


**Cash Flow Statement**  
for the period of three months ended June 30, 2006

		<b>April to June</b>	
		<b>2006</b>	<b>2005</b>
	<b>Note</b>	<b>(Rupees in thousand)</b>	
<b>Cash flows from operating activities</b>			
Cash generated from operations	11	(2,403,448)	(1,107,697)
Interest and mark up paid		(27,148)	(3,673)
Employees retirement benefits and other obligations		(6,624)	(5,039)
Net (increase) in long term deposits		(2,002)	-
Net (increase) in loans to employees		(439)	(3,675)
Income tax paid		(76,667)	(27,012)
Royalty paid		(91,135)	(106,494)
Worker's profit participation fund paid		(729)	(4,142)
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<b>Net cash (outflow) from operating activities</b>		<b>(2,608,192)</b>	<b>(1,257,732)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant & equipment		(693,627)	(406,743)
Sale proceeds of property, plant & equipment		-	2,638
Investments		-	(300,000)
Profit/Interest received		19,355	92,581
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<b>Net cash used in investing activities</b>		<b>(674,272)</b>	<b>(611,524)</b>
<b>Cash flows from financing activities</b>			
Long term finances		750,000	-
Short term borrowings		150,000	-
Dividend paid		(36)	(21)
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<b>Net cash from/(used in) financing activities</b>		<b>899,964</b>	<b>(21)</b>
<b>Net (decrease) in cash and cash equivalents</b>		<b>(2,382,500)</b>	<b>(1,869,277)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>55,746</b>	<b>5,873,987</b>
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<b>Cash and cash equivalents at the end of the period</b>	12	<b>(2,326,754)</b>	<b>4,004,710</b>

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

  
**Yusuf H. Shirazi**  
Chairman

  
**Mamoru Suwama**  
Chief Executive