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**3rd Quarterly
Financial Statements**
September 30, 2008 (Un-Audited)



FAUJI FERTILIZER COMPANY LIMITED



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FFC **FAUJI FERTILIZER COMPANY LIMITED** 
93-Harley Street, Rawalpindi Tel: (051) 9272308-15

Company Information

BOARD OF DIRECTORS

Lt Gen Syed Arif Hasan, HI(M) (Retired)
Chairman

Lt Gen Munir Hafiez, HI(M) (Retired)
Chief Executive and Managing Director

Dr Haldor Topsoe
Mr Qaiser Javed
Mr Tariq Iqbal Khan
Dr Nadeem Inayat
Mr Istaqbal Mehdi
Brig Arif Rasul Qureshi, SI(M) (Retired)
Maj Gen Muhammad Tahir, HI(M) (Retired)
Brig Rahat Khan, SI(M) (Retired)
Mr Mohsin Raza
Mr Masood Karim Shaikh
Mr Shahid Aziz Siddiqui

CHIEF FINANCIAL OFFICER

Mr Abid Maqbool
Tel: +92-51-9272336, Fax: +92-51-9272337
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COMPANY SECRETARY

Brig Khalid Kibriya (Retired)
Tel: +92-51-9272327, Fax: +92-51-9272519
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REGISTERED OFFICE

93-Harley Street, Rawalpindi Cantt.
Tel: +92-51-9272307-14, Fax: +92-51-9272316
Website: www.ffc.com.pk
E-mail: ffcwp@ffc.com.pk

PLANTSITES

Goth Machhi, Sadikabad.
(Distt: Rahim Yar Khan)
Tel: +92-685-786420-9, Fax: +92-685-786401

Mirpur Mathelo
(Distt: Ghotki)
Tel: +92-723-651021-24, Fax: +92-723-651102

MARKETING DIVISION

Lahore Trade Centre
11 Shahrah-e-Aiwan-e-Tijarat, Lahore.
Tel: +92-42-6365736, Fax: +92-42-6366324

KARACHI OFFICE

B-35, KDA Scheme No. 1, Karachi.
Tel: +92-21-4390115-16, Fax: +92-21-4390117 & 4390122

AUDITORS

M/s KPMG Taseer Hadi & Co.
Chartered Accountants

SHARES REGISTRAR

THK Associates (Pvt) Limited
Ground Floor, State Life Building – 3,
Dr. Ziauddin Ahmed Road,
Karachi – 75530
Tel No. 92-21-111-000-322, Fax No. 92-21-5655595

Directors' Review

For the Nine Months Ended September 30, 2008

Dear Members,

It is my pleasure to announce on behalf of the Board, that FFC has yet again proved its market leadership with record results during the period under review. Despite the economic and other problems being faced by the Country, we derive confidence from the dedication of our workforce and sagacity of our Management and Board members to remain competitive and profitable.

Country's urea market was recorded at 4,021 thousand tonnes which witnessed an unprecedented increase of 18% in demand over the corresponding period of last year. Supplies remained short of the demand owing to lower imports by the Government, which combined with speculation by dealers, led to price inflation in the market. The industry delivered 3,741 thousand tonnes of urea during the period under review which improved by 7% over the same period of last year. 159 thousand tonnes were provided from the opening inventory while the balance was supplemented by imports. The industry closed the period with an inventory of 81 thousand tonnes, 78% lower as compared to last year.

The DAP market, declined owing to increased local prices on the back of hyper escalation in import costs and increased cost of imported raw materials for indigenous production by Company's subsidiary Fauji Fertilizer Bin Qasim Limited (FFBL). Indecisiveness by the Government on the quantum of subsidy led to further aggravation in DAP offtake. FFBL witnessed a 77% reduction of sales to 58 thousand tonnes while aggregate market offtake was recorded at 289 thousand tonnes, with a decline of 62% as compared to sales during the corresponding period of last year. The industry carried inventory of 648 thousand tonnes at the close of the period, two times higher as compared to the inventory at end September 2007. The Government finally announced a subsidy of Rs. 2,200 per bag in October 2008, which is expected to boost DAP sales during the remainder of the year.

FFC contributed 1,783 thousand tonnes to the urea industry production during the period which improved by 2% over output during the same period last year. Our Mirpur Mathelo Plant produced 562 thousand tonnes at an operating efficiency of 131% of designed capacity, which improved by 6% over production for the corresponding period of last year. The Goth Machhi complex delivered 1,221 thousand tonnes, at an operating efficiency of 123%.

FFC captured urea market share of 59% during the period with urea offtake of 2,368 thousand tonnes, which improved by 18% over last year. This included 512 thousand tonnes of 'Sona' urea granular

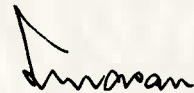
on behalf of FFBL and imported urea of 46 thousand tonnes and 12 thousand tonnes on account of FFC and FFBL respectively. Sales of 'Sona' urea prilled improved by 10% over sales during the same period of last year.

Reduced DAP demand resulted in aggregate Company DAP offtake of 99 thousand tonnes (including import of 41 thousand tonnes by FFC), lower by 69% as compared to sales during the same period of last year. DAP market participation stood at 34%.

The Company achieved sales revenue of Rs. 23.38 billion depicting an improvement of 28% over the sales revenue related to corresponding period of last year. 86% of the revenue was represented by 'Sona' urea sales, which improved by 28% over revenue last year. This was the driving force leading to 38% improvement in after tax profitability of Rs. 5.32 billion owing to better margins as compared to imported fertilizers.

The per share earnings for the period under review, therefore, grew to Rs. 10.79 as compared to Rs. 7.80 last year, as depicted by the attached un-audited financial statements. The Board is confident of sustained profitability growth and improvement in returns to shareholders for 2008 and is, therefore, pleased to announce third interim dividend of Rs. 4.00 per share (40%), aggregating to Rs.10.50 (105%) for the nine months ended September 30, 2008.

On behalf of the Board,



Rawalpindi
October 29, 2008

CHAIRMAN
Lt Gen Syed Arif Hasan, HI(M), (Retired)



FFC
Condensed Interim
Financial Statements

Condensed Balance Sheet

As at September 30, 2008

	Note	Un-audited September 30, 2008 (Rupees '000)	Audited December 31, 2007
SHARE CAPITAL AND RESERVES			
Share capital	4	4,934,742	4,934,742
Reserves	5	8,138,871	7,795,303
		<u>13,073,613</u>	<u>12,730,045</u>
NON CURRENT LIABILITIES	6	5,543,214	2,671,250
DEFERRED TAXATION		2,264,462	2,363,526
CURRENT LIABILITIES			
Trade and other payables		7,407,801	5,815,276
Interest and mark - up accrued		158,855	184,430
Short term borrowings		363,494	3,141,081
Current portion of long term financing		786,786	1,022,500
Taxation - net		2,660,170	1,313,106
		<u>11,377,106</u>	<u>11,476,393</u>
		<u>32,258,395</u>	<u>29,241,214</u>

CONTINGENCIES AND COMMITMENTS 7

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.

	Note	Un-audited September 30, 2008 (Rupees '000)	Audited December 31, 2007
PROPERTY, PLANT AND EQUIPMENT	8	12,024,651	10,390,490
GOODWILL		1,569,234	1,569,234
LONG TERM INVESTMENTS	9	7,749,490	6,325,129
LONG TERM LOANS AND ADVANCES		139,880	142,782
LONG TERM DEPOSITS AND PREPAYMENTS		1,530	2,144
CURRENT ASSETS			
Stores, spares and loose tools		2,935,943	2,407,988
Stock in trade		341,365	642,836
Trade debts		609,226	1,722,602
Loans and advances		187,584	83,917
Deposits and prepayments		102,609	33,665
Other receivables		619,009	1,542,763
Short term investments	10	2,623,108	3,027,664
Cash and bank balances		3,354,766	1,350,000
		<u>10,773,610</u>	<u>10,811,435</u>
		<u>32,258,395</u>	<u>29,241,214</u>


Chairman


Chief Executive


Director

Condensed Interim Profit and Loss Account (Un-audited)

For the period ended September 30, 2008

	Note	For the quarter ended		For the period ended	
		September 30, 2008	September 30, 2007	September 30, 2008	September 30, 2007
		(Rupees '000)			
Sales		9,354,100	8,142,677	23,379,351	18,233,168
Cost of sales	11	5,518,956	5,329,078	13,425,928	11,052,786
GROSS PROFIT		3,835,144	2,813,599	9,953,423	7,180,382
Distribution cost		665,132	571,740	1,922,714	1,658,940
		3,170,012	2,241,859	8,030,709	5,521,442
Finance cost		161,852	138,647	392,070	454,944
Other expenses		281,244	191,125	691,618	542,293
		2,726,916	1,912,087	6,947,021	4,524,205
Other income		493,520	286,520	1,171,729	1,069,949
NET PROFIT BEFORE TAXATION		3,220,436	2,198,607	8,118,750	5,594,154
Provision for taxation		1,183,000	733,000	2,795,000	1,744,000
NET PROFIT AFTER TAXATION		2,037,436	1,465,607	5,323,750	3,850,154
Earnings per share - basic and diluted (Rupees) 12		4.13	2.97	10.79	7.80

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.


Chairman


Chief Executive


Director

Condensed Interim Cash Flow Statement (Un-audited)

For the period ended September 30, 2008

Note	September 30,	September 30,
	2008	2007
(Rupees '000)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	13 10,853,538	2,666,103
Finance cost paid	(417,645)	(425,357)
Income tax paid	(1,522,936)	(1,508,041)
Payment to gratuity fund	(50,327)	(44,592)
Payment to pension fund	(44,530)	(35,472)
Payment to Workers' Profit Participation Fund	(470,000)	(400,000)
Net cash generated from operating activities	8,348,100	252,641
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(2,292,007)	(709,439)
Proceeds from sale of property, plant and equipment	10,104	7,888
Interest received	233,401	181,424
Investment in Fauji Cement Company Limited	(1,500,000)	-
(Increase)/decrease in investments	(778,118)	43,108
Dividend received from FFBL	760,373	831,658
Net cash (used in) / generated from investing activities	(3,566,247)	354,639
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing - disbursements	3,450,000	2,500,000
- repayments	(813,750)	(731,077)
Decrease in short term borrowings	(2,931,081)	(2,392,610)
Dividends paid	(4,000,866)	(4,740,010)
Net cash used in financing activities	(4,295,697)	(5,363,697)
Net Increase/(decrease) in cash and cash equivalents	486,156	(4,756,417)
Cash and cash equivalents at beginning of the period	3,344,262	3,884,668
Effect of exchange rate changes	2,325	(151)
Cash and cash equivalents at end of the period	3,832,743	(871,900)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	3,354,766	872,594
Short term highly liquid investments	841,471	850,088
Short term running finance	(363,494)	(2,594,582)
	3,832,743	(871,900)

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.


Chairman


Chief Executive


Director

Condensed Interim Statement of Changes in Equity (Un-audited)
For the period ended September 30, 2008

	Share Capital	Capital reserve	General reserve	Surplus/ (deficit) on remeasurement of investments available for sale to fair value	Unappropriated Profit	Total
	(R u p e e s ' 0 0 0 ')					
Balance at January 1, 2007	4,934,742	160,000	6,190,000	–	1,671,801	12,956,543
Transfer from general reserve	–	–	(250,000)	–	250,000	–
Final dividend 2006:Rs. 3.90 per share	–	–	–	–	(1,924,549)	(1,924,549)
Net profit for the period ended September 30, 2007	–	–	–	–	3,850,154	3,850,154
Surplus on remeasurement to fair value - net of tax	–	–	–	45,345	–	45,345
Total recognized income and expense for the period	–	–	–	45,345	3,850,154	3,895,499
First interim dividend 2007: Rs. 2.50 per share	–	–	–	–	(1,233,685)	(1,233,685)
Second interim dividend 2007: Rs. 2.25 per share	–	–	–	–	(1,110,317)	(1,110,317)
Balance at September 30, 2007	<u>4,934,742</u>	<u>160,000</u>	<u>5,940,000</u>	<u>45,345</u>	<u>1,503,404</u>	<u>12,583,491</u>
Balance at January 1, 2008	4,934,742	160,000	5,940,000	38,154	1,657,149	12,730,045
Transfer from general reserve	–	–	(100,000)	–	100,000	–
Final dividend 2007:Rs. 3.50 per share	–	–	–	–	(1,727,160)	(1,727,160)
Net profit for the period ended September 30, 2008	–	–	–	–	5,323,750	5,323,750
Deficit on remeasurement to fair value - net of tax	–	–	–	(45,439)	–	(45,439)
Total recognized income and expense for the period	–	–	–	(45,439)	5,323,750	5,278,311
First interim dividend 2008: Rs. 3.50 per share	–	–	–	–	(1,727,160)	(1,727,160)
Second interim dividend 2008: Rs. 3.00 per share	–	–	–	–	(1,480,423)	(1,480,423)
Balance at September 30, 2008	<u>4,934,742</u>	<u>160,000</u>	<u>5,840,000</u>	<u>(7,285)</u>	<u>2,146,156</u>	<u>13,073,613</u>

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements.


Chairman


Chief Executive


Director

Notes to the Condensed Interim Financial Statements

For the period ended September 30, 2008 (Un-audited)

1. Fauji Fertilizer Company Limited ("the Company") is a public limited company incorporated in Pakistan under the Companies Act, 1913, (now the Companies Ordinance, 1984) and its shares are quoted on the Karachi, Lahore and Islamabad stock exchanges of Pakistan. The registered office of the Company is situated at 93 - Harley Street, Rawalpindi, Pakistan. The Company is domiciled in Rawalpindi. The principal activity of the Company is manufacturing, purchasing and marketing of fertilizers and chemicals, including investment in fertilizer, chemical and other manufacturing operations.
2. These interim financial statements are unaudited and are being submitted to the shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984. These interim financial statements are presented in condensed form in accordance with the requirements of International Accounting Standard 34: "Interim Financial Reporting". These condensed interim financial statement do not include all of the information required for annual financial statements and therefore should be read in conjunction with the annual financial statements of the company for the year ended December 31, 2007, whereas comparative profit and loss account, statement of changes in equity and cash flow statement are stated from unaudited condensed interim financial statements for the period ended September 30, 2007.
3. Accounting policies, related judgments, estimates and assumptions adopted for the preparation of these condensed interim financial statements are the same as those applied in preparation of the annual financial statements of the Company for the year ended December 31, 2007 except for the inclusion of following accounting policy:

Investment in Associates

Associates are entities over which the Company has significant influence. Investment in associates are initially recognized at cost. At subsequent reporting dates, the recoverable amounts are estimated to determine the extent of impairment losses, if any, and carrying amounts of investments are adjusted accordingly. Impairment losses are recognized as expense. When impairment losses subsequently reverse, the carrying amounts of the investments are increased to the revised recoverable amounts but limited to the extent of initial cost of investments. A reversal of impairment loss is recognized in the profit and loss account.

	Un-audited September 30, 2008	Audited December 31, 2007
	(Rupees '000)	
4. SHARE CAPITAL		
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
(Numbers)		
256,495,902 Ordinary shares of Rs 10 each issued for consideration in cash.	2,564,959	2,564,959
236,978,328 Ordinary shares of Rs. 10 each issued as fully paid bonus shares.	2,369,783	2,369,783
<u>493,474,230</u>	<u>4,934,742</u>	<u>4,934,742</u>

AUTHORIZED SHARE CAPITAL

This represents 500,000,000 (2007: 500,000,000) ordinary shares of Rs 10 each.

5. RESERVES

Capital reserves	160,000	160,000
General reserve	5,840,000	5,940,000
(Deficit)/surplus on re-measurement of available for sale investments to fair value - net of tax	(7,285)	38,154
Unappropriated profit	2,146,156	1,657,149
	<u>8,138,871</u>	<u>7,795,303</u>

Notes to the Condensed Interim Financial Statements

For the period ended September 30, 2008

	Note	Un-audited September 30, 2008 (Rupees '000)	Audited December 31, 2007
6. NON CURRENT LIABILITIES			
Long term financing - secured	6.1	6,330,000	3,693,750
Less: Amount payable within twelve months shown as current maturity		786,786	1,022,500
		<u>5,543,214</u>	<u>2,671,250</u>
6.1 Movement in this account during the period/ year is as follows:			
Opening balance		3,693,750	2,081,077
Disbursements during the period/year		3,450,000	2,600,000
Repayments during the period/year		(813,750)	(987,327)
Closing balance		<u>6,330,000</u>	<u>3,693,750</u>
7. CONTINGENCIES AND COMMITMENTS			
(a) Contingencies			
(i) Guarantees issued by banks on behalf of the Company.		17,192	18,729
(ii) Disputed demand for Income tax and levy of contribution to Workers' Welfare Fund related to former PSFL decided in favour of the Company by the Income Tax Appellate Authorities, are currently in appeal by the department. The Company is confident that there are reasonable grounds for a favourable decision.		178,590	178,590
(iii) Claims against the Company and/ or potential exposure not acknowledged as debt.		50,696	50,696
(b) Commitments			
(i) Capital expenditure.		1,934,921	1,192,706
(ii) Purchase of fertilizer, stores, spares and other revenue items.		1,648,688	895,762
(iii) Company's share of commitments in Pakistan Maroc Phosphore S.A. (a joint venture with OCP).		–	836,540
(iv) Company's share of investment in Fauji Cement Company Limited.		–	1,500,000
(v) Rentals under lease agreements:			
Premises		80,896	88,911
Vehicles		246,184	245,966

Notes to the Condensed Interim Financial Statements

For the period ended September 30, 2008

	Un-audited September 30, 2008	Audited December 31, 2007
Note	(Rupees '000)	
8. PROPERTY, PLANT AND EQUIPMENT		
Opening written down value	10,390,490	9,607,957
Additions	2,292,007	2,549,833
Written down value of disposals/adjustments	(2,234)	(939,450)
Depreciation	(655,612)	(827,850)
Closing written down value	<u>12,024,651</u>	<u>10,390,490</u>
9. LONG TERM INVESTMENTS		
Investment in associate - at cost		
Fauji Cement Company Limited	1,500,000	-
Investment in joint venture - at cost		
Pakistan Maroc Phosphore S.A., Morocco	705,925	705,925
Investment in subsidiary - at cost		
Fauji Fertilizer Bin Qasim Limited (FFBL)	4,752,330	4,752,330
Investments available for sale		
Certificates of investment	230,226	259,835
Pakistan Investment Bonds	584,179	652,932
Term Finance Certificates	52,958	53,718
	<u>867,363</u>	<u>966,485</u>
	7,825,618	6,424,740
Less: Current portion shown under short term investments	10	
Investments available for sale		
Certificates of investment	76,106	99,589
Term Finance Certificates	22	22
	<u>76,128</u>	<u>99,611</u>
	<u>7,749,490</u>	<u>6,325,129</u>
10. SHORT TERM INVESTMENTS		
Investments at fair value through profit or loss - held for trading	1,338,281	736,757
Available for sale		
Term deposits with banks and financial institutions		
Local currency (net of provision for doubtful recovery Rs 13,000 thousand)	190,000	1,350,000
Foreign currency	1,018,699	841,296
Current maturity of long term investments	9	
	<u>76,128</u>	<u>99,611</u>
	<u>2,623,108</u>	<u>3,027,664</u>

Notes to the Condensed Interim Financial Statements (Un-audited)
For the period ended September 30, 2008

	For the quarter ended		For the period ended	
	September 30, 2008	September 30, 2007	September 30, 2008	September 30, 2007
	(Rupees '000)			
11. COST OF SALES				
Raw materials consumed	1,768,617	1,353,350	4,741,910	4,152,192
Fuel and power	1,317,537	864,310	3,055,876	2,571,242
Chemicals and supplies	53,821	45,416	149,112	122,136
Salaries, wages and benefits	392,772	315,609	1,154,566	967,680
Training and employees welfare	87,913	64,144	225,518	210,353
Rent, rates and taxes	2,602	3,192	12,774	12,457
Insurance	25,138	25,240	75,364	76,669
Travel and conveyance	36,572	29,185	100,948	89,628
Repairs and maintenance	128,118	197,076	482,509	460,547
Depreciation	216,978	205,059	639,500	597,177
Communication and other expenses	144,270	125,475	395,543	373,473
Provision for slow moving and surplus spares	-	-	5,698	3,950
Opening stock-work in process	28,662	27,287	16,319	23,484
Closing stock-work in process	(18,331)	(28,272)	(18,331)	(28,272)
Cost of goods manufactured	4,184,669	3,227,071	11,037,306	9,632,716
Add: Opening stock of manufactured urea	120,015	1,063,527	164,714	34,298
Less: Closing stock of manufactured urea	(86,276)	(699,694)	(86,276)	(699,694)
	33,739	363,833	78,438	(665,396)
Cost of sales of own manufactured urea	4,218,408	3,590,904	11,115,744	8,967,320
Opening stock of purchased fertilizers	1,278,008	1,628,171	395,453	839,602
Purchase of fertilizers for resale (net of subsidy of Rs. 419,804 thousand (2007:Rs.893,885 thousand))	149,158	670,542	2,041,349	1,806,403
	1,427,166	2,298,713	2,436,802	2,646,005
Less: Closing stock of purchased fertilizers	(126,618)	(560,539)	(126,618)	(560,539)
Cost of sales of purchased fertilizers	1,300,548	1,738,174	2,310,184	2,085,466
	5,518,956	5,329,078	13,425,928	11,052,786
12. EARNINGS PER SHARE				
Net profit after tax (Rupees '000)	2,037,436	1,465,607	5,323,750	3,850,154
Weighted average number of shares in issue during the period - (000)	493,474	493,474	493,474	493,474
Basic and diluted earnings per share (Rupees)	4.13	2.97	10.79	7.80

There is no dilutive effect on the basic earnings per share of the Company.

Notes to the Condensed Interim Financial Statements (Un-audited)
For the period ended September 30, 2008

	September 30, September 30,	
	2008	2007
	(Rupees '000)	
13. CASH GENERATED FROM OPERATIONS		
Net profit before taxation	8,118,750	5,594,154
Adjustments for:		
Depreciation	652,041	607,782
Provision for gratuity	39,213	33,363
Provision for pension	31,341	24,459
Provision for Workers' Profit Participation Fund	435,849	302,011
Provision for Workers' welfare Fund	162,375	111,883
Provision for slow moving and surplus spares	5,698	3,950
Finance cost	392,070	454,944
Gain on sale of property, plant and equipment	(7,870)	(7,441)
Income on loans, deposits and investments	(220,030)	(161,899)
Exchange (gain)/loss	(224,782)	2,878
Loss/(gain) on remeasurement of investment at fair value through profit or loss	48,476	(23,278)
Dividend from FFBL	(760,373)	(831,658)
	554,008	516,994
	8,672,758	6,111,148
Changes in working capital		
(Increase)/decrease in current assets		
Stores, spares and loose tools	(533,653)	(432,291)
Stock in trade	301,471	(1,385,754)
Trade debts	1,113,376	(1,337,124)
Loans and advances	(103,667)	(118,356)
Deposits and prepayments	(44,641)	(51,419)
Other receivables	910,383	856,021
Increase/(decrease) in current liabilities		
Trade and other payables	533,995	(913,099)
	2,177,264	(3,382,022)
Changes in long term loans and advances	2,902	(63,106)
Changes in long term deposits and prepayments	614	83
	<u>10,853,538</u>	<u>2,666,103</u>

Notes to the Condensed Interim Financial Statements (Un-audited)
For the period ended September 30, 2008

14. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

There is no change in relationship with the related parties. Significant transactions and balances with the related parties are as follows:

	September 30, 2008	September 30, 2007
	(Rupees '000)	
Transactions with the subsidiary company		
Marketing of fertilizer on behalf of FFBL under sale on consignment basis	146,277	89,965
Commission on sale of FFBL products	11,646	10,951
Services and materials provided	36,154	21,262
Services and materials received	1,461	-
Dividend income	760,373	831,658
Balance payable - unsecured	1,706,014	67,540 *
Transactions with associated undertakings/companies due to common directorship		
Long term investment	1,500,000	-
Sale of fertilizer	2,764	920
Medical services	7	69
Office rent	2,450	2,268
Dividend paid - net of tax	1,969,703	1,773,826
Purchase of gas as feed and fuel stock	7,006,471	6,166,636
Technical services received	19,101	10,964
Donation paid	1,000	-
Others	3,324	2,569
Balance receivable - unsecured	23	759 *
Balance payable - unsecured	448,221	402,405 *
Other related parties		
Remuneration of Chief Executive and Executives: Remuneration including benefits and perquisites of chief executive and other executives. No of persons 2008: 1 and 318 (2007: 1 and 313) respectively	719,361	626,378
Payments to:		
Employees' Provident Fund Trust	122,161	106,856
Employees' Gratuity Fund Trust	50,327	44,592
Employees' Pension Fund Trust	44,530	35,472
Workers' Profit Participation Fund	470,000	400,000
Balance payable - unsecured	392,803	432,222 *

* Comparative figures of receivable/payable balances are as of December 31, 2007.

Notes to the Condensed Interim Financial Statements (Un-audited)
For the period ended September 30, 2008

15. GENERAL

- 15.1** Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.
- 15.2** The Board of Directors in their meeting held on October 29, 2008 have proposed third interim dividend of Rs. 4.00 per share.
- 15.3** These condensed interim financial statements have been authorized for issue by the Board of Directors of the Company on October 29, 2008.


Chairman


Chief Executive


Director



FFC
Condensed Interim
Consolidated
Financial Statements

Condensed Consolidated Balance Sheet

As at September 30, 2008

	Note	Un-audited September 30, 2008 (Rupees '000)	Audited December 31, 2007
SHARE CAPITAL AND RESERVES			
Share capital	4	4,934,742	4,934,742
Reserves	5	7,696,161	7,371,929
		<u>12,630,903</u>	<u>12,306,671</u>
MINORITY INTEREST		<u>3,902,141</u>	<u>4,179,969</u>
		<u>16,533,044</u>	<u>16,486,640</u>
NON CURRENT LIABILITIES	6	11,526,157	9,644,110
DEFERRED TAXATION		6,794,724	6,357,761
CURRENT LIABILITIES			
Trade and other payables		16,696,007	8,211,982
Interest and mark-up accrued		466,791	308,317
Short term borrowings		17,931,907	9,016,422
Current portion of long term:			
- Financing		1,203,730	1,439,444
- Murabaha		38,679	38,679
- Loan		648,201	648,201
- Liabilities against assets subject to finance lease		-	2,651
Taxation - net		2,584,133	1,001,180
		<u>39,569,448</u>	<u>20,666,876</u>
		<u>74,423,373</u>	<u>53,155,387</u>

CONTINGENCIES AND COMMITMENTS 7

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.

	Note	Un-audited September 30, 2008 (Rupees '000)	Audited December 31, 2007
PROPERTY, PLANT AND EQUIPMENT	8	28,368,073	26,848,753
GOODWILL		1,569,234	1,569,234
LONG TERM INVESTMENTS	9	5,596,108	2,983,949
LONG TERM LOANS AND ADVANCES		139,880	142,782
LONG TERM DEPOSITS AND PREPAYMENTS		16,758	17,372
CURRENT ASSETS			
Stores, spares and loose tools		4,319,207	3,674,558
Stock in trade		15,085,378	1,230,782
Trade debts		733,088	1,966,353
Loans and advances		363,299	163,436
Deposits and prepayments		107,485	42,132
Other receivables		9,259,362	2,443,141
Short term investments	10	4,052,517	6,922,326
Cash and bank balances		4,812,984	5,150,569
		<u>38,733,320</u>	<u>21,593,297</u>
		<u>74,423,373</u>	<u>53,155,387</u>


Chairman


Chief Executive


Director

Condensed Interim Consolidated Profit and Loss Account (Un-audited)
For the period ended September 30, 2008

	Note	For the quarter ended		For the period ended	
		September 30, 2008	September 30, 2007	September 30, 2008	September 30, 2007
(Rupees '000)					
Sales		12,761,981	12,032,955	32,469,501	26,069,793
Cost of sales	11	7,595,563	7,175,798	19,655,305	16,178,825
GROSS PROFIT		<u>5,166,418</u>	<u>4,857,157</u>	<u>12,814,196</u>	<u>9,890,968</u>
Administrative expenses and distribution cost		1,095,201	936,901	3,155,470	2,468,448
		4,071,217	3,920,256	9,658,726	7,422,520
Finance cost		1,486,074	282,025	2,296,811	908,472
Other expenses		261,046	299,958	717,197	684,729
		2,324,097	3,338,273	6,644,718	5,829,319
Other income		363,555	405,579	1,559,301	1,289,309
NET PROFIT BEFORE TAXATION		<u>2,687,652</u>	<u>3,743,852</u>	<u>8,204,019</u>	<u>7,118,628</u>
Provision for taxation		1,080,693	1,266,804	3,020,299	2,555,108
NET PROFIT AFTER TAXATION		<u>1,606,959</u>	<u>2,477,048</u>	<u>5,183,720</u>	<u>4,563,520</u>
ATTRIBUTABLE TO:					
Equity holders of Fauji Fertilizer Company Limited		1,692,355	1,980,228	4,916,333	3,804,535
Minority interest		(85,396)	496,820	267,387	758,985
		<u>1,606,959</u>	<u>2,477,048</u>	<u>5,183,720</u>	<u>4,563,520</u>

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.


Chairman


Chief Executive


Director

Condensed Interim Consolidated Cash Flow Statement (Un-audited)
For the period ended September 30, 2008

	Note	September 30, 2008	September 30, 2007
(Rupees '000)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in)/ generated from operations	12	(1,004,909)	4,439,076
Finance cost paid		(2,138,054)	(895,671)
Income tax paid		(1,877,684)	(1,551,797)
Payment to Workers' Profit Participation Fund		(488,069)	(414,973)
Payment to gratuity fund		(50,327)	(44,592)
Payment to pension fund		(44,530)	(35,472)
Compensation received from GOP-net		-	51,800
Net cash (used in)/ generated from operating activities		(5,603,573)	1,548,371
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(3,068,067)	(2,884,656)
Proceeds from sale of property, plant and equipment		17,193	10,309
Interest received		596,757	584,101
Investment in Fauji Cement Company Limited		(1,800,000)	-
Decrease/ (increase) in investments		1,600,531	(1,029,569)
Net cash used in investing activities		(2,653,586)	(3,319,815)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing - disbursements		3,450,000	2,500,000
- repayments		(1,126,458)	(1,043,783)
Long term murabaha - repayments		(29,008)	(29,008)
Finance lease paid		(2,651)	(2,452)
Decrease in short term borrowings		(2,931,081)	(2,392,610)
Dividends paid		(4,882,910)	(5,566,426)
Net cash used in financing activities		(5,522,108)	(6,534,279)
Net decrease in cash and cash equivalents		(13,779,267)	(8,305,723)
Cash and cash equivalents at beginning of the period		2,819,490	6,588,581
Effect of exchange rate changes		2,325	(151)
Cash and cash equivalents at end of the period		<u>(10,957,452)</u>	<u>(1,717,293)</u>
CASH AND CASH EQUIVALENTS			
Cash and bank balances		4,812,984	4,904,348
Short term running finances		(17,931,907)	(7,471,729)
Short term highly liquid investments		2,161,471	850,088
		<u>(10,957,452)</u>	<u>(1,717,293)</u>

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.


Chairman


Chief Executive


Director

Condensed Interim Consolidated Statement of Changes in Equity (Un-audited) For the period ended September 30, 2008

	Attributable to equity holders of Fauji Fertilizer Company Limited					Unappropriated Profit	Minority Interest	Total
	Share capital	Capital reserve	Translation reserve	General reserve	Surplus/(deficit) on remeasurement of investments available for sale to fair value			
	(R u p e e s ' 0 0 0 ')							
Balance at January 01, 2007	4,934,742	276,184	-	6,190,000	-	1,146,881	4,194,102	16,741,909
FFC final dividend 2006: Rs. 3.90 per share	-	-	-	-	-	(1,924,549)	-	(1,924,549)
FFBL final dividend 2006: Rs. 1.25 per share	-	-	-	-	-	-	(573,596)	(573,596)
Transfer to unappropriated profit	-	-	-	(250,000)	-	250,000	-	-
Net profit for the period ended September 30, 2007	-	-	-	-	-	3,804,535	758,985	4,563,520
Surplus on remeasurement to fair value - net of tax	-	-	-	-	45,345	-	-	45,345
Total recognised income	-	-	-	-	45,345	3,804,535	758,985	4,608,865
Dividend 2007:								
FFC first interim : Rs. 2.50 per share	-	-	-	-	-	(1,233,686)	-	(1,233,686)
FFC second interim : Rs. 2.25 per share	-	-	-	-	-	(1,110,317)	-	(1,110,317)
FFBL first interim : Re. 0.50 per share	-	-	-	-	-	-	(229,439)	(229,439)
Balance at September 30, 2007	<u>4,934,742</u>	<u>276,184</u>	<u>-</u>	<u>5,940,000</u>	<u>45,345</u>	<u>932,864</u>	<u>4,150,052</u>	<u>16,279,187</u>
Balance at January 01, 2008	4,934,742	276,184	-	5,940,000	38,154	1,117,591	4,179,969	16,486,640
FFC final dividend 2007: Rs. 3.50 per share	-	-	-	-	-	(1,727,160)	-	(1,727,160)
FFBL final dividend 2007: Re. 1.00 per share	-	-	-	-	-	-	(458,877)	(458,877)
Transfer to unappropriated profit	-	-	-	(100,000)	-	100,000	-	-
Net profit for the period ended September 30, 2008	-	-	-	-	-	4,916,333	267,387	5,183,720
Deficit on remeasurement to fair value - net of tax	-	-	-	-	(45,439)	-	-	(45,439)
Exchange difference on translating joint venture - net of tax	-	-	388,081	-	-	-	188,988	577,069
Total recognised income	-	-	388,081	-	(45,439)	4,916,333	456,375	5,715,350
Dividend 2008:								
FFC first interim : Rs. 3.50 per share	-	-	-	-	-	(1,727,160)	-	(1,727,160)
FFC second interim : Rs. 3.00 per share	-	-	-	-	-	(1,480,423)	-	(1,480,423)
FFBL first interim : Re. 0.60 per share	-	-	-	-	-	-	(275,326)	(275,326)
Balance at September 30, 2008	<u>4,934,742</u>	<u>276,184</u>	<u>388,081</u>	<u>5,840,000</u>	<u>(7,285)</u>	<u>1,199,181</u>	<u>3,902,141</u>	<u>16,533,044</u>

The annexed notes 1 to 14 form an integral part of these condensed interim consolidated financial statements.


Chairman


Chief Executive


Director

Notes to the Condensed Interim Consolidated Financial Statements

For the period ended September 30, 2008 (Un-audited)

1. Fauji Fertilizer Company Limited (FFC/ parent company) and its subsidiary, Fauji Fertilizer Bin Qasim Limited (FFBL) are incorporated in Pakistan as public limited companies and their shares are quoted on the Karachi, Lahore and Islamabad stock exchanges of Pakistan. The registered offices of the companies are situated in Rawalpindi, Pakistan. The principal activity of FFC and its subsidiary is manufacturing, purchasing and marketing of fertilizers and chemicals including investment in chemical and other manufacturing operations.
2. These condensed interim consolidated financial statements are unaudited and are being submitted to the shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984. These condensed interim consolidated financial statements are presented in condensed form in accordance with the requirements of International Accounting Standard 34: "Interim Financial Reporting". These condensed interim consolidated financial statements do not include all of the information required for annual financial statements and therefore should be read in conjunction with the annual consolidated financial statements of the company for the year ended December 31, 2007, whereas comparative profit and loss account, statement of changes in equity and cash flow statement are stated from unaudited condensed interim consolidated financial statements for the quarter ended September 30, 2007.
3. The accounting policies related estimates and judgments adopted for preparation of these condensed interim consolidated financial statements are the same as those applied in preparation of annual consolidated financial statements for the year ended December 31, 2007 except for the inclusion of following accounting policy:

Investment in associate

Associates are entities over which the Group has significant influence, but not control. Investment in associate is accounted for using equity method of accounting. Under the equity method, the investment in associate is initially recognized at cost and the carrying amount is increased or decreased to recognize the Group's share of profit or loss of the associate after the date of acquisition. The Group's share of the profit or loss of the associate is recognized in the Group's profit or loss account. The carrying amount of the investment in associate is reduced by the amount of distributions received from the associate. The carrying amount is also adjusted by the amount of changes in the Group's proportionate interest in the associate arising from changes in associate's equity that is recognized directly in equity of the Group.

	Un-audited September 30, 2008	Audited December 31, 2007
	(Rupees '000)	
4. SHARE CAPITAL		
ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
(Numbers)		
256,495,902 Ordinary shares of Rs 10 each issued for consideration in cash.	2,564,959	2,564,959
236,978,328 Ordinary shares of Rs. 10 each issued as fully paid bonus shares.	2,369,783	2,369,783
<u>493,474,230</u>	<u>4,934,742</u>	<u>4,934,742</u>

AUTHORIZED SHARE CAPITAL

This represents 500,000,000 (2007: 500,000,000) ordinary shares of Rs 10 each.

Notes to the Condensed Interim Consolidated Financial Statements
For the period ended September 30, 2008

		Un-audited September 30, 2008	Audited December 31, 2007
	Note	(Rupees '000)	
5. RESERVES			
Capital reserve		276,184	276,184
General reserve		5,840,000	5,940,000
(Deficit)/ surplus on remeasurement of available for sale investments to fair value - net of tax		(7,285)	38,154
Translation reserve - net of tax		388,081	-
Unappropriated profit		1,199,181	1,117,591
		<u>7,696,161</u>	<u>7,371,929</u>
6. NON CURRENT LIABILITIES			
Long term financing - secured	6.1	7,476,596	5,153,054
Long term murabaha - secured	6.2	106,365	135,373
Long term loan - Government of Pakistan loan (Un-secured)	6.3	5,833,806	6,482,007
		<u>13,416,767</u>	<u>11,770,434</u>
Less: Amount payable within twelve months shown as current maturity		1,890,610	2,126,324
		<u>11,526,157</u>	<u>9,644,110</u>
6.1 Movement in this account during the period/ year is as follows:			
Opening balance		5,153,054	3,957,325
Disbursements during the period/year		3,450,000	2,500,000
Repayments during the period/year		(1,126,458)	(1,304,271)
Closing balance		<u>7,476,596</u>	<u>5,153,054</u>
6.2 Movement in this account during the period/ year is as follows:			
Opening balance		135,373	174,052
Repayments during the period/year		(29,008)	(38,679)
Closing balance		<u>106,365</u>	<u>135,373</u>
6.3 Movement in this account during the period/ year is as follows:			
Opening balance		6,482,007	7,130,208
Adjustment during the period/year		(648,201)	(648,201)
Closing balance		<u>5,833,806</u>	<u>6,482,007</u>

Notes to the Condensed Interim Consolidated Financial Statements
For the period ended September 30, 2008

	Un-audited September 30, 2008	Audited December 31, 2007
	(Rupees '000)	
7. CONTINGENCIES AND COMMITMENTS		
a) Contingencies		
i) Guarantees issued by banks on behalf of the Group companies.	31,215	48,586
ii) Disputed demand for income tax and levy of contribution to Workers' Welfare Fund related to former PSFL decided in favour of FFC by the Income Tax Appellate Authorities, are currently in appeal by the department. FFC is confident that there are reasonable grounds for a favourable decision.	178,590	178,590
iii) Income tax demands, not acknowledged as debt, have been challenged by FFBL and are currently in appeal; FFBL expects favourable outcome of appeal.	49,118	49,118
iv) Demand raised by Deputy District Officer, property tax against which FFBL has filed a memorandum of appeal with the collector, Property Tax N Division, Karachi. FFBL is expecting a favourable outcome of the case.	22,861	–
v) Claims against the Group companies and/or potential exposure not acknowledged as debt.	63,043	63,043
vi) Indemnity bonds and undertakings given to the custom authorities for the machinery imported by FFBL for installation at plant site.	119,650	119,650
b) Commitments		
i) Capital expenditure.	1,965,782	1,467,866
ii) Purchase of fertilizer, stores, spares and other revenue items.	4,129,966	1,112,529
iii) Group's share of commitments in Pakistan Maroc Phosphore S.A. (a joint venture with OCP)	–	2,509,620
iv) Group share of investment in Fauji Cement Company Limited.	–	1,800,000
v) FFBL's share of investment in Foundation Power Company (Dherki) Limited.	1,500,000	1,500,000
vi) Rentals under lease agreements:		
Premises	80,896	89,911
Vehicles	246,184	245,966

Notes to the Condensed Interim Consolidated Financial Statements
For the period ended September 30, 2008

	Un-audited September 30, 2008	Audited December 31, 2007
Note	(Rupees '000)	
8. PROPERTY, PLANT AND EQUIPMENT		
Opening written down value	26,848,753	24,538,295
Additions during the period/year	3,068,067	7,346,685
Written down value of disposals/ adjustments	(5,680)	(3,152,389)
Depreciation during the period/ year	<u>(1,543,067)</u>	<u>(1,883,838)</u>
Closing written down value	<u>28,368,073</u>	<u>26,848,753</u>
9. LONG TERM INVESTMENTS		
Investment in joint venture - under equity method Pakistan Maroc Phosphore S.A., Morocco	3,004,873	2,117,075
Investment in associated company - under equity method Fauji Cement Company Limited	1,800,000	-
Investment available for sale		
Certificates of investment	230,226	259,835
Pakistan Investment Bonds	584,179	652,932
Term Finance Certificates	52,958	53,718
Arabian Sea Country Club Limited (ASCCL) (300,000 shares of Rs 10 each)	3,000	3,000
Less: Impairment in value of investment	(3,000)	(3,000)
	<u>867,363</u>	<u>966,485</u>
	5,672,236	3,083,560
Less: Current portion shown under short term investments	10	
Investment available for sale		
Certificates of investment	76,106	99,589
Term Finance Certificates	22	22
	<u>76,128</u>	<u>99,611</u>
	<u>5,596,108</u>	<u>2,983,949</u>
10. SHORT TERM INVESTMENTS		
Available for sale		
Term deposits with banks and financial institutions		
Local currency (net of provision for doubtful recovery Rs 13,000 thousand)	1,510,000	1,350,000
Foreign currency	1,018,699	841,296
Investment at fair value through profit or loss		
Fixed income / money market funds	1,447,690	2,481,419
Loans and receivables	-	2,150,000
Current maturity of long term investments	9	
	<u>76,128</u>	<u>99,611</u>
	<u>4,052,517</u>	<u>6,922,326</u>

Notes to the Condensed Interim Consolidated Financial Statements (Un-audited)
For the period ended September 30, 2008

	For the quarter ended		For the period ended	
	September 30, 2008	September 30, 2007	September 30, 2008	September 30, 2007
	(Rupees '000)			
11. COST OF SALES				
Raw materials consumed	14,006,619	3,928,129	26,114,983	9,266,103
Fuel and power	1,824,330	1,180,126	4,242,812	3,343,072
Chemicals and supplies	94,864	67,646	247,940	183,332
Salaries, wages and benefits	535,622	404,166	1,621,193	1,282,640
Training and employees welfare	87,913	64,144	225,518	210,353
Rent, rates and taxes	8,568	8,716	29,825	29,159
Insurance	36,670	36,309	111,160	112,393
Travel and conveyance	49,873	37,309	130,957	114,837
Repairs and maintenance	209,117	236,368	802,858	943,169
Depreciation	528,707	494,474	1,524,231	1,381,836
Communication and other expenses	150,864	130,621	412,385	390,763
Provision for slow moving and surplus spares	-	29,686	5,698	33,636
Opening stock - work in process	44,090	34,627	29,791	28,285
Closing stock - work in process	(26,014)	(49,255)	(26,014)	(49,255)
Subsidy on DAP fertilizer from GOP - FFBL	(6,677,660)	(1,205,647)	(8,090,753)	(2,067,830)
Cost of goods manufactured	10,873,563	5,397,419	27,382,584	15,202,493
Add: Opening stock of manufactured fertilizers	5,949,124	1,297,908	416,980	133,620
Less: Closing stock of manufactured fertilizers	(10,573,833)	(1,382,639)	(10,573,833)	(1,382,639)
	(4,624,709)	(84,731)	(10,156,853)	(1,249,019)
Cost of sales of own manufactured fertilizers	6,248,854	5,312,688	17,225,731	13,953,474
Opening stock of purchased fertilizers	1,278,008	1,753,107	396,699	979,487
Purchase of fertilizers for resale - FFC (net of subsidy of Rs. 419,804 thousand (2007: Rs. 893,885 thousand)	195,319	670,542	2,159,493	1,806,403
	1,473,327	2,423,649	2,556,192	2,785,890
Less: Closing stock of purchased fertilizers	(126,618)	(560,539)	(126,618)	(560,539)
Cost of sale of purchased fertilizers	1,346,709	1,863,110	2,429,574	2,225,351
	7,595,563	7,175,798	19,655,305	16,178,825

Notes to the Condensed Interim Consolidated Financial Statements (Un-audited)
For the period ended September 30, 2008

	September 30, 2008	September 30, 2007
	(Rupees '000)	
12. CASH GENERATED FROM OPERATIONS		
Net profit before taxation	8,204,019	7,118,628
Adjustments for:		
Depreciation	1,539,496	1,395,375
Provision for gratuity	52,547	43,784
Provision for pension	31,341	24,459
Provision for Workers' Profit Participation Fund	445,586	396,919
Provision for Workers' Welfare Fund	162,375	111,883
Provision for slow moving and surplus spares	5,698	33,636
Finance cost	2,296,811	908,472
Income on loans, deposits and investments	(527,250)	(563,727)
Compensation from GOP	(600,000)	(600,000)
Gain on sale of property, plant and equipment	(11,513)	(8,407)
Exchange (gain)/loss	(224,782)	2,878
Gain on remeasurement of investments at fair value through profit or loss	(94,921)	(75,422)
	<u>3,075,388</u>	<u>1,669,850</u>
	11,279,407	8,788,478
Changes in working capital		
(Increase) / decrease in current assets:		
Stores and spares	(650,347)	(815,462)
Stock in trade	(13,854,596)	(1,905,356)
Trade debts	1,233,265	(1,337,282)
Loans and advances	(199,863)	(212,452)
Deposits and prepayments	(41,050)	(52,263)
Other receivables	(6,224,156)	1,262,996
Increase / (decrease) in current liabilities:		
Trade and other payables	7,448,915	(1,226,842)
	<u>(12,287,832)</u>	<u>(4,286,661)</u>
Changes in long term loans and advances	2,902	(63,106)
Changes in long term deposits and prepayments	614	365
	<u>(1,004,909)</u>	<u>4,439,076</u>

Notes to the Condensed Interim Consolidated Financial Statements (Un-audited)
For the period ended September 30, 2008

13. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

There is no change in relationship with the related parties. Significant transactions and balances with the related parties are as follows:

	September 30, 2008	September 30, 2007
	(Rupees '000)	
Transactions with associated undertaking/companies due to common directorship		
Sale of fertilizer	2,764	1,402
Long term investment	1,800,000	-
Rent charged to Group Companies	3,077	2,838
Dividend paid	2,429,553	2,157,560
Repayment of principal portion of long term finance	34,286	34,286
Financial charges	10,682	12,398
Medical services	7	69
Purchase of gas as feed and fuel stock	7,006,471	6,166,636
Technical services received	19,101	10,964
Donation paid	1,000	-
Others	3,324	2,569
Balance payable	577,655	402,405 *
Balance receivable	43	1,257 *
Other related parties		
Remuneration of Chief Executive and Executives:		
Remuneration including benefits and perquisites of Chief Executive and Executives. No. of persons 2008: 2 and 444 (2007: 2 and 399) respectively		
	1,043,592	777,606
Payments to:		
Employees' Provident Fund Trust	135,088	116,168
Employees' Gratuity Fund Trust	63,660	55,013
Employees' Pension Fund Trust	44,530	35,472
Workers' Profit Participation Fund	488,069	414,973
Purchase of raw materials	24,232,607	4,229,894
Balances payable	8,966,764	994,905 *

* Comparative receivable/payable balances were as of December 31, 2007.

Notes to the Condensed Interim Consolidated Financial Statements (Un-audited)
For the period ended September 30, 2008

14. GENERAL

- 14.1** Figures have been rounded off to the nearest thousand of rupees unless otherwise stated.
- 14.2** The Board of Directors of FFC in their meeting held on October 29, 2008 proposed a third interim dividend of Rs. 4.00 per share.
- 14.3** These condensed interim consolidated financial statements have been authorised for issue by the Board of Directors of FFC on October 29, 2008.


Chairman


Chief Executive


Director