

**CONSOLIDATED CONDENSED INTERIM BALANCE SHEET
AS AT DECEMBER 31, 2016**

	Note	December 31, 2016 (Un-audited) (Rupees in '000)	June 30, 2016 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,612,635	1,524,134
Long term deposits and other receivables		13,018	13,018
		1,625,653	1,537,152
CURRENT ASSETS			
Stores, spares and loose tools		58,653	55,924
Stock-in-trade		1,011,644	947,124
Trade debts		874,462	447,410
Advances, deposits, prepayments and other receivables		26,548	11,399
Accrued profit		833	1,316
Sales tax receivable		-	65,092
Short-term investments	5	267,646	536,356
Taxation – net		235,022	112,077
Cash and bank balances		220,730	329,202
		2,695,538	2,505,900
TOTAL ASSETS		4,321,191	4,043,052
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
40,000,000 (June 30,2016: 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		3,610,935	3,434,534
		3,754,935	3,578,534
NON CURRENT LIABILITY			
Deferred taxation		85,162	41,404
CURRENT LIABILITIES			
Trade and other payables		475,907	423,114
Sales tax payable		5,187	-
		481,094	423,114
CONTINGENCIES AND COMMITMENTS			
	6		
TOTAL EQUITY AND LIABILITIES		4,321,191	4,043,052

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.


YUTAKA ARAE
Chairman


FAHIM KAPADIA
Chief Executive

**CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)**

	Half-year ended		Quarter ended	
	December 31, 2016 (Rupees in '000)	December 31, 2015	December 31, 2016 (Rupees in '000)	December 31, 2015
Turnover – net	3,467,846	3,489,983	1,842,896	1,801,368
Cost of sales	(2,775,341)	(2,840,366)	(1,466,252)	(1,466,570)
Gross profit	692,505	649,617	376,644	334,798
Distribution costs	(54,098)	(53,936)	(28,743)	(27,898)
Administrative expenses	(101,364)	(86,328)	□ (49,648)	(45,659)
	(155,462)	(140,264)	(78,391)	(73,557)
Operating profit	537,043	509,353	298,253	261,241
Other expenses	(47,589)	(38,193)	□ (30,356)	(19,780)
Other income	18,263	15,925	8,244	6,923
Finance costs	(256)	(3,490)	(153)	(2,558)
	(29,582)	(25,758)	(22,265)	(15,415)
Profit before taxation	507,461	483,595	275,988	245,826
Taxation	(151,060)	(113,223)	(108,280)	(54,271)
Profit after taxation	356,401	370,372	167,708	191,555
	Rupees	Rupees	Rupees	Rupees
Earnings per share - basic and diluted	12.38	12.86	5.82	6.65

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YUTAKA ARAE
Chairman


FAHIM KAPADIA
Chief Executive

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)**

	Half-year ended		Quarter ended	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
	(Rupees in '000)		(Rupees in '000)	
Net profit for the period	356,401	370,372	167,708	191,555
Other comprehensive income	-	-	-	-
Total comprehensive income the period	<u>356,401</u>	<u>370,372</u>	<u>167,708</u>	<u>191,555</u>

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Chief Executive

**CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)**

	Half-year ended	
	December 31, 2016	December 31, 2015
	(Rs. in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	507,461	483,595
Adjustments for:		
Depreciation	84,754	74,083
Finance costs	256	3,490
Provision for impairment of trade debts	73	110
Gain on disposal of property, plant and equipment	(780)	(647)
Liabilities no longer payable – written back	(4)	(636)
Profit on short-term investments / bank balances	(14,445)	(11,841)
	<u>577,315</u>	<u>548,154</u>
Increase in current assets	(387,467)	(45,593)
Decrease in current liabilities	(2,543)	22,554
Cash generated from operations	187,305	525,115
Finance costs paid	(256)	(5,402)
Income tax paid	(230,245)	(215,700)
Net cash (used in) / generated from operating activities	(43,196)	304,013
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(175,916)	(207,655)
Proceeds from disposal of property, plant and equipment	3,441	2,349
Profit received on investments / bank balances	15,639	11,387
Net cash used in investing activities	(156,836)	(193,919)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(176,440)	(211,724)
Net decrease in cash and cash equivalents	(376,472)	(101,630)
Cash and cash equivalents at the beginning of the period	864,202	608,223
Cash and cash equivalents at the end of the period	487,730	506,593
CASH AND CASH EQUIVALENTS		
Cash and bank balances	220,730	346,593
Short-term investments	267,000	160,000
	<u>487,730</u>	<u>506,593</u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.



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Chief Executive

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)**

	Issued, subscribed and paid- up capital	Capital reserve	Revenue reserves		Total	Total equity
		Share premium	General	Unapp- ropriated profit		
Balance as at July 01, 2015	144,000	12,598	2,505,000	465,879	2,983,477	3,127,477
Final dividend for the year ended June 30, 2015 @ Rs.7.50 per share				(216,000)	(216,000)	(216,000)
Transfer to general reserve	-	-	170,000	(170,000)	-	-
Profit after taxation for the period	-	-	-	370,372	370,372	370,372
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	370,372	370,372	370,372
Balance as at December 31, 2015	144,000	12,598	2,675,000	450,251	3,137,849	3,281,849
Balance as at July 01, 2016	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.6.25 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
Balance as at December 31, 2016	144,000	12,598	3,075,000	523,337	3,610,935	3,754,935

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.


YUTAKA ARAE
Chairman


FAHIM KAPADIA
Chief Executive

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (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 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 5th 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 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 are unaudited but subject to limited scope review by 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, 2016 and December 31, 2015. These are required to be presented to the shareholders under Section 245 of the Companies Ordinance, 1984 and 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 Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. 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 annual financial statements for the year ended June 30, 2016.

3. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these consolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2016 except as follows:

New/revised standards, interpretations and amendments

The Company has adopted the following amendments to IFRS which became effective for the current period::

IFRS 10 - Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements: Investment Entities: Applying the Consolidation Exception (Amendment)

IFRS 11 -Joint Arrangements: Accounting for Acquisition of Interest in Joint Operation (Amendment)

IAS 1 - Presentation of Financial Statements: Disclosure Initiative (Amendment)

IAS 16 - Property, Plant and Equipment and IAS 38 Intangible Assets: Clarification of Acceptable Method of Depreciation and Amortization (Amendment)

IAS 16 - Property, Plant and Equipment and IAS 41 Agriculture: 'Agriculture - Bearer Plants (Amendment)

IAS 27 - Separate Financial Statements: Equity Method in Separate 'Financial Statements (Amendment)

The adoption of the above accounting standards did not have any effect on the consolidated condensed interim financial statements.

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)**

	Note	December 31, 2016 (Un-audited) (Rs. in 000')	December 31, 2015 (Un-audited)
4. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	1,396,319	1,436,495
Capital work-in-progress		<u>216,316</u>	<u>87,639</u>
		<u><u>1,612,635</u></u>	<u><u>1,524,134</u></u>

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

	<u>Half-year ended</u> <u>December 31, 2016</u> <u>(Un-audited)</u>	
	Additions (Rs. in 000')	Deletions
Owned		
Plant and machinery	32,106	4,791
Vehicles	11,022	3,048
Furniture and fixtures	3,472	96
Computers	485	-
Office equipment	154	-
	<u>47,239</u>	<u>7,935</u>

4.2 Capital work-in-progress

	Plant and machinery	Civil works	Total
	<u>(Rs. in 000')</u>		
Balance as at July 01, 2016	48,428	39,211	87,639
Capital expenditure incurred / advances made during the period	<u>90,375</u>	<u>38,302</u>	<u>128,677</u>
Balance as at December 31, 2016	<u>138,803</u>	<u>77,513</u>	<u>216,316</u>

	Note	December 31, 2016 (Un-audited) (Rs. in 000')	June 30, 2016 (Audited)
5. SHORT TERM INVESTMENTS			
Held- to- maturity			
Term deposit receipts	5.1	267,000	535,000
Accrued profit thereon		<u>646</u>	<u>1,356</u>
		<u><u>267,646</u></u>	<u><u>536,356</u></u>

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2016 (UN-AUDITED)**

5.1 Represents one to three months term deposit receipts with a commercial bank under conventional banking relationship carrying profit rate ranging from 4.65% to 5.60% (2016: 5.35% to 6.15%) per annum and will mature by March 2017.

6. CONTINGENCIES AND 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, 2016 other than described below:

Commitments

6.1 Commitments in respect of outstanding letters of credit for raw material amount to Rs. 458.865 million (June 30, 2015: Rs. 488.76 million).

6.2 Commitments in respect of capital expenditure amount to Rs. 60.118 million (June 30, 2016: Rs. 86.886 million).

7. 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, are as follows:

	December 31, 2016 (Un-audited)	December 31, 2015 (Un-audited)
	(Rs. in 000')	
Purchase of asset/goods	<u>610</u>	<u>702</u>
Contribution to provident fund	<u>4,429</u>	<u>3,717</u>
Key management personnel compensation	<u>6,954</u>	<u>4,905</u>

8. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors has proposed and approved an interim cash dividend of Rs. 2.50 per share for the half year ended December 31, 2016 in its meeting held on February 20, 2017.

9. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on February 20, 2017 by the Board of Directors of the Company.

10. GENERAL

Figures have been rounded off to the nearest thousands.



YUTAKA ARAE
Chairman



FAHIM KAPADIA
Chief Executive