
	(4,300,215)	(8,017,849)
	Fully paid up in cash	
	7,699,785	3,982,151
	Accumulated (loss)	
	Shareholders equity	
	<b>NON-CURRENT LIABILITIES</b>	
	Due to related party	
	15,553,163	11,452,387
	Provident fund payable	
	4,618,781	3,392,963
	Staff retirement benefits	
	2,251,389	1,639,059
	Liabilities against assets subject to finance lease	
	4,692,821	-
	<b>CURRENT LIABILITIES</b>	
	229,843	259,706
	Current maturity of liabilities against assets	
	62,138,672	40,553,122
	Creditors, accrued and other liabilities	
	3,033,422	42,393,041
	Provision for taxation	
	65,401,937	42,393,041
	<b>CONTINGENCIES AND COMMITMENTS</b>	
	-	-
	<b>TOTAL</b>	
	<b>100,217,876</b>	<b>62,859,601</b>
	<b>ASSETS</b>	
	<b>NON CURRENT ASSETS</b>	
	Fixed assets	
	11,987,590	1,917,002
	Deferred costs	
	377,840	292,085
	<b>CURRENT ASSETS</b>	
	32,902,922	22,835,878
	Stock in trade	
	10,675,181	10,406,601
	Trade debts- considered good	
	10,435,737	2,839,336
	Loans, Advances and deposits	
	23,772,696	12,654,663
	Prepayments and other receivables	
	10,065,910	11,914,036
	Cash and bank balances	
	87,852,446	60,650,514
	<b>100,217,876</b>	<b>62,859,601</b>
	<b>TOTAL</b>	



CHIEF EXECUTIVE



DIRECTOR

Third  
Quarter Mar.  
2007

**UB**  
United Brands  
Limited  
(Formerly UDL Industries Ltd.)

**PROFIT & LOSS ACCOUNT  
FOR THE THIRD QUARTER ENDED MARCH 31, 2007  
(UN-AUDITED)**

	Cumulative		Quarter Ended	
	31, March 2007 (Rupees)	31, March 2006 (Rupees)	31, March 2007 (Rupees)	31, March 2006 (Rupees)
Sales	229,447,025	56,883,000	74,774,355	56,883,000
Cost of goods Sold	197,803,130	49,400,000	64,472,121	49,400,000
Gross Profit	<u>31,643,895</u>	<u>7,483,000</u>	<u>10,302,234</u>	<u>7,483,000</u>
Fee for product handling and logistics	27,962,000	-	10,095,000	-
	59,605,895	7,483,000	20,397,234	7,483,000
Administration & Selling expenses	50,616,876	4,209,764	19,309,411	4,054,305
	8,989,019	3,273,236	1,087,823	3,428,695
Financial Charges	1,082,385	121,695	418,186	121,695
Profit / (Loss) before taxation	<u>7,906,634</u>	<u>3,151,541</u>	<u>669,637</u>	<u>3,307,000</u>
Taxation	2,989,000	743,000	456,052	743,000
Profit / (Loss) after taxation	<u>4,917,634</u>	<u>2,408,541</u>	<u>213,585</u>	<u>2,564,000</u>
(Loss) / earning per share	5 4.098	2.007	0.178	2.137

  
CHIEF EXECUTIVE

  
DIRECTOR


(4)

Third  
Quarter Mar.  
2007

**UB**  
United Brands  
Limited  
(Formerly UDL Industries Ltd.)

**CASH FLOW STATEMENT  
FOR THE THIRD QUARTER ENDED MARCH 31, 2007  
(UN-AUDITED)**

	March 2007 (Rupees)	March 2006 (Rupees)
<b>Cash Flow From Operating Activities</b>		
Profit / (Loss) before taxation	7,906,634	3,306,999
Depreciation	1,249,096	47,250
Lease Rental paid	1,133,650	281,038
Amortization of deferred cost	141,146	-
Provision for gratuity	612,230	1,482,186
Financial Charges	1,082,385	121,695
	4,218,607	1,932,169
<b>Profit/(Loss) before changes in working capital</b>	<u>12,125,241</u>	<u>5,239,168</u>
<b>Working Capital Changes</b>		
<b>(Increase)/ Decrease in current assets</b>		
Stock in trade	(10,067,044)	(37,518,982)
Trade debts	(268,580)	(7,928,000)
Loans, advances and deposits	(7,596,401)	(3,934,679)
Prepayments and other receivables	(11,118,033)	(8,665,864)
	(29,050,058)	(58,047,525)
<b>Increase/ (Decrease) in current liabilities</b>		
Current maturity of liabilities against assets	(29,863)	-
Creditors, Accrued and other liabilities	21,585,550	34,756,370
	21,555,687	34,756,370
Net cash from (used) operating activities	4,630,869	(18,051,987)
Financial Charges paid	(602,385)	(121,695)
Income tax paid	(1,535,791)	-
Dividend Paid	(1,200,000)	-
<b>Net cash flow / (used) in operating activities</b>	<u>1,292,693</u>	<u>(18,173,682)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(11,769,821)	(2,078,650)
Deferred cost incurred	(226,901)	(164,102)
	(11,996,722)	(2,242,752)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Due to related parties	4,100,776	20,715,511
Provident Fund Payable	1,225,818	-
Repayment of liabilities against assets subject to finance lease	4,662,958	505,497
Lease rentals paid	(1,133,650)	(281,038)
	8,855,902	20,939,970
Net (Decrease)/ Increase in cash and cash equivalents	(1,848,126)	523,536
Cash and Bank Balance at the beginning of the quarter	11,914,036	1,092,196
Cash and Bank Balance at the end of the quarter	<u>10,065,910</u>	<u>1,615,732</u>

  
CHIEF EXECUTIVE

  
DIRECTOR

(5)