

Cash Flow Statement
for the period of Three months ended June 30, 2007 (Un-audited)

| | Note | April - June | |
|---|------|----------------------|--------------------|
| | | 2007 | 2006 |
| | | (Rupees in thousand) | |
| Cash flows from operating activities | | | |
| Cash generated from operations | 10 | 754,341 | (2,403,448) |
| Interest and markup paid | | (53,526) | (27,148) |
| Employees retirement benefits & other obligations | | (7,300) | (6,624) |
| Net (increase) in long term deposits | | - | (2,002) |
| Net decrease / (increase) in loans to employees | | 2,399 | (439) |
| Income tax paid | | (13,376) | (76,667) |
| Royalty paid | | (109,843) | (91,135) |
| WPPF paid | | - | (729) |
| Net cash inflow / (outflow) from operating activities | | 572,695 | (2,608,192) |
| Cash flows from investing activities | | | |
| Purchases of property, plant & equipment | | (44,546) | (693,627) |
| Proceed from sale of property, plant & equipment | | 7,143 | - |
| Interest received | | 9,985 | 19,355 |
| Net cash used in investing activities | | (27,418) | (674,272) |
| Cash flows from financing activities | | | |
| Long term finances | | (750,000) | 750,000 |
| Short term borrowings | | - | 150,000 |
| Dividend paid | | (49) | (36) |
| Net cash (used in) / from financing activities | | (750,049) | 899,964 |
| Net (decrease) in cash and cash equivalents | | (204,772) | (2,382,500) |
| Cash and cash equivalents at the beginning of the period | | 219,859 | 55,746 |
| Cash and cash equivalents at the end of the period | 11 | 15,087 | (2,326,754) |

The annexed notes form an integral part of these financial statements.


Yusuf H. Shirazi
Chairman


Atsushi Yamazaki
Chief Executive