



Unilever

UNILEVER PAKISTAN LIMITED

**CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012**



UNILEVER PAKISTAN LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Ehsan A. Malik	Chairman & Chief Executive
Mr. Imran Husain	Executive Director / CFO
Ms. Shazia Syed	Executive Director
Mr. Amir R. Paracha	Executive Director
Ms. Fariyha Subhani	Executive Director
Mr. Faheem Ahmed Khan	Executive Director
Mr. Zaffar A. Khan	Non - Executive Director
Mr. Khalid Rafi	Non - Executive Director

COMPANY SECRETARY

Mr. Amar Naseer

AUDIT COMMITTEE

Mr. Zaffar A. Khan	Chairman
Mr. Khalid Rafi	Member
Mr. Faheem Ahmed Khan	Member
Mr. Azhar Shahid	Secretary & Head of Internal Audit

AUDITORS

Messrs A.F. Ferguson & Co.
Chartered Accountants
State Life Building No. 1-C
I.I. Chundrigar Road
Karachi.

REGISTERED OFFICE

Avari Plaza
Fatima Jinnah Road
Karachi - 75530

SHARE REGISTRATION OFFICE

C/o Famco Associates (Pvt) Limited
State Life Building No. 1-A
I.I. Chundrigar Road
Karachi.

WEBSITE ADDRESS

www.unileverpakistan.com.pk

UNILEVER PAKISTAN LIMITED

Unilever Pakistan Limited

Directors' Report

Turnover growth improved from 12% at the half year to 15% for the nine months. A 195 bps higher gross margin was achieved through better cost absorption and improved sales mix. Advertising and promotion spend was lower than the corresponding period last year in which we introduced five new brands and a number of fresh formats. Higher sales, improved mix from a broader portfolio and lower advertising expenditure resulted in Earnings Per Share growth of 49% in the nine months.

Financial Highlights

	Nine Months ended September 30,		Increase %
	2012	2011	
	(Rupees in thousands)		
Net Sales	43,981,216	38,171,334	15%
Profit before taxation	5,544,826	3,893,811	42%
Profit after taxation	3,821,688	2,567,668	49%
Earnings per Share (Rs.)	287.50	193.15	49%

Home and Personal Care (HPC)

HPC continued its strong performance with sales growth of 18% in nine months. The five new brands launched during 2011 together with two further brands - Domex and Pepsodent, introduced this year, helped deliver robust growth, as did price reductions in shampoos and creams following the removal of Federal Excise Duty in June.

Beverages

Beverages posted 10% growth for the first nine months of the year 2012. Launch of Mega Daane under Lipton was received well by consumers.

During Q2, government reduced tax levies on tea, benefit of which was immediately passed on to the consumers through lower prices. This immediate response had a positive impact on sales during Q3. The step taken by the Government to create a level playing field will result in significant benefits for consumers and the economy.

Spreads

The Spreads business sustained growth of 15%. We continue to focus on visibility and availability, backed by media campaigns.

Ice Cream

Ice Cream posted a growth of 13% despite power cuts that impacted the cold chain. Growth was led by powerful innovation, foremost amongst which was Magnum and Cornetto Fruity Yo.

Future Outlook

Pressure on disposable incomes, poor security environment and power outages continue to pose challenges to the business. We continue to build brand equity and improve operational effectiveness to deliver enhanced value for consumers, customers and shareholders. A more level playing field in tea and removal of Federal Excise Tax on shampoos and creams will have a positive impact. The business is reviewing its manufacturing and inventory strategy to respond to demand volatility, rising quality expectation and supply disruptions on account of growing incidence of natural disasters and transportation strikes.

On behalf of the Board

Ehsan A. Malik

Chairman and Chief Executive

Karachi

October 19, 2012

UNILEVER PAKISTAN LIMITED

CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2012

	Note	Unaudited September 30, 2012 (Rupees in thousand)	Audited December 31, 2011
ASSETS			
Non-current assets			
Property, plant and equipment	4	6,375,771	5,717,231
Intangible - computer software		1,098,923	1,288,730
Long term investments		95,202	95,202
Long term loans		128,806	115,256
Long term deposits and prepayments		7,331	25,761
Retirement benefits - prepayments		111,709	114,877
		<u>7,817,742</u>	<u>7,357,057</u>
Current assets			
Stores and spares		490,905	347,520
Stock in trade		6,200,344	5,204,390
Trade debts		1,134,790	833,179
Loans and advances		118,218	160,194
Trade deposits and short term prepayments		568,447	574,205
Other receivables		193,859	147,583
Tax refunds due from the Government		898,571	394,715
Cash and bank balances		921,452	957,459
		<u>10,526,586</u>	<u>8,619,245</u>
Total assets		<u>18,344,328</u>	<u>15,976,302</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		669,477	669,477
Reserves		2,910,859	3,502,489
		<u>3,580,336</u>	<u>4,171,966</u>
Surplus on revaluation of fixed assets		11,186	11,669
Liabilities			
Non-current liabilities			
Liabilities against assets subject to finance leases		-	3,291
Deferred taxation		607,593	381,064
Retirement benefits - obligations		398,242	462,106
		<u>1,005,835</u>	<u>846,461</u>
Current liabilities			
Trade and other payables		13,121,689	10,096,698
Accrued interest / mark up		12,228	9,630
Short term borrowings		-	292,534
Current maturity of liabilities against assets subject to finance leases		2,032	13,229
Provisions		611,022	534,115
		<u>13,746,971</u>	<u>10,946,206</u>
Total liabilities		<u>14,752,806</u>	<u>11,792,667</u>
Contingencies and commitments	5		
Total equity and liabilities		<u>18,344,328</u>	<u>15,976,302</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

UNILEVER PAKISTAN LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 (UNAUDITED)

	Note	Quarter ended		Nine months ended	
		September 30, 2012	September 30, 2011	September 30, 2012	September 30, 2011
← (Rupees in thousand) →					
Sales	6.1	16,181,039	13,368,200	43,981,216	38,171,334
Cost of sales		(10,271,152)	(8,556,616)	(27,957,395)	(25,010,064)
Gross profit		5,909,887	4,811,584	16,023,821	13,161,270
Distribution costs		(3,182,118)	(2,624,819)	(8,707,723)	(7,931,866)
Administrative expenses		(544,561)	(433,933)	(1,444,647)	(1,158,269)
Other operating expenses		(159,607)	(124,398)	(426,125)	(314,820)
Other operating income		142,597	22,544	389,537	250,624
		2,166,198	1,650,978	5,834,863	4,006,939
Restructuring cost		-	-	-	(45,000)
Profit from operations		2,166,198	1,650,978	5,834,863	3,961,939
Finance cost		(55,920)	(21,123)	(290,037)	(68,128)
Profit before taxation		2,110,278	1,629,855	5,544,826	3,893,811
Taxation		(693,481)	(593,717)	(1,723,138)	(1,326,143)
Profit after taxation		1,416,797	1,036,138	3,821,688	2,567,668
Other comprehensive income		-	-	-	-
Total comprehensive income		1,416,797	1,036,138	3,821,688	2,567,668
Earnings per share					
- Basic (Rupees)		106.58	77.94	287.50	193.15

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

Ehsan A. Malik
Chairman & Chief Executive

Imran Husain
Director & Chief Financial Officer

UNILEVER PAKISTAN LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 (UNAUDITED)

	Note	September 30, 2012	September 30, 2011
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		5,544,826	3,893,811
Adjustments for non-cash and other items			
Depreciation		487,869	440,314
Amortisation of intangible - computer software		202,348	-
Gain on disposal of property, plant and equipment		(75,787)	(17,467)
Finance cost		290,037	68,128
Provision for staff retirement benefits		99,264	82,639
Return on savings accounts and deposit accounts		(28,665)	(37,487)
		<u>975,066</u>	<u>536,127</u>
		6,519,892	4,429,938
EFFECT ON CASH FLOW DUE TO WORKING CAPITAL CHANGES			
(Increase) / decrease in current assets			
Stores and spares		(143,385)	6,519
Stock in trade		(995,954)	(432,508)
Trade debts		(301,611)	(674,358)
Loans and advances		41,976	(60,159)
Trade deposits and short term prepayments		5,758	(164,930)
Other receivables		(46,276)	(93,226)
		<u>(1,439,492)</u>	<u>(1,418,662)</u>
Increase / (decrease) in current liabilities			
Trade and other payables		3,018,199	2,329,670
Provisions		76,907	(81,334)
		<u>3,095,106</u>	<u>2,248,336</u>
Cash generated from operations		8,175,506	5,259,612
Finance costs paid		(287,439)	(66,830)
Income tax paid		(2,000,465)	(1,494,776)
Retirement benefits - obligations paid		(159,960)	(22,793)
Increase in long term loans		(13,550)	(25,485)
Decrease in long term deposits and prepayments		18,430	7,384
		<u>5,732,522</u>	<u>3,657,112</u>
Net cash from operating activities		5,732,522	3,657,112
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,162,593)	(1,031,826)
Payment for intangible - computer software		(12,541)	(300,446)
Sale proceeds on disposal of property, plant and equipment		91,971	25,491
Return received on savings accounts and deposit accounts		28,665	37,487
		<u>(1,054,498)</u>	<u>(1,269,294)</u>
Net cash used in investing activities		(1,054,498)	(1,269,294)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(4,407,009)	(3,483,232)
Finance lease obligation paid		(14,488)	(26,418)
		<u>(4,421,497)</u>	<u>(3,509,650)</u>
Net cash used in financing activities		(4,421,497)	(3,509,650)
Net increase / (decrease) in cash and cash equivalents		256,527	(1,121,832)
Cash and cash equivalents at the beginning of the period		664,925	1,460,967
Cash and cash equivalents at the end of the period	7	<u>921,452</u>	<u>339,135</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

UNILEVER PAKISTAN LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 (UNAUDITED)

	SHARE CAPITAL	RESERVES			SUB TOTAL	TOTAL
		CAPITAL		REVENUE		
		Arising under schemes of arrangements for amalgamations	Contingency	Unappropriated profit		
← (Rupees in thousand) →						
Balance as at January 1, 2011	669,477	70,929	321,471	2,498,441	2,890,841	3,560,318
Total comprehensive income for the nine months ended September 30, 2011	-	-	-	2,567,668	2,567,668	2,567,668
Transferred from surplus on revaluation of fixed assets - net of deferred taxation:						
- Incremental depreciation for the period	-	-	-	483	483	483
Dividends						
For the year ended December 31, 2010						
- On cumulative preference shares @ 5% per share	-	-	-	(239)	(239)	(239)
- Final dividend on ordinary shares @ Rs. 157 per share	-	-	-	(2,087,137)	(2,087,137)	(2,087,137)
For the year ended December 31, 2011						
- Interim dividend on ordinary shares @ Rs. 105 per share	-	-	-	(1,395,856)	(1,395,856)	(1,395,856)
Balance as at September 30, 2011	<u>669,477</u>	<u>70,929</u>	<u>321,471</u>	<u>1,583,360</u>	<u>1,975,760</u>	<u>2,645,237</u>
Balance as at January 1, 2012	669,477	70,929	321,471	3,110,089	3,502,489	4,171,966
Total comprehensive income for the nine months ended September 30, 2012	-	-	-	3,821,688	3,821,688	3,821,688
Transferred from surplus on revaluation of fixed assets - net of deferred taxation:						
- Incremental depreciation for the period	-	-	-	483	483	483
Dividend						
For the year ended December 31, 2011						
- On cumulative preference shares @ 5% per share	-	-	-	(239)	(239)	(239)
- Final dividend on ordinary shares @ Rs. 202 per share	-	-	-	(2,685,362)	(2,685,362)	(2,685,362)
For the year ending December 31, 2012						
- Interim dividend on ordinary shares @ Rs. 130 per share	-	-	-	(1,728,200)	(1,728,200)	(1,728,200)
Balance as at September 30, 2012	<u>669,477</u>	<u>70,929</u>	<u>321,471</u>	<u>2,518,459</u>	<u>2,910,859</u>	<u>3,580,336</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

UNILEVER PAKISTAN LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 (UNAUDITED)

1. BASIS OF PREPARATION

This condensed interim financial information of Unilever Pakistan Limited (the Company) for the nine months ended September 30, 2012 has been prepared in accordance with the requirements of the International Accounting Standard No. 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.

2. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended December 31, 2011.

3. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Judgments and estimates made by the management in the preparation of this condensed interim financial information are the same as those that were applied to financial statements as at and for the year ended December 31, 2011.

The company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended December 31, 2011.

4. PROPERTY, PLANT AND EQUIPMENT

Operating assets - at net book value
Capital work in progress - at cost

Unaudited Audited
September 30, December 31,
2012 2011
(Rupees in thousand)

Operating assets - at net book value	5,859,155	4,526,190
Capital work in progress - at cost		
Civil works	28,586	5,187
Plant and machinery	488,030	1,185,854
	516,616	1,191,041
	6,375,771	5,717,231

4.1 Additions and disposals to operating assets during the period are as follows:

	Additions (at cost)		Disposals (at net book value)	
	September 30, 2012	September 30, 2011	September 30, 2012	September 30, 2011
Owned				
Buildings on freehold land	15,155	8,633	-	-
Plant and machinery	1,693,691	200,364	15,855	-
Electrical, mechanical and office equipment	121,481	105,269	65	6,057
Furniture and fixtures	-	1,574	-	-
Motor vehicles	6,691	7,850	264	-
Assets held under finance leases				
Motor vehicles	-	146	-	1,967
Total	1,837,018	323,836	16,184	8,024

5. CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

There has been no change in status of contingencies reported in the financial statements for the year ended December 31, 2011.

5.2 Commitments

The commitments for capital expenditure outstanding as at September 30, 2012 amounted to Rs.1,025.88 million (December 31, 2011: Rs. 845.96 million).

6. SEGMENT ANALYSIS

6.1 SEGMENT RESULTS

	Home and Personal Care	Beverages	Ice Cream	Spreads	Total
	(Rupees in '000)				
For the quarter ended September 30, 2012					
Revenue	9,303,717	4,268,130	2,174,609	434,583	16,181,039
Segment Results	1,748,044	250,780	112,618	71,766	2,183,208
For the quarter ended September 30, 2011					
Revenue	7,714,304	3,546,653	1,730,846	376,397	13,368,200
Segment Results	1,020,690	532,048	151,678	48,416	1,752,832
For the nine months ended September 30, 2012					
Revenue	24,975,211	11,960,348	5,733,135	1,312,522	43,981,216
Segment Results	4,134,428	1,233,666	276,756	226,601	5,871,451
For the nine months ended September 30, 2011					
Revenue	21,121,516	10,831,995	5,078,672	1,139,151	38,171,334
Segment Results	2,546,207	1,059,839	365,559	99,530	4,071,135

Reconciliation of segment results with profit after tax is as follows:

	Quarter ended		Nine months ended	
	September 30, 2012	September 30, 2011	September 30, 2012	September 30, 2011
	----- (Rupees in '000) -----			
Total results for reportable segments	2,183,208	1,752,832	5,871,451	4,071,135
Other operating expenses	(159,607)	(124,398)	(426,125)	(314,820)
Other operating income	142,597	22,544	389,537	250,624
Restructuring costs	-	-	-	(45,000)
Finance costs	(55,920)	(21,123)	(290,037)	(68,128)
Taxation	(693,481)	(593,717)	(1,723,138)	(1,326,143)
Profit after tax	<u>1,416,797</u>	<u>1,036,138</u>	<u>3,821,688</u>	<u>2,567,668</u>

6.2 SEGMENT ASSETS

	Home and Personal Care	Beverages	Ice Cream	Spreads	Total
	----- (Rupees in '000) -----				
As at September 30, 2012 - Unaudited					
Segment assets	8,240,262	2,892,654	3,951,913	324,407	15,409,236
As at December 31, 2011 - Audited					
Segment assets	5,543,362	2,169,913	3,687,574	197,067	11,597,916

	Unaudited September, 2012	Audited December 31, 2011
	(Rupees in thousand)	
Total for reportable segments	15,409,236	11,597,916
Unallocated assets	2,935,092	4,378,386
Total as per balance sheet	<u>18,344,328</u>	<u>15,976,302</u>

September 30, 2012 September 30, 2011
(Rupees in thousand)

7. CASH AND CASH EQUIVALENTS

Cash and bank balances	921,452	1,015,726
Short term borrowings	-	(676,591)
	<u>921,452</u>	<u>339,135</u>

8. RELATED PARTY TRANSACTIONS

Significant related party transactions during the period are as follows:

Relationship with the company	Nature of transactions	September 30,	September 30,
		2012 (Rupees in thousand)	2011
i. Ultimate parent company:	Royalty and technical fee	1,535,983	1,250,079
ii. Other related parties:	Purchase of goods and services	9,964,478	8,509,450
	Sale of goods	3,264	4,759
	Fee for receiving of services from related party	19,111	44,112
	Payment to related parties for intangible - computer software	-	279,300
	Fee for providing of services to related parties	208,085	143,284
	Contribution to:		
	- Defined Contribution plans	96,443	178,562
	- Defined Benefit plans	50,702	-
	Settlement on behalf of:		
	- Defined Contribution plans	33,601	43,151
	- Defined Benefit plans	-	13,035
	Payment made on behalf of related party	11,986	-
iii. Key management personnel:	Salaries and other short-term employee benefits	138,289	122,132
	Post-employment benefits	5,853	6,857
iv. Others:	Donations	7,000	3,019

9. MONOPOLY CONTROL AUTHORITY ORDER

There is no change in status as reported in the latest annual financial statements regarding the Monopoly Control Authority (MCA) Order terminating the non-competition agreement, requiring the company to refund the amount of Rs. 250 million to Dalda Foods (Private) Limited (DFL). The management is of the view that the agreement between the Company and DFL is not in the violation of Monopolies and Restrictive Trade Practices Ordinance, 1970. The Company filed an appeal in the High Court of Sindh and the operation of MCA's order was stayed. At present, the appeal is pending for hearing.

10. DATE OF ISSUE

This condensed interim financial information has been authorised for issue on October 19, 2012 by the Board of Directors of the Company.

Ehsan A. Malik
Chairman & Chief Executive

Imran Husain
Director & Chief Financial Officer

**CONDENSED INTERIM
CONSOLIDATED FINANCIAL INFORMATION
FOR THE NINE MONTHS
ENDED SEPTEMBER 30, 2012**

Unilever Pakistan Limited
and its Subsidiary Companies

UNILEVER PAKISTAN LIMITED AND ITS SUBSIDIARY COMPANIES

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30, 2012

	Note	Unaudited September 30, 2012 (Rupees in thousand)	Audited December 31, 2011
ASSETS			
Non-current assets			
Property, plant and equipment	4	6,375,771	5,717,231
Intangible - computer software		1,098,923	1,288,730
Long term investments		200	200
Long term loans		128,806	115,256
Long term deposits and prepayments		7,331	25,761
Retirement benefits - prepayments		111,709	114,877
		<u>7,722,740</u>	<u>7,262,055</u>
Current assets			
Stores and spares		490,905	347,520
Stock in trade		6,200,344	5,204,390
Trade debts		1,134,790	833,179
Loans and advances		118,218	160,194
Trade deposits and short term prepayments		568,447	574,205
Other receivables		195,317	147,583
Tax refunds due from the Government		898,571	394,715
Investment - held to maturity		163,035	155,935
Cash and bank balances		922,756	962,086
		<u>10,692,383</u>	<u>8,779,807</u>
Total assets		<u>18,415,123</u>	<u>16,041,862</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		669,477	669,477
Reserves		2,980,146	3,565,319
		<u>3,649,623</u>	<u>4,234,796</u>
Surplus on revaluation of fixed assets		11,186	11,669
Liabilities			
Non-current liabilities			
Liabilities against assets subject to finance leases		-	3,291
Deferred taxation		607,593	381,064
Retirement benefits - obligations		398,242	462,106
		<u>1,005,835</u>	<u>846,461</u>
Current liabilities			
Trade and other payables		13,122,792	10,098,375
Taxation - provision less payments		405	1,053
Accrued interest / mark up		12,228	9,630
Short term borrowings		-	292,534
Current maturity of liabilities against assets subject to finance leases		2,032	13,229
Provisions		611,022	534,115
		<u>13,748,479</u>	<u>10,948,936</u>
Total liabilities		14,754,314	11,795,397
Contingencies and commitments	5		
Total equity and liabilities		<u>18,415,123</u>	<u>16,041,862</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

Ehsan A. Malik
Chairman & Chief Executive

Imran Husain
Director & Chief Financial Officer

UNILEVER PAKISTAN LIMITED AND ITS SUBSIDIARY COMPANIES

CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 (UNAUDITED)

	Note	Quarter ended		Nine months ended	
		September 30, 2012	September 30, 2011	September 30, 2012	September 30, 2011
← (Rupees in thousand) →					
Sales	6.1	16,181,039	13,368,200	43,981,216	38,171,334
Cost of sales		(10,271,152)	(8,556,616)	(27,957,395)	(25,010,064)
Gross profit		5,909,887	4,811,584	16,023,821	13,161,270
Distribution costs		(3,182,118)	(2,624,819)	(8,707,723)	(7,931,866)
Administrative expenses		(544,599)	(433,933)	(1,444,685)	(1,158,369)
Other operating expenses		(159,594)	(124,398)	(426,125)	(314,820)
Other operating income		141,264	25,990	399,054	261,972
		2,164,840	1,654,424	5,844,342	4,018,187
Restructuring cost		-	-	-	(45,000)
Profit from operations		2,164,840	1,654,424	5,844,342	3,973,187
Finance cost		(55,920)	(21,122)	(290,037)	(68,129)
Profit before taxation		2,108,920	1,633,302	5,554,305	3,905,058
Taxation		(693,006)	(594,923)	(1,726,456)	(1,330,079)
Profit after taxation		1,415,914	1,038,379	3,827,849	2,574,979
Other comprehensive income		-	-	-	-
Total comprehensive income		1,415,914	1,038,379	3,827,849	2,574,979
Earnings per share					
- Basic (Rupees)		106.51	78.11	287.90	193.70

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

UNILEVER PAKISTAN LIMITED AND ITS SUBSIDIARY COMPANIES

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 (UNAUDITED)

	Note	September 30, 2012	September 30, 2011
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		5,554,306	3,905,058
Adjustments for non-cash and other items			
Depreciation		487,869	440,314
Amortisation of Intangible - computer software		202,348	-
Gain on disposal of property, plant and equipment		(75,787)	(17,467)
Finance cost		290,037	68,128
Provision for staff retirement benefits		99,264	82,639
Income on investment - held to maturity		(6,206)	-
Return on savings accounts and term deposit		(31,977)	(48,835)
		<u>965,548</u>	<u>524,779</u>
		6,519,854	4,429,837
EFFECT ON CASH FLOW DUE TO WORKING CAPITAL CHANGES			
(Increase) / decrease in current assets			
Stores and spares		(143,385)	6,519
Stock in trade		(995,954)	(432,508)
Trade debts		(301,611)	(674,358)
Loans and advances		41,976	(60,159)
Trade deposits and short term prepayments		5,758	(164,930)
Other receivables		(46,276)	(97,097)
		<u>(1,439,492)</u>	<u>(1,422,533)</u>
Increase / (decrease) in current liabilities			
Trade and other payables		3,017,628	2,329,706
Provisions		76,907	(81,335)
		<u>3,094,535</u>	<u>2,248,371</u>
Cash generated from operations		8,174,897	5,255,675
Finance costs paid		(287,439)	(66,829)
Income tax paid		(2,004,431)	(1,498,153)
Retirement benefits - obligations paid		(159,960)	(22,793)
Increase in long term loans		(13,550)	(25,485)
Decrease in long term deposits and prepayments		18,430	7,384
		<u>5,727,947</u>	<u>3,649,799</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,162,593)	(1,031,826)
Payment for intangible - computer software		(12,541)	(300,446)
Sale proceeds on disposal of property, plant and equipment		91,971	25,491
Net encashment / (investment in) on investments in treasury bills		162,433	(2,579)
Investments in term deposits		(163,035)	-
Return received on savings accounts and deposit accounts		30,519	48,835
		<u>(1,053,246)</u>	<u>(1,260,525)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(4,407,009)	(3,483,232)
Finance lease obligation paid		(14,488)	(26,418)
		<u>(4,421,497)</u>	<u>(3,509,650)</u>
Net increase / (decrease) in cash and cash equivalents		253,204	(1,120,376)
Cash and cash equivalents at the beginning of the period		669,552	1,465,507
Cash and cash equivalents at the end of the period	7	<u>922,756</u>	<u>345,131</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

UNILEVER PAKISTAN LIMITED AND ITS SUBSIDIARY COMPANIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 (UNAUDITED)

	SHARE CAPITAL	RESERVES			SUB TOTAL	TOTAL
		CAPITAL	Contingency	REVENUE		
		Arising under schemes of arrangements for amalgamations		Unappropriated profit		
← (Rupees in thousand) →						
Balance as at January 1, 2011	669,477	70,929	321,471	2,549,656	2,942,056	3,611,533
Total comprehensive income for the nine months ended September 30, 2011	-	-	-	2,574,979	2,574,979	2,574,979
Transferred from surplus on revaluation of fixed assets - net of deferred taxation:						
- Incremental depreciation for the period	-	-	-	483	483	483
Dividends						
For the year ended December 31, 2010						
- On cumulative preference shares @ 5% per share	-	-	-	(239)	(239)	(239)
- Final dividend on ordinary shares @ Rs. 157 per share	-	-	-	(2,087,137)	(2,087,137)	(2,087,137)
For the year ended December 31, 2011						
- Interim dividend on ordinary shares @ Rs. 105 per share	-	-	-	(1,395,856)	(1,395,856)	(1,395,856)
Balance as at September 30, 2011	<u>669,477</u>	<u>70,929</u>	<u>321,471</u>	<u>1,641,886</u>	<u>2,034,286</u>	<u>2,703,763</u>
Balance as at January 1, 2012	669,477	70,929	321,471	3,110,089	3,502,489	4,171,966
Total comprehensive income for the nine months ended September 30, 2012	-	-	-	3,827,849	3,827,849	3,827,849
Transferred from surplus on revaluation of fixed assets - net of deferred taxation:						
- Incremental depreciation for the period	-	-	-	483	483	483
Dividends						
For the year ended December 31, 2011						
- On cumulative preference shares @ 5% per share	-	-	-	(239)	(239)	(239)
- Final dividend on ordinary shares @ Rs. 202 per share	-	-	-	(2,685,362)	(2,685,362)	(2,685,362)
For the year ending December 31, 2012						
- First interim dividend on ordinary shares @ Rs. 130 per share	-	-	-	(1,728,200)	(1,728,200)	(1,728,200)
Balance as at September 30, 2012	<u>669,477</u>	<u>70,929</u>	<u>321,471</u>	<u>2,524,620</u>	<u>2,917,020</u>	<u>3,586,497</u>

The annexed notes 1 to 10 form an integral part of this condensed interim financial information.

UNILEVER PAKISTAN LIMITED AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2012 (UNAUDITED)

1. BASIS OF PREPARATION

"This condensed interim consolidated financial information includes the financial information of Unilever Pakistan Limited (the parent company), Lever Associated Pakistan Trust (Private) Limited, Sadiq (Private) Limited and Lever Chemicals (Private) Limited. The condensed interim financial information of the subsidiary companies has been consolidated on a line by line basis.

This condensed interim consolidated financial information has been prepared in accordance with the requirements of the International Accounting Standard No. 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. This condensed interim consolidated financial information is being submitted to the share holders as required by section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Karachi and Islamabad Stock Exchanges.

2. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed consolidated interim financial information are the same as those applied in the preparation of the financial statements for the year ended December 31, 2011.

3. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANGEMENT

The preparation of this condensed interim consolidated financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

Judgments and estimates made by the management in the preparation of this condensed interim consolidated financial information are the same as those that were applied to financial statements as at and for the year ended December 31, 2011.

The company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended December 31, 2011.

Unaudited September 30, 2012	Audited December 31, 2011
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(Rupees in thousand)

4. PROPERTY, PLANT AND EQUIPMENT

Operating assets - at net book value	5,859,155	4,526,190
Capital work in progress - at cost		
Civil works	28,586	5,187
Plant and machinery	488,030	1,185,854
	516,616	1,191,041
	6,375,771	5,717,231

4.1 Additions and disposals to operating assets during the period are as follows:

	Additions (at cost)		Disposals (at net book value)	
	September 30, 2012	September 30, 2011	September 30, 2012	September 30, 2011
Owned				
Buildings on freehold land	15,155	8,633	-	-
Plant and machinery	1,693,691	200,364	15,855	-
Electrical, mechanical and office equipment	121,481	105,269	65	6,057
Furniture and fixtures	-	1,574	-	-
Motor vehicles	6,691	7,850	264	-
Assets held under finance leases				
Motor vehicles	-	146	-	1,967
Total	1,837,018	323,836	16,184	8,024

5. CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

There has been no change in status of contingencies reported in the financial statements for the year ended December 31, 2011.

5.2 Commitments

The commitments for capital expenditure outstanding as at September 30, 2012 amounted to Rs.1,025.88 million (December 31, 2011: Rs. 845.96 million).

6. SEGMENT ANALYSIS

6.1 SEGMENT RESULTS

	Home and Personal Care	Beverages	Ice Cream	Spreads	Total
	----- (Rupees in '000) -----				
For the quarter ended September 30, 2012					
Revenue	9,303,717	4,268,130	2,174,609	434,583	16,181,039
Segment Results	1,748,022	250,770	112,613	71,765	2,183,170
For the quarter ended September 30, 2011					
Revenue	7,714,304	3,546,653	1,730,846	376,397	13,368,200
Segment Results	1,020,690	532,048	151,678	48,416	1,752,832
For the nine months ended September 30, 2012					
Revenue	24,975,211	11,960,348	5,733,135	1,312,522	43,981,216
Segment Results	4,134,406	1,233,656	276,751	226,600	5,871,413
For the nine months ended September 30, 2011					
Revenue	21,121,516	10,831,995	5,078,672	1,139,151	38,171,334
Segment Results	2,546,107	1,059,839	365,559	99,530	4,071,035

Reconciliation of segment results with profit after tax is as follows:

	Quarter ended		Nine months ended	
	September 30, 2012	September 30, 2011	September 30, 2012	September 30, 2011
----- (Rupees in '000) -----				
Total results for reportable segments	2,183,170	1,752,832	5,871,413	4,071,035
Other operating expenses	(159,594)	(124,398)	(426,125)	(314,820)
Other operating income	141,264	25,990	399,054	261,972
Restructuring costs	-	-	-	(45,000)
Finance costs	(55,920)	(21,122)	(290,037)	(68,129)
Taxation	(693,006)	(594,923)	(1,726,456)	(1,330,079)
Profit after taxation	1,415,914	1,038,379	3,827,849	2,574,979

6.2 SEGMENT ASSETS

	Home and Personal Care	Beverages	Ice Cream	Spreads	Total
----- (Rupees in '000) -----					
As at September 30, 2012 -					
Unaudited					
Segment assets	8,240,262	2,892,654	3,951,913	324,407	15,409,236
As at December 31, 2011 -					
Audited					
Segment assets	5,543,362	2,169,913	3,687,574	197,067	11,597,916

	Unaudited September, 2012	Audited December 31, 2011
(Rupees in thousand)		
Total for reportable segments	15,409,236	11,597,916
Unallocated assets	3,005,887	4,443,946
Total as per balance sheet	18,415,123	16,041,862

7. CASH AND CASH EQUIVALENTS

	September 30, 2012	September 30, 2011
(Rupees in thousand)		
Cash and bank balances	922,756	1,021,722
Short term borrowings	-	(676,591)
	922,756	345,131

8. RELATED PARTY TRANSACTIONS

Significant related party transactions during the period are as follows:

Relationship with the company	Nature of transactions	September 30, 2012 (Rupees in thousand)	September 30, 2011
i. Ultimate parent company:	Royalty and technical fee	1,535,983	1,250,079
ii. Other related parties:	Purchase of goods and services	9,964,478	8,509,450
	Sale of goods	3,264	4,759
	Fee for receiving of services from related party	19,111	44,112
	Payment to related parties for intangible - computer software	-	279,300
	Fee for providing of services to related parties	208,085	143,284
	Contribution to:		
	- Defined Contribution plans	96,443	178,562
	- Defined Benefit plans	50,702	-
	Settlement on behalf of:		
	- Defined Contribution plans	33,601	43,151
	- Defined Benefit plans	-	13,035
	Payment made on behalf of related party	11,986	-
iii. Key management personnel:	Salaries and other short-term employee benefits	138,289	122,132
	Post-employment benefits	5,853	6,857
iv. Others:	Donations	7,000	3,019

9. MONOPOLY CONTROL AUTHORITY ORDER

There is no change in status as reported in the latest annual financial statements regarding the Monopoly Control Authority (MCA) Order terminating the non-competition agreement, requiring the Company to refund the amount of Rs. 250 million to Dalda Foods (Private) Limited (DFL). The management is of the view that the agreement between the Company and DFL is not in the violation of Monopolies and Restrictive Trade Practices Ordinance 1970. The Company filed an appeal in the High Court of Sindh and the operation of MCA's order was stayed. At present, the appeal is pending for hearing.

10. DATE OF ISSUE

This condensed interim financial information has been authorised for issue on October 19, 2012 by the Board of Directors of the Company.

Ehsan A. Malik
Chairman & Chief Executive

Imran Husain
Director & Chief Financial Officer