



ICI Pakistan Limited is now part of the AkzoNobel Group

Climate of change

ICI Pakistan Limited
Report for the Quarter &
Nine Months Ended September 30, 2009



AkzoNobel
Tomorrow's Answers Today



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Condensed Interim Consolidated Financial Information

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Company Information

Board of Directors

M J Jaffer	Chairman Non-Executive	Tariq Iqbal Khan	Non-Executive
Waqar A Malik	Chief Executive	James R Rees	Non-Executive
Mueen Afzal *	Non-Executive	Feroz Rizvi	Executive
Ali A Aga	Executive	M Nawaz Tiwana	Non-Executive
Bart Kaster	Non-Executive	Derek W Welch	Non-Executive

Audit & Remuneration Sub Committees of the Board

Audit Sub Committee

M J Jaffer	Chairman Non-Executive
Mueen Afzal	Non-Executive
Bart Kaster	Non-Executive

Remuneration Sub Committee

M Nawaz Tiwana	Chairman Non-Executive
James R Rees	Non-Executive

Chief Financial Officer

Feroz Rizvi

Company Secretary

Nasir Jamal

Executive Management Team

Waqar A Malik	Chief Executive	Suhail Aslam Khan	Vice President
Ali A Aga *	Vice President		Polyester Business,
	Soda Ash Business	M Asif Malik	General Manager
Dr Amir Jafri	Vice President		Technical Function
	Paints Business	Feroz Rizvi	Chief Financial Officer
Jehanzeb Khan	Vice President		
	Chemicals Business		

Bankers

Askari Bank Limited	MCB Bank Limited
Bank Alfalah Limited	National Bank of Pakistan
Bank AlHabib Limited	Oman International Bank
Citibank N.A.	Standard Chartered Bank
Deutsche Bank AG	(Pakistan) Limited
Faysal Bank Limited	The Royal Bank of Scotland Limited,
Habib Bank Limited	(Formerly ABN AMRO Bank
HSBC Bank Middle East Limited	(Pakistan) Limited)
Meezan Bank Limited	United Bank Limited

Auditors

Internal Auditors

Ford Rhodes Sidat Hyder & Co.,
Chartered Accountants

External Auditors

KPMG Taseer Hadi & Co.,
Chartered Accountants

Registered Office

ICI House, 5 West Wharf, Karachi-74000
Tel : 111-100-200, (021) 32313717-22
Fax : 32311739
Web: www.icipakistan.com
E-mail: ccpa_pakistan@ici.com

Shares Registrar

M/s. FAMCO Associates (Pvt) Ltd
(Formerly Ferguson Associates (Pvt) Ltd)
1st Floor, State Life Building 1-A
I. I. Chundrigar Road, Karachi-74000
Tel : (021) 32427012, 32426597, 32420755, 32475606, 32425467
Fax : (021) 32426752

* names in alphabetical order

Report of the Directors For the Quarter & Nine months Ended September 30, 2009

The Directors are pleased to present their report together with the unaudited financial statements of the Company for the quarter and nine months ended September 30, 2009.

There was no lost time injury to any employee and supervised contractor during the quarter. Full compliance was achieved with the Company environmental and health standards as well as National Standards.

Weak demand due to economic slowdown, severe power shortages and security unrest continued and affected the volumes in all Businesses except Polyester and Life Sciences Businesses. Margin management during the quarter was good. Unit margins in the Polyester, Paints and Chemicals Businesses were better compared with the corresponding periods last year, partially mitigating the decline in volumes.

Profit after tax for the quarter and nine months was higher by 17 percent compared with the same periods last year.

Earning per share for the quarter and nine months was also up by 17 percent compared with the same periods last year.

On Group basis (including the results of the wholly owned subsidiary ICI Pakistan PowerGen Limited) profit after tax for the quarter and nine months was higher by 31 percent and 33 percent respectively compared with the same periods last year.

FINANCIAL PERFORMANCE

Summary of financial results for the quarter and nine months 2009 is given below:

ICI Pakistan Limited						
	Amounts in Rs Million					
	Q3 '09	Q3 '08*	Increase/ (Decrease)	YTD '09	YTD '08*	Increase/ (Decrease)
Net Sales Income	6,934.8	7,512.0	(8)%	20,820.4	21,488.2	(3)%
Gross Profit	1,515.8	1,470.7	3%	4,213.9	4,172.1	1%
Operating Result	839.1	902.8	(7)%	2,338.7	2,457.5	(5)%
Profit Before Tax	819.4	728.2	13%	2,343.6	2,089.8	12%
Profit After Tax	557.4	475.6	17%	1,582.9	1,356.9	17%
Earning Per Share (Rs)	4.02	3.43	17%	11.4	9.78	17%

* 2008 restated figures

Group Basis (includes ICI Pakistan PowerGen Limited)						
	Amounts in Rs Million					
	Q3 '09	Q3 '08*	Increase/ (Decrease)	YTD '09	YTD '08*	Increase/ (Decrease)
Net Sales Income	6,910.5	7,489.1	(8)%	20,750.7	21,446.3	(3)%
Gross Profit	1,541.5	1,477.7	4%	4,285.2	4,052.4	6%
Operating Result	864.7	908.2	(5)%	2,409.6	2,333.5	3%
Profit Before Tax	867.1	713.6	22%	2,353.1	1,929.6	22%
Profit After Tax	605.1	461.0	31%	1,592.4	1,196.8	33%
Earning Per Share (Rs)	4.36	3.32	31%	11.47	8.62	33%

* 2008 restated figures

Report of the Directors For the Quarter & Nine months Ended September 30, 2009

Polyester Staple Fibre (PSF)

	Q3 2009	Improvement/ (Decline)*	YTD 2009	Improvement/ (Decline)*
Operating Result - Rs Million	310.8	42%	841.2	29%
Sales Volume - Tons	28,111	2%	92,150	3%
Production Volume - Tons	30,619	10%	92,893	1%

**Compared with the same period last year*

During the quarter, crude oil prices remained stable. Feed stock prices moved up initially but a substantial downward correction was observed during the latter part of the quarter. Both, regional and domestic PSF prices followed the feedstock trend. The production facility continued to remain shut at a large domestic producer of PSF. Overall, the PSF domestic supply demand remained well balanced.

Domestic PSF market contracted by 13 percent during the quarter compared with the corresponding quarter last year as customers de-stocked in anticipation of reduction in PSF selling price. The Business sold 2 percent and 3 percent higher volumes for the quarter and for the nine months respectively compared with the same periods last year.

With higher sales volume as well as better unit margins, the operating result was 42 percent higher compared with the same quarter last year. On year to date basis operating result was 29 percent higher compared with the corresponding period last year.

Soda Ash

	Q3 2009	Improvement/ (Decline)*	YTD 2009	Improvement/ (Decline)*
Operating Result - Rs Million	314.8	(22)%	805.6	(11)%
Sales Volume - Tons				
Soda Ash & Sodium Bicarbonate	67,225	(0)%	191,060	(4)%
Production Volume - Tons				
Soda Ash & Sodium Bicarbonate	68,037	1%	190,930	(4)%

**Compared with the same period last year*

The global demand for soda ash remained weak and major manufacturers continued to operate at reduced rates. International prices witnessed a downward pressure and a tug of war persisted among major international manufacturers for capturing export opportunities even at very low prices in an attempt to liquidate stocks.

Report of the Directors For the Quarter & Nine months Ended September 30, 2009

Sluggish sentiment continued to prevail in the domestic soda ash market. Demand was weak from major downstream consumers (glass, silicate and paper) in the backdrop of energy shortages and sharp slowdown in the construction and housing activity. In line with market demand, the expanded plant was operated at a reduced level of 72 percent throughout the quarter. Sales volume for the quarter including exports was at par with the same quarter last year and on year to date basis it was lower by 4 percent. Business exported 2,299 tons and 7,078 tons of soda ash during the quarter and nine months ended September 2009 respectively.

Unit margins during the quarter were lower due to downward pressure on selling prices. Consequently, operating result for the quarter was below the same quarter last year by 22 percent and on year to date basis it was lower by 11 percent compared with the same period last year.

Paints

	Q3 2009	Improvement/ (Decline)*	YTD 2009	Improvement/ (Decline)*
Operating Result - Rs Million	90.8	(25)%	278.7	(22)%
Sales Volume - Kilolitres	8,203	(30)%	25,640	(24)%
Production Volume - Kilolitres	8,529	(29)%	26,354	(23)%

**Compared with the same period last year*

The overall performance of the Paints Business reflected the effects of economic slowdown, liquidity crunch and a competitive environment. Consequently, sales volume for the quarter and nine months was lower by 30 percent and 24 percent respectively compared with the corresponding periods last year.

Volume impact was substantially mitigated through higher unit margins. As a result, gross profit for the quarter was marginally lower than the same period last year and was 3 percent lower compared with year to date last year.

Selling and administrative expenses for the quarter were higher by 9 percent compared with the same period last year on account of provision against overdue debts in line with Company's policy.

Consequently, operating result for the quarter and for year to date was lower by 25 percent and 22 percent respectively compared with the same periods last year.

Report of the Directors For the Quarter & Nine months Ended September 30, 2009

Life Sciences

	Q3 2009	Improvement/ (Decline)*	YTD 2009	Improvement/ (Decline)*
Operating Result - Rs Million	70.8	(7) %	246.5	(24)%
Turnover - Rs Million	839.7	25 %	2,631.0	15%

**Compared with the same period last year*

Turnover for the quarter and year to date was higher by 25 percent and 15 percent respectively compared with the same periods last year on the back of strong volume growth in the Pharmaceutical and Animal Health segments. Unit margins remained under pressure in the Pharmaceutical and Seeds segments.

Operating result for the quarter was 7 percent below the same period last year on account pressure on margins in the Pharmaceutical segment and higher promotional expenses to support volume growth. On year to date basis operating result was 24 percent below the corresponding period last year mainly on account of lower sales of sunflower seeds due to higher support price announced by the Government of Pakistan for the wheat crop.

Chemicals

	Q3 2009	Improvement/ (Decline)*	YTD 2009	Improvement/ (Decline)*
Operating Result - Rs Million	51.9	(38)%	166.7	(24)%
Sales Volume - Tons	3,590	(34)%	12,284	(29)%
Production Volume - Tons **	2,249	3%	6,657	(17)%

**Compared with the same period last year*

***Relates to Polyurethanes and Specialty Chemicals*

The Business continued to operate in difficult market conditions with weak demand from the downstream industries particularly from the appliances, paints and pesticides sectors.

Unit margins for the quarter and year to date were better than the corresponding periods last year. However, due to lower volumes operating result for the quarter and nine months was lower by 38 percent and 24 percent respectively compared with the same periods last year.

Report of the Directors For the Quarter & Nine months Ended September 30, 2009

PROFITABILITY, FINANCE & TAXATION

As explained earlier, sales volumes for the quarter were lower than the same period last year on account of weak demand led by economic slowdown, severe power outages and security unrest. Unit margins in the Polyester, Paints and Chemicals Businesses were higher compared with the same quarter last year. Gross profit for the quarter and year to date was 3 percent and 1 percent higher respectively compared with the same periods last year. Operating result for the quarter and nine months were lower than the corresponding periods last year by 7 percent and 5 percent respectively.

Financial charges for the quarter and nine months were lower by 75 percent and 66 percent respectively on account of relative stability in exchange rates and improved cash position.

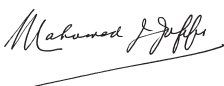
Profit before and after taxation for the quarter increased by 13 percent and 17 percent respectively over the comparable periods last year and for year to date both were higher by 12 percent and 17 percent respectively compared with the corresponding period last year.

Earning per share for the quarter and nine months was up by 17 percent compared with the same periods last year.

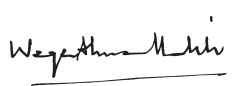
FUTURE OUTLOOK

The domestic economy has started to show some signs of recovery with positive outlook on inflation, reduction in interest rate and credit rating upgrade by the S&P & Moody's. The economic recovery at best however, is likely to remain anemic weighed down by the growing energy shortages, persistent inflationary pressure and a highly disturbed security environment.

The energy supply and demand imbalance is expected to widen considerably in Q4 2009 and Q1 2010 compared with last year. This is likely to negatively impact demand from the downstream industries. Your Company in this difficult business environment will continue to remain focused on its customers, costs and cash and also seek growth opportunities where available.



M J Jaffer
Chairman



Waqar A Malik
Chief Executive

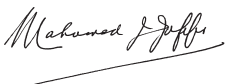
Date: October 27, 2009
Karachi

Condensed Interim Unconsolidated Balance Sheet (Unaudited) As at September 30, 2009

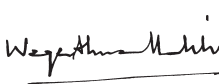
Amounts in Rs '000

Note	September 30 2009	December 31 2008 (Restated)	December 31 2007 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment	2	9,239,799	9,353,769
Intangible asset		-	7,700
		9,239,799	9,361,469
Long-term investments	3	712,500	712,500
Long-term loans	4	321,505	330,605
Long-term deposits and prepayments		25,267	30,684
Deferred tax asset - net		-	-
		1,059,272	1,073,789
		10,299,071	10,435,258
Current assets			
Stores and spares		529,904	538,540
Stock-in-trade	5	3,040,408	2,951,956
Trade debts		1,392,936	806,612
Loans and advances	6	385,422	193,254
Trade deposits and short-term prepayments		325,452	404,662
Other receivables		737,322	749,388
Taxation recoverable		369,259	419,934
Cash and bank balances		3,446,123	1,971,081
		10,226,826	8,035,427
		20,525,897	18,470,685
Total Assets		20,525,897	18,764,373
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised capital			
1,500,000,000 (December 31, 2008: 1,500,000,000) ordinary shares of Rs 10 each		15,000,000	15,000,000
Issued, subscribed and paid-up capital			
138,802,300 (December 31, 2008: 138,802,300) ordinary shares of Rs 10 each		1,388,023	1,388,023
Capital reserves		465,845	465,845
Unappropriated profit		11,159,348	10,594,258
Total equity		13,013,216	12,448,126
Surplus on Revaluation of Property, Plant and Equipment		939,589	962,795
		13,952,805	13,410,921
LIABILITIES			
Non-current liabilities			
Provisions for non-management staff gratuity and eligible retired employees' medical scheme		181,575	142,250
Deferred tax liability - net		932,719	470,704
		1,114,294	612,954
Current liabilities			
Trade and other payables		5,458,798	4,446,810
Contingencies and Commitments			
	8		
Total Equity and Liabilities		20,525,897	18,470,685

The annexed notes from 1 to 17 form an integral part of the condensed interim unconsolidated financial information.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



Feroz Rizvi
Chief Financial Officer

Condensed Interim Unconsolidated Profit and Loss Account (Unaudited) For the Nine Months Period Ended September 30, 2009

	Polyester				Soda Ash				Paints			
	For the 3 months ended September 30, 2009	For the 9 months ended September 30, 2009	For the 3 months ended September 30, 2008	For the 9 months ended September 30, 2008	For the 3 months ended September 30, 2009	For the 9 months ended September 30, 2009	For the 3 months ended September 30, 2008	For the 9 months ended September 30, 2008	For the 3 months ended September 30, 2009	For the 9 months ended September 30, 2009	For the 3 months ended September 30, 2008	For the 9 months ended September 30, 2008
Turnover - note 9	3,190,313	9,589,247	3,430,339	9,920,102	1,708,049	4,844,088	1,767,136	4,656,017	1,582,718	4,762,241	2,091,012	5,581,594
Sales tax	-	-	-	-	281,954	799,236	295,129	755,198	206,842	619,111	268,089	697,127
Excise duty	-	-	-	-	13,751	38,946	14,422	38,001	12,752	37,978	16,443	44,388
Commission and discounts to distributors and customers	20,613	41,954	26,628	76,312	49,123	67,853	28,682	79,128	232,888	753,842	344,523	865,429
	20,613	41,954	26,628	76,312	344,828	906,035	338,233	872,327	452,482	1,410,931	629,055	1,606,944
Net sales, commission and toll income	3,169,700	9,547,293	3,403,711	9,843,790	1,363,221	3,938,053	1,428,903	3,783,690	1,130,236	3,351,310	1,461,957	3,974,650
Cost of sales - note 9 and 10	2,760,332	8,494,898	3,129,087	9,042,166	949,807	2,885,246	954,591	2,648,206	769,956	2,276,814	1,093,334	2,870,240
Gross profit	409,368	1,052,395	274,624	801,624	413,414	1,052,807	474,312	1,135,484	360,280	1,074,496	368,623	1,104,410
Selling and distribution expenses	19,732	45,859	13,392	45,285	26,744	75,435	15,976	64,170	179,876	548,550	180,511	465,299
Administration and general expenses	78,873	165,359	42,297	104,334	71,849	171,811	55,437	165,085	89,589	247,217	66,472	283,756
Operating result	310,763	841,177	218,935	652,005	314,821	805,561	402,899	906,229	90,815	278,729	121,640	355,355
Financial charges												
Workers' profit participation fund												
Workers' welfare fund												
Other operating charges												
Other operating income												
Profit before taxation												
Taxation - note 11												
Profit after taxation												


Earning per share - Basic and Diluted

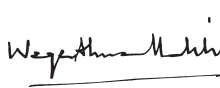
The annexed notes from 1 to 17 form an integral part of the condensed interim unconsolidated financial information.

Condensed Interim Unconsolidated Profit and Loss Account (Unaudited) For the Nine Months Period Ended September 30, 2009

Amounts in Rs '000

Life Sciences				Chemicals				Company			
For the 3 months ended September 30, 2009	For the 9 months ended September 30, 2009	For the 3 months ended September 30, 2008	For the 9 months ended September 30, 2008	For the 3 months ended September 30, 2009	For the 9 months ended September 30, 2009	For the 3 months ended September 30, 2008	For the 9 months ended September 30, 2008	For the 3 months ended September 30, 2009	For the 9 months ended September 30, 2009	For the 3 months ended September 30, 2008 (Restated)	For the 9 months ended September 30, 2008 (Restated)
839,744	2,631,028	671,361	2,289,460	644,722	2,187,147	873,467	2,603,043	7,913,366	23,793,920	8,667,483	24,603,130
-	-	-	-	57,493	204,482	67,831	206,617	546,289	1,622,829	631,049	1,658,942
-	-	-	-	1,641	5,617	1,253	4,891	28,144	82,541	32,118	87,280
73,179	269,291	61,840	248,226	28,370	135,194	30,642	99,645	404,173	1,268,134	492,315	1,368,740
73,179	269,291	61,840	248,226	87,504	345,293	99,726	311,153	978,606	2,973,504	1,155,482	3,114,962
766,565	2,361,737	609,521	2,041,234	557,218	1,841,854	773,741	2,291,890	6,934,760	20,820,416	7,512,001	21,488,168
552,236	1,684,039	404,051	1,314,801	438,839	1,485,303	626,102	1,887,763	5,418,990	16,606,469	6,041,333	17,316,090
214,329	677,698	205,470	726,433	118,379	356,551	147,639	404,127	1,515,770	4,213,947	1,470,668	4,172,078
112,718	324,343	99,406	313,098	36,814	100,133	35,434	97,846	375,884	1,094,320	344,719	985,698
30,777	106,859	30,196	88,665	29,666	89,715	28,755	87,036	300,754	780,961	223,157	728,876
70,834	246,496	75,868	324,670	51,899	166,703	83,450	219,245	839,132	2,338,666	902,792	2,457,504
43,974	121,157	174,301	356,707	43,126	123,565	38,245	109,909	16,722	47,829	14,773	42,387
6,998	23,189	7,732	25,463	110,820	315,740	235,051	534,466	91,084	320,703	60,434	166,728
819,396	2,343,629	728,175	2,089,766	262,023	760,728	252,533	732,850	557,373	1,582,901	475,642	1,356,916
								(Rupees)			
								4.02 11.40 3.43 9.78			


M J Jaffer
Chairman / Director


Waqar A Malik
Chief Executive

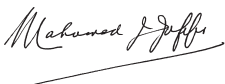

Feroz Rizvi
Chief Financial Officer

**Condensed Interim Unconsolidated
Statement of Comprehensive Income (Unaudited)
For the Nine Months Period Ended September 30, 2009**

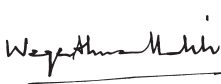
Amounts in Rs '000

	For the 3 months ended September 30, 2009	For the 9 months ended September 30, 2009	For the 3 months ended September 30, 2008 (Restated)	For the 9 months ended September 30, 2008 (Restated)
Profit for the period	557,373	1,582,901	475,642	1,356,916
Other comprehensive income	-	-	-	-
Total Comprehensive income for the period	557,373	1,582,901	475,642	1,356,916

The annexed notes from 1 to 17 form an integral part of the condensed interim unconsolidated financial information.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



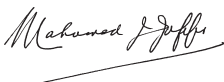
Feroz Rizvi
Chief Financial Officer

Condensed Interim Unconsolidated Cash Flow Statement (Unaudited) For the Nine Months Period Ended September 30, 2009

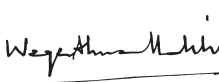
Amounts in Rs '000

	September 30, 2009	September 30, 2008 (Restated)
Cash Flows from Operating Activities		
Profit before taxation	2,343,629	2,089,766
Adjustments for:		
Depreciation and amortisation	643,635	607,766
Gain on disposal of property, plant and equipment	(5,373)	(7,314)
Provision for non-management staff gratuity and eligible retired employees' medical scheme	46,165	22,236
Mark-up on bank deposits and on loan/stanby facility to subsidiary	(126,725)	(113,187)
Interest / mark-up expense	74,867	83,978
	<u>2,976,198</u>	<u>2,683,245</u>
Movement in:		
Working capital	73,213	(2,942,283)
Long-term loans	9,100	(16,805)
Long-term deposits and prepayments	5,417	(15,305)
	<u>3,063,928</u>	<u>(291,148)</u>
Cash generated from / (used in) operations		
Payments for :		
Non-management staff gratuity and eligible retired employees' medical scheme	(6,840)	(10,640)
Taxation	(248,038)	(125,666)
	<u>2,809,050</u>	<u>(427,454)</u>
Net cash generated from / (used in) operating activities		
Cash Flows from Investing Activities		
Payments for capital expenditure	(619,095)	(1,108,230)
Proceeds from disposal of property, plant and equipment	11,292	10,368
Profit / mark-up received	123,632	113,000
Loan / Running finance facility to subsidiary company - net	(211,000)	(200,000)
Long term investments	-	(130,000)
	<u>(695,171)</u>	<u>(1,314,862)</u>
Net cash used in investing activities		
Cash Flows from Financing Activities		
Interest / mark-up	(83,627)	(81,918)
Dividend paid	(555,210)	(485,809)
	<u>(638,837)</u>	<u>(567,727)</u>
Net cash used in financing activities		
Net increase / (decrease) in cash and cash equivalents	1,475,042	(2,310,043)
Cash and cash equivalents at January 1	1,971,081	3,615,056
	<u>3,446,123</u>	<u>1,305,013</u>
Cash and cash equivalents at September 30		
Movement in Working Capital (Increase) / decrease in current assets		
Stores and spares	8,636	(42,506)
Stock-in-trade	(88,452)	(1,551,898)
Trade debts	(586,324)	(448,034)
Loans and advances	18,832	17,587
Trade deposits and short-term prepayments	79,210	34,196
Other receivables	15,159	(78,218)
	<u>(552,939)</u>	<u>(2,068,873)</u>
Increase / (Decrease) in current liability		
Trade and other payables	626,152	(873,410)
	<u>73,213</u>	<u>(2,942,283)</u>
Cash and cash equivalents at September 30 comprise of:		
Cash and bank balances	3,446,123	1,471,483
Running finances utilised under mark-up arrangements	-	(166,470)
	<u>3,446,123</u>	<u>1,305,013</u>

The annexed notes from 1 to 17 form an integral part of the condensed interim unconsolidated financial information.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



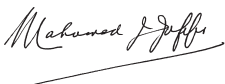
Feroz Rizvi
Chief Financial Officer

Condensed Interim Unconsolidated Statement of Changes in Equity (Unaudited) For the Nine Months Period Ended September 30, 2009

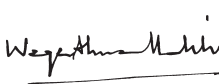
Amounts in Rs '000

	Issued, subscribed and paid-up share capital	Capital reserves	Unappropriated profit	Total
Balance as on January 1, 2008 as previously reported	1,388,023	465,845	9,544,582	11,398,450
Effect of restatement	-	-	(29,620)	(29,620)
Balance as on January 1, 2008 as restated	1,388,023	465,845	9,514,962	11,368,830
Changes in equity for 2008				
Final dividend for the year ended December 31, 2007 @ Rs 3.50 per share	-	-	(485,808)	(485,808)
Total comprehensive income for the nine months ended September 30, 2008	-	-	1,356,916	1,356,916
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred taxation	-	-	41,363	41,363
	-	-	1,398,279	1,398,279
Balance as on September 30, 2008 as restated	1,388,023	465,845	10,427,433	12,281,301
Interim dividend for the year 2008 @ Rs 2.50 per share	-	-	(347,006)	(347,006)
Total comprehensive income for the three months ended December 31, 2008	-	-	505,822	505,822
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred taxation	-	-	8,009	8,009
	-	-	513,831	513,831
Balance as on December 31, 2008 as restated	1,388,023	465,845	10,594,258	12,448,126
Changes in equity for 2009				
Final dividend for the year ended December 31, 2008 @ Rs 4.00 per share	-	-	(555,209)	(555,209)
Total comprehensive income for the nine months ended September 30, 2009	-	-	1,582,901	1,582,901
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred taxation	-	-	23,206	23,206
	-	-	1,606,107	1,606,107
Interim dividend for the year 2009 @ Rs 3.50 per share	-	-	(485,808)	(485,808)
Balance as on September 30, 2009	1,388,023	465,845	11,159,348	13,013,216

The annexed notes from 1 to 17 form an integral part of the condensed interim unconsolidated financial information.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



Feroz Rizvi
Chief Financial Officer

Notes to the Condensed Interim Unconsolidated Financial Information (Unaudited) For the Nine Months Period Ended September 30, 2009

Amounts in Rs '000

1. The condensed interim unconsolidated financial information has been presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and is being submitted to shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984. This condensed interim unconsolidated financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended December 31, 2008.
- 1.1 The accounting policies and methods of computation adopted for the preparation of this condensed interim unconsolidated financial information are the same as those applied in the preparation of the financial statements for the preceding year ended December 31, 2008, except amendments in International Accounting Standard 1 (Revised) "Presentation of financial statements", IFRS 8 "Operating Segments", IFRIC 13 "Customer Loyalty Programmes" which became effective for financial periods beginning on or after January 1, 2009. The adoption of standards has not materially affected the computation of the result except certain increased disclosures including the statement of other comprehensive income which has been reflected in the Company's financial statements.
- 1.2 The Company has restated certain prior period information in accordance with the requirements of IAS -8 "Accounting policies, changes in accounting estimates and errors". The resulting adjustments have been shown in note 13.

2. PROPERTY, PLANT AND EQUIPMENT

	September 30 2009	December 31 2008
Operating assets - at net book value	8,816,141	7,516,758
Capital work-in-progress - at cost		
Designing, consultancy and engineering fee	6	49,782
Civil works and buildings	57,515	274,207
Plant and machinery	223,338	1,300,228
Miscellaneous equipment	48,970	125,227
Advances to suppliers / contractors	93,829	87,567
	423,658	1,837,011
	9,239,799	9,353,769

- 2.1 Following is the cost of operating property, plant and equipment that have been added / disposed off during the nine months ended September 30, 2009:

	Additions/Transfers		Disposals	
	September 30 2009	September 30 2008	September 30 2009	September 30 2008
Buildings on freehold land	13,840	10,786	-	-
Buildings on leasehold land	309,085	1,286	5,386	94
Plant and machinery	1,585,905	122,523	22,748	11,690
Vehicles	4,835	13,053	4,146	36,520
Furniture and equipment	27,572	25,841	4,641	11,065
	1,941,237	173,489	36,921	59,369

3. LONG-TERM INVESTMENTS

	September 30 2009	December 31 2008
Unquoted		
Subsidiary - ICI Pakistan PowerGen Limited (wholly owned) - note 3.1 7,100,000 ordinary shares (December 31, 2008: 7,100,000) of Rs 100 each	710,000	710,000
Others		
Equity security available for sale - Arabian Sea Country Club Limited	2,500	2,500
	712,500	712,500

- 3.1 The value of the Company's investment on the basis of net assets of the Subsidiary as disclosed in the unaudited condensed interim financial information for the period ended September 30, 2009 amounted to Rs 258.341 million (December 31, 2008: Rs 248.834 million).

Notes to the Condensed Interim Unconsolidated Financial Information (Unaudited) For the Nine Months Period Ended September 30, 2009

Amounts in Rs '000

	September 30 2009	December 31 2008
4. LONG-TERM LOANS - considered good		
Due from Subsidiary - Unsecured loan - note 4.1	224,000	296,000
Due from Directors, Executives and Employees - note 4.2	170,558	172,507
	394,558	468,507
Less: Current portions shown under current assets		
Due from Subsidiary - note 4.1	24,000	96,000
Due from Directors, Executives and Employees - note 4.2	49,053	41,902
	73,053	137,902
	321,505	330,605
4.1 This represents loans given to ICI Pakistan PowerGen Limited (wholly owned subsidiary) of Rs 120 million and Rs 200 million carrying a markup at 3 months KIBOR + 1% and 3 months KIBOR + 2% respectively. These loans are repayable in five equal quarterly instalments and nine equal semi annual instalments commencing from October 1, 2008 and October 1, 2011 respectively.		
4.2 These include loans to key management personnel for the purchase of motor cars and house building assistance and are repayable between two to ten years. These loans are interest free and granted to the employees of the Company in accordance with their terms of employment.		
5. STOCK-IN-TRADE		
Of the total carrying value of inventories Rs 5.480 million (December 31, 2008: Rs 392.2 million) is measured at net realisable value. As at September 30, 2009 stock has been written down by Rs 1.62 million (December 31, 2008: Rs 61.6 million) to arrive at its net realisable value.		
6. LOANS AND ADVANCES		
This includes standby running finance facility provided to ICI Pakistan PowerGen Limited (wholly owned subsidiary) of Rs 283 million (2008: Nil) repayable on demand at a markup rate of 3 months KIBOR + 1.65%.		
7. SHORT-TERM FINANCING		
7.1 The facilities for running finance available from various banks amounted to Rs 2,691 million (December 31, 2008: Rs 2,571 million) and carry mark-up during the period ranging from 12.64 to 17.37 percent per annum (December 31, 2008: 15.22 to 17.59 percent per annum). The facilities are secured by hypothecation charge over the present and future stock-in-trade and book debts of the Company and first pari passu charge over plant and machinery of Polyester Business of the Company.		
7.2 The facilities for term finance available from various banks amount to Rs 550 million (December 31, 2008: Rs 550 million). However no such facility was utilised as on September 30, 2009.		
8. CONTINGENCIES AND COMMITMENTS		
8.1 Claims against the Company not acknowledged as debts are as follows:		
Local bodies	14,631	14,531
Sales Tax authorities	93,415	92,844
Others	90,265	87,844
	198,311	195,219
8.2 Guarantees issued by the Company in respect of financial and operational obligations of Pakistan PTA Limited (LOTTE Group of companies) pursuant to the Scheme of Arrangement, against which Pakistan PTA Limited (LOTTE Group of companies) has issued counter guarantees to the Company.	2,280,000	2,370,000
8.3 Guarantees issued by the Company to a bank in respect of financing obtained by Senior Executives, in accordance with the terms of employment.	35,000	48,000
8.4 Guarantee issued by the Company to a bank on behalf of its subsidiary ICI Pakistan PowerGen Limited for availing funded facility.	133,000	133,000
8.5 Commitments in respect of capital and other expenditure.	1,281,492	620,881

Notes to the Condensed Interim Unconsolidated Financial Information (Unaudited) For the Nine Months Period Ended September 30, 2009

Amounts in Rs '000

8.6 A notice has been issued by the Environmental Protection Authority (EPA) against the Paints factory located at Ferozpur road, Lahore. Pursuant to this an order has been passed by the EPA for violation of certain provisions of the act. The Company has filed an appeal against the order in the Environmental Tribunal in Lahore and is of the opinion that the order is not justified.

8.7 Commitments for rentals under operating lease agreements in respect of vehicles are as follows:

Year	September 30 2009	December 31 2008
2009	22,985	59,480
2010	68,724	52,383
2011	51,137	27,418
2012	36,009	8,542
2013	15,068	-
	193,923	147,823
Payable not later than one year	76,083	59,480
Payable later than one year but not later than five years	117,840	88,343
	193,923	147,823

8.8 Outstanding foreign exchange contracts as at September 30, 2009 entered into by the Company to hedge the anticipated future transactions amounted to Rs Nil (December 31, 2008: Rs 54.841 million).

September 30, 2009		September 30, 2008	
For the 3 months ended	For the 9 months ended	For the 3 months ended	For the 9 months ended

9. INTER-SEGMENT SALES AND PURCHASES

Inter-segment sales and purchases have been eliminated from the total.

52,180	219,831	165,832	447,086
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Transactions among the business segments are recorded at arm's length prices using admissible valuation methods.

10. COST OF SALES

Opening stock of raw and packing materials	1,417,781	1,422,502	1,616,449	1,027,390
Purchases	3,986,402	11,524,137	4,981,615	13,944,940
	5,404,183	12,946,639	6,598,064	14,972,330
Closing stock of raw and packing materials	(1,367,240)	(1,367,240)	(1,962,779)	(1,962,779)
Raw and packing materials consumption	4,036,943	11,579,399	4,635,285	13,009,551
Manufacturing costs	1,170,844	3,443,711	1,110,057	2,954,346
	5,207,787	15,023,110	5,745,342	15,963,897
Opening stock of work-in-process	109,299	134,237	135,914	192,127
	5,317,086	15,157,347	5,881,256	16,156,024
Closing stock of work-in-process	(102,900)	(102,900)	(198,433)	(198,433)
Cost of goods manufactured	5,214,186	15,054,447	5,682,823	15,957,591
Opening stock of finished goods	1,197,191	1,395,217	1,176,308	1,091,819
Finished goods purchased	577,881	1,727,073	884,224	1,968,702
	6,989,258	18,176,737	7,743,355	19,018,112
Closing stock of finished goods	(1,570,268)	(1,570,268)	(1,702,022)	(1,702,022)
	5,418,990	16,606,469	6,041,333	17,316,090

Notes to the Condensed Interim Unconsolidated Financial Information (Unaudited) For the Nine Months Period Ended September 30, 2009

Amounts in Rs '000

September 30 2009		September 30 2008	
For the 3 months ended	For the 9 months ended	For the 3 months ended (Restated)	For the 9 months ended (Restated)

11. TAXATION

Current	260,285	298,713	11,948	72,044
Deferred	1,738	462,015	240,585	660,806
	<u>262,023</u>	<u>760,728</u>	<u>252,533</u>	<u>732,850</u>

12. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise parent company (ICI Omicron B.V.), ultimate parent company (AkzoNobel N.V.), related group companies, local associated company, directors of the Company, companies where directors also hold directorship, key employees and staff retirement funds. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Subsidiary Company

Purchase of goods, materials and services	175,661	505,743	166,153	311,610
Provision of services and other receipts	495	1,485	495	1,485
Loan to subsidiary	-	-	-	200,000
Running Finance Facility availed by subsidiary - note 6	183,000	283,000	-	-
Repayment of loan by subsidiary	24,000	72,000	-	-
Return on loan and on running finance facility	18,090	43,105	9,375	22,264
Investment	-	-	-	130,000
Sale of operating asset	-	-	961	961

Associated Companies

Purchase of goods, materials and services	1,785,763	5,721,610	2,258,367	6,560,248
Provision of services and other receipts	1,742	6,265	1,583	4,862
Sale of goods and materials	32,782	91,703	40,028	110,131
Contribution to staff retirement benefit plans	34,033	122,449	34,272	154,629
Dividends	368,303	789,219	263,073	631,975
Donations	-	5,800	500	1,000

12.1 Transaction with key management personnel

Key management personnel received an amount of Rs 98.11 million (September 30, 2008: Rs 99.03 million) out of which Rs 14.89 million (September 30, 2008: Rs 14.62 million) relates to post employment benefits.

13. In April 2009 it was observed that certain isolated management practices and dealings at Decorative segment of the Paints business seemed to be at variance with the Company's approved policies and procedures. This information was communicated to the Board who immediately initiated a detailed review by the Company's Internal Auditors Ford Rhodes Sidat Hyder & Co, Chartered Accountants. These practices mainly related to obligations and commitments made in the market which were not properly recorded.

While the detailed review by Ford Rhodes Sidat Hyder & Co, Chartered Accountants is currently in progress, the Board of Directors have decided to make a full provision in respect of these obligations. The amount has been accounted for as given below in accordance with the IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

Notes to the Condensed Interim Unconsolidated Financial Information (Unaudited) For the Nine Months Period Ended September 30, 2009

Amounts in Rs '000

13.1 The effect of retrospective restatement on profit and loss account for the nine months ended September 2009 and September 2008 is tabulated below:

	September 30, 2009		September 30, 2008	
	For the 3 months ended	For the 9 months ended	For the 3 months ended	For the 9 months ended
(Increase) / decrease in commission and discounts	-	27,000	(41,250)	(123,750)
(Increase) / decrease in selling and distribution expenses	-	31,000	(18,125)	(54,375)
(Increase) in administration and general expenses	-	-	(15,625)	(46,875)
Increase / (decrease) in operating results	-	58,000	(75,000)	(225,000)
(Decrease) in other operating income	-	-	(10,250)	(30,750)
(Increase) / decrease WPPF charge	-	(2,900)	4,263	12,787
(Increase) / decrease WWF charge	-	(1,160)	1,705	5,115
Increase / (decrease) in profit before tax	-	53,940	(79,282)	(237,848)
(Increase) / decrease in income tax expense	-	(19,285)	27,749	83,247
Increase / (decrease) in profit after tax	-	34,655	(51,533)	(154,601)
		(Rupees)		(Rupees)
Increase / (decrease) in basic and diluted earnings per share	-	0.25	(0.37)	(1.11)

13.2 The effect of retrospective restatement on Balance sheet for 2008 and 2007 is tabulated below:

	December 31 2008	December 31 2007
Decrease in trade debts	197,000	32,000
Increase in deferred tax asset	126,946	15,950
Increase in trade and other payables	165,700	13,570
Decrease in unappropriated profit	235,754	29,620

13.3 Effect on unappropriated profit as at December 31:

Increase in commission and discounts	197,000	32,000
Increase in administration and general expenses	62,500	-
Increase in selling and distribution expenses	89,500	17,000
Decrease in operating results	349,000	49,000
Decrease in other operating income	41,000	-
Decrease in WPPF and WWF charge	27,300	3,430
Decrease in income tax expense	126,946	15,950
Decrease in unappropriated profit	235,754	29,620

Notes to the Condensed Interim Unconsolidated Financial Information (Unaudited) For the Nine Months Period Ended September 30, 2009

Amounts in Rs '000

December 31
2008

13.4 Effect on Profit and Loss for the year ended December 31, 2008:

Increase in commission and discounts	165,000
Increase in administration and general expenses	62,500
Increase in selling and distribution expenses	72,500
Decrease in operating results	300,000
Decrease in other operating income	41,000
Decrease in WPPF and WWF charge	23,870
Decrease in profit before tax	317,130
Decrease in income tax expense	110,996
Decrease in unappropriated profit	206,134
Decrease in basic and diluted earnings per share	1.49

14. ESTIMATES

Judgments and estimates made by the management in the preparation of the condensed interim unconsolidated financial information were the same as those that were applied to the financial statements as at and for the year ended December 31, 2008.

15. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the financial statements as at and for the year ended December 31, 2008.

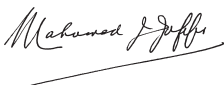
16. DATE OF AUTHORISATION

The condensed interim unconsolidated financial information was authorised for issue in the Board of Directors meeting held on October 27, 2009.

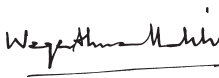
17. GENERAL

17.1 Figures have been rounded off to the nearest thousand rupees except as stated otherwise.

17.2 Certain figures have been reclassified in the condensed interim unconsolidated financial information for better presentation and disclosures in line with the annual financial statements.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



Feroz Rizvi
Chief Financial Officer

Condensed Interim Consolidated Financial Information

**ICI Pakistan Limited
and its Subsidiary Company**



ICI Pakistan Limited is now part
of the AkzoNobel Group

AkzoNobel
Tomorrow's Answers Today

Report of the Directors For the Quarter & Nine months Ended September 30, 2009

The Directors are pleased to present their report together with the unaudited Group results of ICI Pakistan Limited for the quarter and nine months ended September 30, 2009. The ICI Pakistan Group comprises of ICI Pakistan Limited and ICI Pakistan PowerGen Limited, a wholly owned subsidiary.

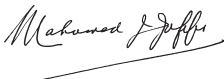
The Directors Report, giving a commentary on the performance of ICI Pakistan Limited for the quarter and nine months ended September 30, 2009 has been presented separately.

During the quarter, crude oil prices remained fairly stable. Furnace oil prices during the nine months on an average at Rs 28,307/ton was below the nine months of 2008 level of Rs 40,878.

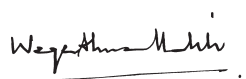
Electricity sales volume for the quarter and nine months was 17 percent and 2 percent higher respectively compared with the same periods last year. This was due to higher demand from the Polyester plant of ICI Pakistan Ltd. This, along with revision in electricity tariff enabled the Company in achieving operating result for the third quarter at Rs 25.1 million compared with Rs 4.9 million in the same period last year and Rs 69.4 for the nine months compared with loss of Rs 125.5 million in comparable period last year.

Future Outlook

During the quarter, the Company signed a power sale agreement with LESCO for the supply of surplus electricity to the extent of 7MW on a cost plus basis. Sale is expected to commence in Q4 09.



M J Jaffer
Chairman



Waqar A Malik
Chief Executive

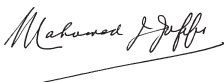
Date: October 27, 2009
Karachi

Condensed Interim Consolidated Balance Sheet (Unaudited) As at September 30, 2009

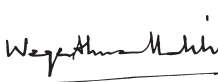
Amounts in Rs '000

	Note	September 30 2009	December 31 2008 (Restated)	December 31 2007 (Restated)
ASSETS				
Non-current assets				
Property, plant and equipment	2	9,895,281	10,069,384	8,775,214
Intangible asset		-	7,700	39,737
		9,895,281	10,077,084	8,814,951
Long-term investments	3	2,500	2,500	2,500
Long-term loans	4	122,140	131,314	109,768
Long-term deposits and prepayments		25,267	30,684	37,357
Deferred tax asset - net		-	-	370,406
		149,907	164,498	520,031
		10,045,188	10,241,582	9,334,982
Current assets				
Stores and spares		585,566	581,473	647,784
Stock-in-trade	5	3,058,510	2,965,699	2,328,375
Trade debts		1,418,372	832,062	1,017,082
Loans and advances		79,662	98,370	114,640
Trade deposits and short-term prepayments		326,751	406,019	342,559
Other receivables		773,342	789,959	712,263
Taxation recoverable		368,273	418,776	335,875
Cash and bank balances		3,504,773	1,971,755	3,702,100
		10,115,249	8,064,113	9,200,678
Total Assets		20,160,437	18,305,695	18,535,660
EQUITY AND LIABILITIES				
Share Capital and Reserves				
Authorised capital				
1,500,000,000 (December 31, 2008: 1,500,000,000) ordinary shares of Rs 10 each		15,000,000	15,000,000	15,000,000
Issued, subscribed and paid-up capital				
138,802,300 (December 31, 2008: 138,802,300) ordinary shares of Rs 10 each		1,388,023	1,388,023	1,388,023
Capital reserves		465,845	465,845	465,845
Unappropriated profit		10,693,349	10,117,065	9,200,609
Total equity		12,547,217	11,970,933	11,054,477
Surplus on Revaluation of Property, Plant and Equipment		952,430	977,323	1,034,851
LIABILITIES				
Non-current liabilities				
Provisions for non-management staff gratuity and eligible retired employees' medical scheme		181,814	142,489	119,809
Deferred tax liability - net		932,719	470,704	-
		1,114,533	613,193	119,809
Current liabilities				
Short-term financing	6	-	227,939	-
Trade and other payables		5,546,257	4,516,307	6,326,523
		5,546,257	4,744,246	6,326,523
Contingencies and Commitments				
Total Equity and Liabilities	7	20,160,437	18,305,695	18,535,660

The annexed notes 1 to 16 form an integral part of the condensed interim consolidated financial information.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



Feroz Rizvi
Chief Financial Officer

Condensed Interim Consolidated Profit and Loss Account (Unaudited) For the Nine Months Period Ended September 30, 2009

Polyester				Soda Ash				Paints			
For the 3 months ended September 30, 2009	For the 9 months ended September 30, 2009	For the 3 months ended September 30, 2008	For the 9 months ended September 30, 2008	For the 3 months ended September 30, 2009	For the 9 months ended September 30, 2009	For the 3 months ended September 30, 2008	For the 9 months ended September 30, 2008	For the 3 months ended September 30, 2009	For the 9 months ended September 30, 2009	For the 3 months ended September 30, 2008 (Restated)	For the 9 months ended September 30, 2008 (Restated)

Turnover - note 8	3,190,313	9,589,247	3,430,339	9,920,102	1,708,049	4,844,088	1,767,136	4,656,017	1,582,718	4,762,241	2,091,012	5,581,594
Sales tax	-	-	-	-	281,954	799,236	295,129	755,198	206,842	619,111	268,089	697,127
Excise duty	-	-	-	-	13,751	38,946	14,422	38,001	12,752	37,978	16,443	44,388
Commission and discounts to distributors and customers	20,613	41,954	26,628	76,312	49,123	67,853	28,682	79,128	232,888	753,842	344,523	865,429
	20,613	41,954	26,628	76,312	344,828	906,035	338,233	872,327	452,482	1,410,931	629,055	1,606,944
Net sales, commission and toll income	3,169,700	9,547,293	3,403,711	9,843,790	1,363,221	3,938,053	1,428,903	3,783,690	1,130,236	3,351,310	1,461,957	3,974,650
Cost of sales - note 8 and 9	2,760,332	8,494,898	3,129,087	9,042,166	949,807	2,885,246	954,591	2,648,206	769,956	2,276,814	1,093,334	2,870,240
Gross profit	409,368	1,052,395	274,624	801,624	413,414	1,052,807	474,312	1,135,484	360,280	1,074,496	368,623	1,104,410
Selling and distribution expenses	19,732	45,859	13,392	45,285	26,744	75,435	15,976	64,170	179,876	548,550	180,511	465,299
Administration and general expenses	78,873	165,359	42,297	104,334	71,849	171,811	55,437	165,085	89,589	247,217	66,472	283,756
Operating result	310,763	841,177	218,935	652,005	314,821	805,561	402,899	906,229	90,815	278,729	121,640	355,355
Financial charges												
Workers' profit participation fund												
Workers' welfare fund												
Other operating charges												
Other operating income												
Profit before taxation												
Taxation - note 10												
Profit after taxation												
Earning per share - Basic and Diluted												

The annexed notes 1 to 16 form an integral part of the condensed interim consolidated financial information.

Condensed Interim Consolidated Profit and Loss Account (Unaudited) For the Nine Months Period Ended September 30, 2009

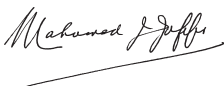
Amounts in Rs '000

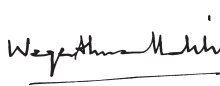
Life Sciences				Chemicals				PowerGen				Group			
For the 3 months ended September 30, 2009	For the 9 months ended September 30, 2009	For the 3 months ended September 30, 2008	For the 9 months ended September 30, 2008	For the 3 months ended September 30, 2009	For the 9 months ended September 30, 2009	For the 3 months ended September 30, 2008	For the 9 months ended September 30, 2008	For the 3 months ended September 30, 2009	For the 9 months ended September 30, 2009	For the 3 months ended September 30, 2008	For the 9 months ended September 30, 2008	For the 3 months ended September 30, 2009	For the 9 months ended September 30, 2009	For the 3 months ended September 30, 2008	For the 9 months ended September 30, 2008

839,744	2,631,028	671,361	2,289,460	644,722	2,187,147	873,467	2,603,043	175,661	505,743	166,153	311,610	7,913,366	23,793,920	8,667,483	24,603,130
-	-	-	-	57,493	204,482	67,831	206,617	24,229	69,758	22,917	41,890	570,518	1,692,587	653,966	1,700,832
-	-	-	-	1,641	5,617	1,253	4,891	-	-	-	-	28,144	82,541	32,118	87,280
73,179	269,291	61,840	248,226	28,370	135,194	30,642	99,645	-	-	-	-	404,173	1,268,134	492,315	1,368,740
73,179	269,291	61,840	248,226	87,504	345,293	99,726	311,153	24,229	69,758	22,917	41,890	1,002,835	3,043,262	1,178,399	3,156,852
766,565	2,361,737	609,521	2,041,234	557,218	1,841,854	773,741	2,291,890	151,432	435,985	143,236	269,720	6,910,531	20,750,658	7,489,084	21,446,278
552,236	1,684,039	404,051	1,314,801	438,839	1,485,303	626,102	1,887,763	126,172	366,031	136,618	390,712	5,369,066	16,465,452	6,011,365	17,393,887
214,329	677,698	205,470	726,433	118,379	356,551	147,639	404,127	25,260	69,954	6,618	(120,992)	1,541,465	4,285,206	1,477,719	4,052,391
112,718	324,343	99,406	313,098	36,814	100,133	35,434	97,846	-	-	-	-	375,884	1,094,320	344,719	985,698
30,777	106,859	30,196	88,665	29,666	89,715	28,755	87,036	192	522	1,705	4,511	300,886	781,303	224,802	733,207
70,834	246,496	75,868	324,670	51,899	166,703	83,450	219,245	25,068	69,432	4,913	(125,503)	864,695	2,409,583	908,198	2,333,486

97,065	138,011	181,521	366,188
95,696	123,565	38,245	109,909
37,044	47,829	14,773	42,387
15,791	23,339	7,732	25,768
245,596	332,744	242,271	544,252
248,043	276,297	47,643	140,374
867,142	2,353,136	713,570	1,929,608
262,023	760,728	252,533	732,850
605,119	1,592,408	461,037	1,196,758

(Rupees)	(Rupees)	(Rupees)	(Rupees)
4.36	11.47	3.32	8.62


M J Jaffer
Chairman / Director


Waqar A Malik
Chief Executive



Feroz Rizvi
Chief Financial Officer

**Condensed Interim Consolidated
Statement of Comprehensive Income (Unaudited)
For the Nine Months Period Ended September 30, 2009**

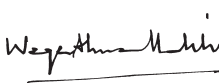
Amounts in Rs '000

	For the 3 months ended September 30, 2009	For the 9 months ended September 30, 2009	For the 3 months ended September 30, 2008 (Restated)	For the 9 months ended September 30, 2008 (Restated)
Profit for the period	605,119	1,592,408	461,037	1,196,758
Other comprehensive income	-	-	-	-
Total Comprehensive income for the period	<u>605,119</u>	<u>1,592,408</u>	<u>461,037</u>	<u>1,196,758</u>

The annexed notes 1 to 16 form an integral part of the condensed interim consolidated financial information.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



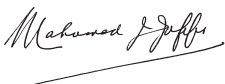
Feroz Rizvi
Chief Financial Officer

Condensed Interim Consolidated Cash Flow Statement (Unaudited) For the Nine Months Period Ended September 30, 2009

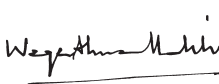
Amounts in Rs '000

	September 30, 2009	September 30, 2008 (Restated)
Cash Flows from Operating Activities		
Profit before taxation	2,353,136	1,929,608
Adjustments for:		
Depreciation and amortisation	709,283	657,157
Gain on disposal of property, plant and equipment	(5,373)	(7,314)
Provision for non-management staff gratuity and eligible retired employees' medical scheme	46,165	22,236
Mark-up on bank deposits and on loan/standby facility to subsidiary	(83,621)	(88,019)
Interest / mark-up expense	91,721	93,447
	3,111,311	2,607,115
Movement in:		
Working capital	83,956	(2,939,252)
Long-term loans	9,174	(16,676)
Long-term deposits and prepayments	5,417	(15,305)
Cash generated from / (used in) operations	3,209,858	(364,118)
Payments for :		
Non-management staff gratuity and eligible retired employees' medical scheme	(6,840)	(10,640)
Taxation	(248,210)	(125,666)
Net cash generated from / (used in) operating activities	2,954,808	(500,424)
Cash Flows from Investing Activities		
Payments for capital expenditure	(628,207)	(1,576,360)
Proceeds from disposal of property, plant and equipment	11,292	10,368
Profit / mark-up received	83,621	96,794
Net cash used in investing activities	(533,294)	(1,469,198)
Cash Flows from Financing Activities		
Interest / mark-up	(105,347)	(85,550)
Dividend paid	(555,210)	(485,809)
Net cash used in financing activities	(660,557)	(571,359)
Net increase / (decrease) in cash and cash equivalents	1,760,957	(2,540,981)
Cash and cash equivalents at 1 January	1,743,816	3,702,100
Cash and cash equivalents at September 30	3,504,773	1,161,119
Movement in Working Capital (Increase) / Decrease in current assets		
Stores and spares	(4,093)	(38,724)
Stock-in-trade	(92,811)	(1,552,017)
Trade debts	(586,310)	(448,009)
Loans and advances	18,708	17,174
Trade deposits and short-term prepayments	79,268	30,375
Other receivables	16,617	(92,303)
	(568,621)	(2,083,504)
Increase / (Decrease) in current liability		
Trade and other payables	652,577	(855,748)
	83,956	(2,939,252)
Cash and cash equivalents at September 30 comprise of:		
Cash and bank balances	3,504,773	1,471,750
Running finances utilised under mark-up arrangements	-	(310,631)
	3,504,773	1,161,119

The annexed notes 1 to 16 form an integral part of the condensed interim consolidated financial information.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



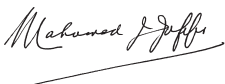
Feroz Rizvi
Chief Financial Officer

Condensed Interim Consolidated Statement of Changes in Equity (Unaudited) For the Nine Months Period Ended September 30, 2009

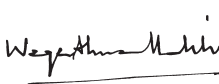
Amounts in Rs '000

	Issued, subscribed and paid-up share capital	Capital reserves	Unappropriated profit	Total
Balance as on January 1, 2008 as previously reported	1,388,023	465,845	9,230,229	11,084,097
Effect of restatement	-	-	(29,620)	(29,620)
Balance as on January 1, 2008 as restated	1,388,023	465,845	9,200,609	11,054,477
Changes in equity for 2008				
Final dividend for the year ended December 31, 2007 @ Rs 3.50 per share	-	-	(485,808)	(485,808)
Total comprehensive income for the nine months ended September 30, 2008	-	-	1,196,758	1,196,758
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred taxation	-	-	48,740	48,740
	-	-	1,245,498	1,245,498
Balance as on September 30, 2008 as restated	1,388,023	465,845	9,960,299	11,814,167
Interim dividend for the year 2008 @ Rs 2.50 per share	-	-	(347,006)	(347,006)
Total comprehensive income for the three months ended December 31, 2008	-	-	494,984	494,984
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred taxation	-	-	8,788	8,788
	-	-	503,772	503,772
Balance as on December 31, 2008 as restated	1,388,023	465,845	10,117,065	11,970,933
Changes in equity for 2009				
Final dividend for the year ended December 31, 2008 @ Rs 4.00 per share	-	-	(555,209)	(555,209)
Total comprehensive income for the nine months ended September 30, 2009	-	-	1,592,408	1,592,408
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred taxation	-	-	24,893	24,893
	-	-	1,617,301	1,617,301
Interim dividend for the year 2009 @ Rs 3.50 per share	-	-	(485,808)	(485,808)
Balance as on September 30, 2009	1,388,023	465,845	10,693,349	12,547,217

The annexed notes 1 to 16 form an integral part of the condensed interim consolidated financial information.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



Feroz Rizvi
Chief Financial Officer

Notes to the Condensed Interim Consolidated Financial Information (Unaudited) For the Nine Months Period Ended September 30, 2009

Amounts in Rs '000

1. The condensed interim consolidated financial information comprises the consolidated balance sheet of ICI Pakistan Limited and its subsidiary company, ICI Pakistan PowerGen Limited, as at September 30, 2009 and the related consolidated profit and loss account, consolidated statement of comprehensive income, consolidated cash flow statement and consolidated statement of changes in equity together with the notes forming part thereof.
- 1.1 The condensed interim consolidated financial information has been prepared in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and is being submitted to shareholders in accordance with the requirements of section 245 of Companies Ordinance, 1984. This condensed interim consolidated financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended December 31, 2008.
- 1.2 The accounting policies and methods of computation adopted for the preparation of this condensed interim consolidated financial information are the same as those applied in the preparation of the financial statements for the preceding year ended December 31, 2008, except amendments in International Accounting Standard 1 (Revised) "Presentation of financial statements", IFRS 8 "Operating Segments", IFRIC 13 "Customer Loyalty Programmes" which became effective for financial periods beginning on or after January 1, 2009. The adoption of standards has not materially affected the computation of the result except certain increased disclosures including the statement of other comprehensive income which has been reflected in the Group's financial statements.
- 1.3 The Group has restated certain prior period information in accordance with the requirements of IAS -8 "Accounting policies, changes in accounting estimates and errors". The resulting adjustments have been shown in note 12.

2. PROPERTY, PLANT AND EQUIPMENT

	September 30 2009	December 31 2008
Operating assets - at net book value	9,447,898	8,214,163
Capital work-in-progress - at cost		
Designing, consultancy and engineering fee	6	49,782
Civil works and buildings	57,972	274,650
Plant and machinery	245,792	1,317,181
Miscellaneous equipment	48,970	125,227
Advances to suppliers / contractors	94,643	88,381
	<u>447,383</u>	<u>1,855,221</u>
	<u>9,895,281</u>	<u>10,069,384</u>

- 2.1 Following is the cost of operating property, plant and equipment that have been added / disposed off during the nine months ended September 30, 2009:

	Additions/Transfers		Disposals	
	September 30 2009	September 30 2008	September 30 2009	September 30 2008
Buildings on freehold land	13,840	29,275	-	-
Buildings on leasehold land	309,085	1,286	5,386	94
Plant and machinery	1,585,905	653,484	22,748	11,690
Vehicles	4,835	13,053	4,146	36,520
Furniture and equipment	27,572	25,841	4,641	11,065
	<u>1,941,237</u>	<u>722,939</u>	<u>36,921</u>	<u>59,369</u>

3. LONG-TERM INVESTMENT

	September 30 2009	December 31 2008
<i>Unquoted</i>		
Equity security available for sale - Arabian Sea Country Club Limited	2,500	2,500
4. LONG-TERM LOANS - considered good		
Due from Directors, Executives and Employees - note 4.1	171,471	173,467
Less: Current portion shown under current assets		
Due from Directors, Executives and Employees - note 4.1	49,331	42,153
	<u>122,140</u>	<u>131,314</u>

- 4.1 These include loans to key management personnel for the purchase of motor cars and house building assistance and are repayable between two to ten years. These loans are interest free and granted to the employees of the Group in accordance with their terms of employment.

Notes to the Condensed Interim Consolidated Financial Information (Unaudited) For the Nine Months Period Ended September 30, 2009

Amounts in Rs '000

5. STOCK-IN-TRADE

Of the total carrying value of inventories Rs 5.480 million (December 31, 2008: Rs 392.2 million) is measured at net realisable value. As at September 30, 2009 stock has been written down by Rs 1.62 million (December 31, 2008: Rs 61.6 million) to arrive at its net realisable value.

6. SHORT-TERM FINANCING

Running finances utilised under mark-up arrangements - note 6.1

September 30 2009	December 31 2008
----------------------	---------------------

- 227,939

6.1 The facilities for running finance available from various banks amounted to Rs 2,991 million (December 31, 2008: Rs 2,831 million) and carry mark-up during the period ranging from 12.64 to 17.37 percent per annum (December 31, 2008: 15.22 to 17.59 percent per annum). The facilities are secured by hypothecation charge over the present and future stock-in-trade and book debts of the Group and first pari passu charge over plant and machinery of Polyester Business of the Group.

6.2 The facilities for term finance available from various banks amounted to Rs 550 million (December 31 2008: Rs 550 million). However no such facility was utilised as on September 30, 2009.

7. CONTINGENCIES AND COMMITMENTS

7.1 Claims against the Group not acknowledged as debts are as follows:

Local bodies	32,342	32,242
Sales Tax authorities	93,415	92,844
Others	90,265	87,844
	216,022	212,930

7.2 A notice has been issued by the Environmental Protection Authority (EPA) against the Paints factory located at Ferozpur road, Lahore. Pursuant to this an order has been passed by the EPA for violation of certain provisions of the act. The Company has filed an appeal against the order in the Environmental Tribunal in Lahore and is of the opinion that the order is not justified.

7.3 Guarantees issued by the Group in respect of financial and operational obligations of Pakistan PTA Limited (LOTTE Group of companies) pursuant to the Scheme of Arrangement, against which Pakistan PTA Limited (LOTTE Group of companies) has issued counter guarantees to the Group.

2,280,000 2,370,000

7.4 Guarantees issued by the Company in respect of financing obtained by Senior Executives, in accordance with the terms of employment.

35,000 48,000

7.5 Commitments in respect of capital and other expenditure.

1,281,492 623,271

7.6 Guarantee issued by the Company to a bank on behalf of its subsidiary ICI Pakistan PowerGen Limited for availing funded facility.

133,000 133,000

7.7 Commitments for rentals under operating lease agreements in respect of vehicles are as follows:

Year		
2009	23,101	59,773
2010	69,191	52,774
2011	51,604	27,809
2012	36,476	8,933
2013	15,185	98
	195,558	149,387
Payable not later than one year	76,550	59,773
Payable later than one year but not later than five years	119,008	89,614
	195,558	149,387

7.8 Outstanding foreign exchange contracts as at September 30, 2009 entered into by the Group to hedge the anticipated future transactions amounted to Rs nil (December 31, 2008: Rs 54.841 million).

**Notes to the Condensed Interim Consolidated
Financial Information (Unaudited)
For the Nine Months Period Ended September 30, 2009**

Amounts in Rs '000

September 30, 2009		September 30, 2008	
For the 3 months ended	For the 9 months ended	For the 3 months ended	For the 9 months ended

8. INTER-SEGMENT SALES AND PURCHASES

Inter-segment sales and purchases have been eliminated from the total.

227,841	725,574	331,985	758,696
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Transactions among the business segments are recorded at arm's length prices using admissible valuation methods.

9. COST OF SALES

Opening stock of raw and packing materials	1,429,512	1,436,245	1,623,570	1,044,429
Purchases	4,018,616	11,588,342	5,033,330	14,141,397
	5,448,128	13,024,587	6,656,900	15,185,826
Closing stock of raw and packing materials	(1,385,342)	(1,385,342)	(1,979,937)	(1,979,937)
Raw and packing materials consumption	4,062,786	11,639,245	4,676,963	13,205,889
Manufacturing costs	1,095,077	3,242,848	1,038,412	2,835,805
	5,157,863	14,882,093	5,715,375	16,041,694
Opening stock of work-in-process	109,299	134,237	135,913	192,127
	5,267,162	15,016,330	5,851,288	16,233,821
Closing stock of work-in-process	(102,900)	(102,900)	(198,433)	(198,433)
Cost of goods manufactured	5,164,262	14,913,430	5,652,855	16,035,388
Opening stock of finished goods	1,197,191	1,395,217	1,176,308	1,091,819
Finished goods purchased	577,881	1,727,073	884,224	1,968,702
	6,939,334	18,035,720	7,713,387	19,095,909
Closing stock of finished goods	(1,570,268)	(1,570,268)	(1,702,022)	(1,702,022)
	5,369,066	16,465,452	6,011,365	17,393,887

September 30, 2009		September 30, 2008	
For the 3 months ended	For the 9 months ended	For the 3 months ended (Restated)	For the 9 months ended (Restated)

10. TAXATION

Current	260,285	298,713	11,948	72,044
Deferred	1,738	462,015	240,585	660,806
	262,023	760,728	252,533	732,850

Notes to the Condensed Interim Consolidated Financial Information (Unaudited) For the Nine Months Period Ended September 30, 2009

Amounts in Rs '000

11. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise parent company (ICI Omicron B.V.), ultimate parent company (AkzoNobel N.V.), related group companies, local associated company, directors of the Company, companies where directors also hold directorship, key employees and staff retirement funds. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in this condensed interim consolidated financial information are as follows:

	September 30, 2009		September 30, 2008	
	For the 3 months ended	For the 9 months ended	For the 3 months ended	For the 9 months ended
Associated Companies				
Purchase of goods, materials and services	1,785,763	5,721,610	2,258,367	6,560,248
Provision of services and other receipts	1,742	6,265	1,583	4,862
Sale of goods and materials	32,782	91,703	40,028	110,131
Contribution to staff retirement benefit plans	34,033	122,449	34,272	154,629
Dividends	368,303	789,219	263,073	631,975
Donations	-	5,800	500	1,000

11.1 Transaction with key management personnel

Key management personnel received an amount of Rs 98.11 million (September 30, 2008: Rs 99.03 million) out of which Rs 14.89 million (September 30, 2008: Rs 14.62 million) relates to post employment benefits.

12. In April 2009 it was observed that certain isolated management practices and dealings at Decorative segment of the Paints business seemed to be at variance with the Group's approved policies and procedures. This information was communicated to the Board who immediately initiated a detailed review by the Group's Internal Auditors Ford Rhodes Sidat Hyder & Co, Chartered Accountants. These practices mainly related to obligations and commitments made in the market which were not properly recorded.

While the detailed review by Ford Rhodes Sidat Hyder & Co, Chartered Accountants is currently in progress, the Board of Directors have decided to make a full provision in respect of these obligations. The amount has been accounted for as given below in accordance with the IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

- 12.1 The effect of retrospective restatement on profit and loss account for the nine months ended September 2009 and September 2008 is tabulated below:

(Increase)/ decrease in commission and discounts	-	27,000	(41,250)	(123,750)
(Increase) / decrease in selling and distribution expenses	-	31,000	(18,125)	(54,375)
(Increase) in administration and general expenses	-	-	(15,625)	(46,875)
Increase / (decrease) in operating results	-	58,000	(75,000)	(225,000)
(Decrease) in other operating income	-	-	(10,250)	(30,750)
(Increase) / decrease WPPF charge	-	(2,900)	4,263	12,787
(Increase) / decrease WWF charge	-	(1,160)	1,705	5,115
Increase / (decrease) in profit before tax	-	53,940	(79,282)	(237,848)
(Increase) / decrease in income tax expense	-	(19,285)	27,749	83,247
Increase / (decrease) in profit after tax	-	34,655	(51,533)	(154,601)

	(Rupees)		(Rupees)	
Increase / (decrease) in Basic and diluted earnings per share	-	0.25	(0.37)	(1.11)

Notes to the Condensed Interim Consolidated Financial Information (Unaudited) For the Nine Months Period Ended September 30, 2009

Amounts in Rs '000

12.2 The effect of retrospective restatement on Balance sheet for 2008 and 2007 is tabulated below:

	December 31 2008	December 31 2007
Decrease in trade debts	197,000	32,000
Increase in deferred tax asset	126,946	15,950
Increase in trade and other payables	165,700	13,570
Decrease in unappropriated profit	235,754	29,620

12.3 Effect on unappropriated profit as at December 31:

Increase in commission and discounts	197,000	32,000
Increase in administration and general expenses	62,500	-
Increase in selling and distribution expenses	89,500	17,000
Decrease in operating results	349,000	49,000
Decrease in other operating income	41,000	-
Decrease in WPPF and WWF charge	27,300	3,430
Decrease in income tax expense	126,946	15,950
Decrease in unappropriated profit	235,754	29,620

12.4 Effect on profit and loss for the year ended December 31 2008:

Increase in commission and discounts	165,000
Increase in administration and general expenses	62,500
Increase in selling and distribution expenses	72,500
Decrease in operating results	300,000
Decrease in other operating income	41,000
Decrease in WPPF and WWF charge	23,870
Decrease in profit before tax	317,130
Decrease in income tax expense	110,996
Decrease in unappropriated profit	206,134
Decrease in basic and diluted earnings per share	1.49

13. ESTIMATES

Judgments and estimates made by the management in the preparation of the condensed interim financial information were the same as those that were applied to the financial statements as at end for the year ended December 31, 2008.

Notes to the Condensed Interim Consolidated Financial Information (Unaudited) For the Nine Months Period Ended September 30, 2009

14. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objective and policies are consistent with that disclosed in the financial statements as at and for the year ended December 31, 2008.

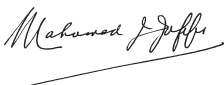
15. DATE OF AUTHORISATION

The condensed interim consolidated financial information was authorised for issue in the Board of Directors meeting held on October 27, 2009.

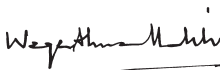
16. GENERAL

16.1 Figures have been rounded off to the nearest thousand rupees except as stated otherwise.

16.2 Certain figures have been reclassified in the condensed interim consolidated financial information for better presentation and disclosures in line with the annual financial statements.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



Feroz Rizvi
Chief Financial Officer

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