



UNILEVER PAKISTAN LIMITED

CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED JUNE 30, 2013



UNILEVER PAKISTAN LIMITED

COMPANY INFORMATION

Board of Directors

Mr. Ehsan A. Malik

Mr. Ali Tariq

Ms. Shazia Syed

Mr. Amir R. Paracha

Ms. Fariyha Subhani

Mr. Faheem Ahmed Khan

Mr. Zaffar A. Khan

Mr. Khalid Rafi

Chairman & Chief Executive
Director & Chief Financial Officer

Executive Director

Executive Director

Executive Director

Executive Director

Independent Non-Executive Director

Non-Executive Director

Company Secretary

Mr. Amar Naseer

Audit Committee

Mr. Khalid Rafi

Mr. Zaffar A. Khan

Mr. Faheem Ahmed Khan

Mr. Azhar Shahid

Chairman

Member

Member

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

Famco Associates (Pvt) Limited

8-F, Nursery, Block-6, P.E.C.H.S,

Shahrah-e-Faisal, Karachi.

Website Address

www.unileverpakistan.com.pk

UNILEVER PAKISTAN LIMITED

Directors' Report

2013 continues to be a challenging year for the business with continuing energy crisis, adverse security environment, market closures and slowdown in consumer demand. In the first half of the year, underlying sales grew by 8.3%. However, growth in Q2 improved to 13.1%. Gross margin increased by 90 bps, mainly through savings programs and a more favorable mix of categories. We continued to invest competitively and strategically behind our brands, in an environment with many players vying for a share of the shrinking consumer wallet.

Financial Highlights

	Six Months ended June 30,	
	2013	2012
	(Rupees in thousands)	
Net Sales	30,099,010	27,800,177
Profit before taxation	3,393,869	3,434,548
Profit after taxation	2,319,684	2,404,891
Earnings per Share (Rs.)	174.50	180.90

Home and Personal Care (HPC)

HPC grew by 5.6% with growth in Q2 improving to 7.9%. This was led by growth in the emerging categories and thus reinforces our strategy to address white spaces.

Beverages

Beverages grew by 17.2%, mainly due to price growth, on a base last year in which there was a market dry out prior to a consumer price reduction following the reduction of GST on Tea. Regrettably the government reversed the decision in March 2013. The reinstatement will put pressure on disposable consumer incomes and encourage smuggling in a category in which the formal sector already suffers from a disadvantageous position.

Spreads

The Spreads business grew by 7%. We continue to focus on penetrating households dominated by homemade butter, backed by sustained promotional campaigns.

Ice Cream

The ice-cream business grew by 1%, mainly due to severe power outages. However despite this challenge, we continue to reshape the business by accelerating growth of value added higher margin Cornetto, Magnum and Carte D'or, supported by major cost saving projects.

Delisting

Following the majority shareholder's offer to purchase the remaining shares of the Company, on July 4 2013, the company informed the stock exchanges that as at July 1, 2013, the majority shareholder had bought 21.91% of the ordinary shares, raising its shareholding to 96.99% of the total ordinary shares issued. The stock exchanges were requested to confirm the delisting of the company. On August 13, 2013, a formal letter was received from the Karachi Stock Exchange Limited, confirming that w.e.f. September 13, 2013, the shares of the company will stand delisted from the Exchange.

Future outlook

Inflation, fragile security environment, currency devaluation and power outages continue to remain challenges for the business. We will however continue to drive our agenda of improving consumer lives through consumer relevant innovations, strong brand equities and a performance rewarding culture.

On behalf of the Board

Ali Tariq

Director and Chief Financial Officer

Karachi

August 23, 2013

UNILEVER PAKISTAN LIMITED

CONDENSED INTERIM BALANCE SHEET AS AT JUNE 30, 2013

	Note	Unaudited June 30, 2013 (Rupees in thousand)	Audited (Restated) December 31, 2012
ASSETS			
Non-current assets			
Property, plant and equipment	4	7,413,321	7,225,779
Intangible - computer software		812,604	936,797
Long term investments		95,202	95,202
Long term loans		155,895	135,586
Long term deposits and prepayments	5	1,126,176	20,070
Retirement benefits - prepayments		168,155	168,812
		<u>9,771,353</u>	<u>8,582,246</u>
Current assets			
Stores and spares		522,968	421,656
Stock in trade		5,849,409	6,244,203
Trade debts		2,151,683	1,018,561
Loans and advances		140,743	181,003
Trade deposits and short term prepayments		738,848	547,671
Other receivables		202,771	108,680
Tax refunds due from the Government		1,120,301	748,493
Cash and bank balances		400,976	584,546
		<u>11,127,699</u>	<u>9,854,813</u>
Total assets		<u><u>20,899,052</u></u>	<u><u>18,437,059</u></u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		669,477	669,477
Reserves		2,489,383	4,613,281
		<u>3,158,860</u>	<u>5,282,758</u>
Liabilities			
Non-current liabilities			
Deferred taxation		581,721	685,809
Retirement benefits - obligations		434,572	401,969
		<u>1,016,293</u>	<u>1,087,778</u>
Current liabilities			
Trade and other payables		13,150,803	11,444,514
Accrued interest / mark up		15,316	7,003
Short term borrowings	6	2,836,419	-
Provisions	7	721,361	615,006
		<u>16,723,899</u>	<u>12,066,523</u>
Total liabilities		<u>17,740,192</u>	<u>13,154,301</u>
Contingencies and commitments	8		
Total equity and liabilities		<u><u>20,899,052</u></u>	<u><u>18,437,059</u></u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Shazia Syed
Director

Ali Tariq
Director & Chief Financial Officer

STATEMENT UNDER SECTION 241(2) OF THE COMPANIES ORDINANCE, 1984

As the chief executive is for the time being not in Pakistan, therefore, these financial statements have been signed by two directors of the company as required under section 241(2) of the Companies Ordinance, 1984.

UNILEVER PAKISTAN LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE HALF YEAR ENDED JUNE 30, 2013 (UNAUDITED)

	Note	Quarter ended		Half year ended	
		June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
← (Rupees in thousand) →					
Sales	9	16,195,921	14,318,153	30,099,010	27,800,177
Cost of sales	7.3.1	(9,534,705)	(8,787,185)	(18,885,647)	(17,686,243)
Gross profit		6,661,216	5,530,968	11,213,363	10,113,934
Distribution costs	7.3.1	(3,387,183)	(2,873,595)	(6,424,599)	(5,525,605)
Administrative expenses	7.3.1	(611,395)	(471,538)	(1,119,089)	(900,086)
Other operating expenses		(193,561)	(156,148)	(269,222)	(266,518)
Other income		108,715	141,991	184,204	246,940
Profit from operations		2,577,792	2,171,678	3,584,657	3,668,665
Finance costs		(135,656)	(203,327)	(190,788)	(234,117)
Profit before taxation		2,442,136	1,968,351	3,393,869	3,434,548
Taxation		(803,666)	(603,923)	(1,074,185)	(1,029,657)
Profit after taxation		1,638,470	1,364,428	2,319,684	2,404,891
Other comprehensive income		-	-	-	-
Total comprehensive income		1,638,470	1,364,428	2,319,684	2,404,891
Basic and diluted earnings per share (Rupees)		123.25	102.64	174.50	180.90

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Director

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Director & Chief Financial Officer

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UNILEVER PAKISTAN LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE HALF YEAR ENDED JUNE 30, 2013 (UNAUDITED)

	Note	June 30, 2013	June 30, 2012
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		3,393,869	3,434,548
Adjustments for non-cash charges and other items			
Depreciation		367,932	307,701
Amortisation of Intangible - computer software		124,193	134,480
Loss / (Gain) on disposal of property, plant and equipment		335	(12,444)
Mark-up on short term borrowings		85,673	69,012
Finance charge on finance leases		-	269
Provision for staff retirement benefits		36,209	60,291
Return on savings accounts and deposit accounts		(8,968)	(28,117)
		605,374	531,192
		3,999,243	3,965,740
EFFECT ON CASH FLOW DUE TO WORKING CAPITAL CHANGES			
(Increase) / decrease in current assets			
Stores and spares		(101,312)	(130,652)
Stock in trade		394,794	(471,910)
Trade debts		(1,133,122)	(189,760)
Loans and advances		40,260	34,778
Trade deposits and short term prepayments		(191,177)	106,747
Other receivables		(94,091)	(158,155)
		(1,084,648)	(808,952)
Increase in current liabilities			
Trade and other payables		1,701,827	967,822
Provisions		106,355	15,550
		1,808,182	983,372
Cash generated from operations		4,722,777	4,140,160
Mark-up on short term borrowings		(77,360)	(70,448)
Income tax paid		(1,550,081)	(1,421,311)
Retirement benefits - obligations paid		(2,949)	(149,861)
Increase in long term loans		(20,309)	(8,862)
Increase in long term deposits and prepayments		(1,106,106)	(1,117)
		1,965,972	2,488,561
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(573,576)	(837,971)
Sale proceeds on disposal of property, plant and equipment		17,767	19,805
Return received on savings accounts and deposit accounts		8,968	28,117
		(546,841)	(790,049)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(4,439,120)	(3,542,549)
Finance lease obligation paid		-	(14,757)
		(4,439,120)	(3,557,306)
Net decrease in cash and cash equivalents		(3,019,989)	(1,858,794)
Cash and cash equivalents at the beginning of the period		584,546	664,925
Cash and cash equivalents at the end of the period	10	(2,435,443)	(1,193,869)

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Shazia Syed
Director

Ali Tariq
Director & Chief Financial Officer

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UNILEVER PAKISTAN LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED JUNE 30, 2013 (UNAUDITED)

	SHARE CAPITAL	RESERVES			TOTAL	
		CAPITAL		REVENUE		SUB TOTAL
		Arising under schemes of arrangements for amalgamations	Contingency	Unappropriated profit		
← (Rupees in thousand) →						
Balance as at January 1, 2013 - restated	669,477	70,929	321,471	4,220,881	4,613,281	5,282,758
Total comprehensive income for the half year ended June 30, 2013	-	-	-	2,319,684	2,319,684	2,319,684
Dividends						
For the year ended December 31, 2012						
- On cumulative preference shares @ 5% per share	-	-	-	(239)	(239)	(239)
- Final dividend on ordinary shares @ Rs. 283 per share	-	-	-	(3,762,165)	(3,762,165)	(3,762,165)
For the year ending December 31, 2013						
- Interim dividend on ordinary shares @ Rs. 51.24 per share	-	-	-	(681,178)	(681,178)	(681,178)
Balance as at June 30, 2013	<u>669,477</u>	<u>70,929</u>	<u>321,471</u>	<u>2,096,983</u>	<u>2,489,383</u>	<u>3,158,860</u>
Balance as at January 1, 2012	669,477	70,929	321,471	3,110,089	3,502,489	4,171,966
Effect of change in accounting policy with respect to accounting for recognition of actuarial losses on defined benefit plan - net of tax (note 2)	-	-	-	(98,529)	(98,529)	(98,529)
Balance as at January 1, 2012 - restated	<u>669,477</u>	<u>70,929</u>	<u>321,471</u>	<u>3,011,560</u>	<u>3,403,960</u>	<u>4,073,437</u>
Total comprehensive income for the half year ended June 30, 2012	-	-	-	2,404,891	2,404,891	2,404,891
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 ended December 31, 2012						
- Interim dividend on ordinary shares @ Rs. 65 per share	-	-	-	(864,100)	(864,100)	(864,100)
Balance as at June 30, 2012 - restated	<u>669,477</u>	<u>70,929</u>	<u>321,471</u>	<u>1,866,750</u>	<u>2,259,150</u>	<u>2,928,627</u>

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Shazia Syed
Director

Ali Tariq
Director & Chief Financial Officer

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UNILEVER PAKISTAN LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2013 (UNAUDITED)

1. BASIS OF PREPARATION

This condensed interim financial information of Unilever Pakistan Limited (the Company) for the half year ended June 30, 2013 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, 2012 except as described below.

IAS 19 (revised) - 'Employee Benefits' effective for annual periods beginning on or after January 1, 2013 amends the accounting for employee benefits. The standard requires immediate recognition of past service cost and also replaces the interest cost on the defined benefit obligation and the expected return on plan assets with a net interest cost based on the net defined benefit asset or liability and the discount rate, measured at the beginning of the year.

Further, a new term "remeasurements" has been introduced. This is made up of actuarial gains and losses, the difference between actual investment returns and the return implied by the net interest cost. The standard requires "remeasurements" to be recognised in the Balance Sheet immediately, with a charge or credit to Other Comprehensive Income in the periods in which they occur.

Following the application of IAS 19 (Amendment) - 'Employee Benefits', the Company's policy for Staff Retirement Benefits in respect of remeasurements stands amended as follows:

-The amount arising as a result of remeasurements are recognised in the Balance Sheet immediately, with a charge or credit to Other Comprehensive Income in the periods in which they occur.

-The change in accounting policy has been accounted for retrospectively in accordance with the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and comparative figures have been restated.

The Company's condensed interim financial information is affected by the 'remeasurements' relating to prior years. The effects have been summarised below:

	December 31, 2012	December 31, 2011
	(Rupees in thousand)	
Impact on Balance Sheet		
Increase / (decrease) in retirement benefits - prepayments	66,043	(109,788)
Increase in retirement benefits - obligations	(23,614)	(41,795)
(Increase) / decrease in deferred taxation	(9,089)	53,054
(Increase) / decrease in reserves	(33,340)	98,529
Increase / (decrease) in unappropriated profit		
- Cumulative effect from prior years	-	(98,529)
- Impact for the year ended December 31, 2012	131,869	-

The Company follows a consistent practice to conduct actuarial valuations annually at the year end. Hence, the impact on this and comparative condensed interim financial information are not quantifiable and are also considered immaterial.

3. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANGEMENT

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements 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.

Judgements 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, 2012.

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, 2012.

	Unaudited June 30, 2013	Audited December 31, 2012
	(Rupees in thousand)	
4. PROPERTY, PLANT AND EQUIPMENT		
Operating assets - at net book value	6,025,321	6,029,015
Capital work in progress - at cost		
Civil works	32,041	24,912
Plant and machinery	1,355,959	1,171,852
	1,388,000	1,196,764
	7,413,321	7,225,779

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

	Additions (at cost)		Disposals (at net book value)	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
	(Rupees in thousand)			
Owned				
Building on freehold land	7,567	11,362	-	-
Plant and machinery	374,216	1,352,184	18,083	7,277
Electrical, mechanical and office equipment	-	115,461	-	-
Furniture and fittings	543	-	-	-
Motor vehicles	14	-	19	-
Assets held under finance leases				
Motor vehicles	-	-	-	84
	<u>382,340</u>	<u>1,479,007</u>	<u>18,102</u>	<u>7,361</u>

5. LONG TERM DEPOSTS AND PREPAYMENTS

During the period Company paid advance rent for a period of five years for Head Office premises. The long term portion of advance rent amounting to Rs. 1.09 billion is included in the period end balances.

6. SHORT TERM BORROWINGS

Short term loan - note 6.1
Running finance

Unaudited June 30, 2013	Audited December 31, 2012
(Rupees in thousand)	

1,500,000	-
1,336,419	-
<u>2,836,419</u>	<u>-</u>

6.1 The amount represents short term loan taken from banks to be repaid in July 2013 at mark-up rates ranging from 9.32% to 9.4%.

7. PROVISIONS

Sindh Infrastructure Cess - note 7.1
PSI Marking Fee - note 7.2
Restructuring - note 7.3

Unaudited June 30, 2013	Audited December 31, 2012
(Rupees in thousand)	

550,600	487,564
34,657	36,547
136,104	90,895
<u>721,361</u>	<u>615,006</u>

7.1 The change in amount represents provision made during the period.

	Unaudited June 30, 2013	Audited December 31, 2012
7.2 PSI Marking Fee	(Rupees in thousand)	
Opening balance	36,547	20,584
Provision during the period	3,690	15,963
Payment during the period	(5,580)	-
Closing balance	<u>34,657</u>	<u>36,547</u>

7.3 Restructuring		
Opening balance	90,895	225,864
Provision / (Reversal) during the period - note 7.3.1	161,497	(18,349)
Utilised during the period	(116,288)	(116,620)
Closing balance	<u>136,104</u>	<u>90,895</u>

7.3.1 Provision during the period represents employee redundancy cost and has been allocated as follows:

	Unaudited June 30, 2013	Unaudited June 30, 2012
	(Rupees in thousand)	
Cost of sales	106,586	-
Distribution costs	46,924	-
Administrative expenses	7,987	-
	<u>161,497</u>	<u>-</u>

8. CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

The Officer of Inland Revenue while finalising the re-assessments for the tax years 2006, 2007 and 2009, passed amended assessment orders enhancing the tax liability for these years by approximately Rs. 400 million in respect of certain disallowances.

The Company has filed appeals before the Commissioner of Inland Revenue - Appeals (CIRA). However, the same were decided against it. The Company has filed appeals before the Appellate Tribunal Inland Revenue.

Further, the Additional Commissioner of Inland Revenue amended the assessments for the tax years 2008, 2010, 2011 and 2012, enhancing the tax liability by approximately Rs. 414.04 million. The Company has filed appeals before the CIRA and the same has been heard except for the tax year 2012. The appellate orders are awaited. However, the appeal for the tax year 2012 is expected to be fixed shortly.

The Company's management is of the view that the disallowances were erroneous and, therefore, the ultimate decision in appeals will likely be in the Company's favour. No provision has, therefore, been made in the financial statements.

8.2 Commitments

The commitments for capital expenditure outstanding as at June 30, 2013 amounted to Rs. 380.89 million (December 31, 2012: Rs. 701.11 million).

9. SEGMENT INFORMATION

9.1 SEGMENT RESULTS

	Home and Personal Care	Beverages	Ice Cream	Spreads	Total
	(Rupees in thousand)				
For the quarter ended June 30, 2013					
Revenue	<u>8,713,948</u>	<u>4,513,755</u>	<u>2,520,167</u>	<u>448,051</u>	<u>16,195,921</u>
Segment results	<u>1,582,534</u>	<u>675,147</u>	<u>355,094</u>	<u>49,863</u>	<u>2,662,638</u>
For the quarter ended June 30, 2012					
Revenue	<u>8,079,497</u>	<u>3,256,025</u>	<u>2,538,816</u>	<u>443,815</u>	<u>14,318,153</u>
Segment results	<u>1,361,949</u>	<u>446,873</u>	<u>344,394</u>	<u>32,619</u>	<u>2,185,835</u>
For half year ended June 30, 2013					
Revenue	<u>16,552,316</u>	<u>9,016,997</u>	<u>3,590,438</u>	<u>939,259</u>	<u>30,099,010</u>
Segment results	<u>2,416,734</u>	<u>1,026,543</u>	<u>114,041</u>	<u>112,357</u>	<u>3,669,675</u>
For half year ended June 30, 2012					
Revenue	<u>15,671,494</u>	<u>7,692,218</u>	<u>3,558,526</u>	<u>877,939</u>	<u>27,800,177</u>
Segment results	<u>2,386,384</u>	<u>982,886</u>	<u>164,138</u>	<u>154,835</u>	<u>3,688,243</u>

Reconciliation of segment results with profit from operations:

	Quarter ended		Half year ended	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
	(Rupees in thousand)			
Total results for reportable segments	<u>2,662,638</u>	2,185,835	<u>3,669,675</u>	3,688,243
Other operating expenses	<u>(193,561)</u>	(156,148)	<u>(269,222)</u>	(266,518)
Other income	<u>108,715</u>	141,991	<u>184,204</u>	246,940
Finance costs	<u>(135,656)</u>	(203,327)	<u>(190,788)</u>	(234,117)
Taxation	<u>(803,666)</u>	(603,923)	<u>(1,074,185)</u>	(1,029,657)
Profit after tax	<u>1,638,470</u>	<u>1,364,428</u>	<u>2,319,684</u>	<u>2,404,891</u>

9.2 SEGMENT ASSETS

	Home and Personal Care	Beverages	Ice Cream	Spreads	Total
	(Rupees in thousand)				
As at June 30, 2013 Unaudited					
Segment assets	<u>9,161,932</u>	<u>2,732,250</u>	<u>4,526,265</u>	<u>289,446</u>	<u>16,709,893</u>
As at December 31, 2012 - Audited					
Segment assets	<u>7,934,868</u>	<u>2,855,266</u>	<u>4,496,453</u>	<u>200,335</u>	<u>15,486,922</u>

Reconciliation of segment's assets with total assets in the balance sheet is as follows:

	Unaudited	Audited (Restated)
	June 30, 2013	December 31, 2012
	(Rupees in thousand)	
Total for reportable segments	16,709,893	15,486,922
Unallocated assets	4,189,159	2,950,137
Total as per balance sheet	<u>20,899,052</u>	<u>18,437,059</u>

10. CASH AND CASH EQUIVALENTS	Unaudited	Unaudited
	June 30, 2013	June 30, 2012
	(Rupees in thousand)	
Cash and bank balances	400,976	497,361
Short term borrowings	(2,836,419)	(1,691,230)
	<u>(2,435,443)</u>	<u>(1,193,869)</u>

11. RELATED PARTY TRANSACTIONS

Related party transactions during the period are as follows:

Relationship with the company	Nature of transactions	June 30, 2013	June 30, 2012
		(Rupees in thousand)	
i. Ultimate parent company:	Royalty and technical fee	1,068,065	949,223
ii. Other related parties:	Purchase of goods and services	5,446,735	6,712,407
	Sale of goods	939	3,264
	Fee for receiving of services from related party	9,011	14,929
	Fee for providing of services to related parties	125,823	149,494
	Contribution to:		
	- Defined Contribution plans	94,325	104,862
	- Defined Benefit plans	-	50,702
	Settlement on behalf of:		
	- Defined Contribution plans	152,998	257,785
	- Defined Benefit plans	113,672	137,512
	Payment made on behalf of related party	-	11,986
iii. Key management personnel:	Salaries and other short-term employee benefits	130,549	69,035
	Post-employment benefits	5,341	5,449
iv. Others:	Donations	7,000	7,000

12. INTERIM DIVIDEND

The Board of Directors in its meeting held on August 23, 2013 declared cash dividend in respect of half year ended June 30, 2013 of Rs. 123.25 per share amounting to Rs. 1.64 billion in addition to first interim cash dividend already declared and paid in respect of quarter ended March 31, 2013 of Rs. 51.24 per share (Quarter ended March 31, 2012: Rs. 65 per share) amounting to Rs. 681 million (Interim cash dividend for half year ended June 30, 2012: Rs. 65 per share amounting to Rs. 864 million).

This condensed interim financial information does not reflect the second interim dividend as payable, which will be accounted for in the statement of changes in equity as an appropriation from the unappropriated profit in the year ending December 31, 2013.

13. DELISTING OF THE COMPANY

The majority shareholder of the Company, Unilever Overseas Holdings Limited (UOHL) made an announcement on November 28, 2012 of its intention to acquire all of the ordinary shares held by the other shareholders of the Company at a proposed share price of Rs 9,700 per ordinary share, and to seek the delisting of the shares of the Company from the stock exchanges in Pakistan, in accordance with the voluntary delisting provisions of the Listing Regulations. Consequently, the Board of Directors of the Company at their meeting held on December 3, 2012 considered and resolved to accept the proposal made by the majority shareholder.

Thereafter, the Company submitted formal application for delisting and the required information to the stock exchanges in January and February 2013. The Karachi Stock Exchange Limited vide its letter dated April 1, 2013 agreed to the minimum purchase price of Rs 15,000 per ordinary share and required the sponsors (majority shareholder) to purchase a minimum of 1.5% of the total outstanding shares to qualify for delisting. The majority shareholder (sponsor), UOHL communicated its acceptance to the stock exchange on April 2, 2013. The said delisting proposal was also approved by the shareholders of the Company in the Extra Ordinary General Meeting held on April 26, 2013. Thereafter, the Company vide its letter dated May 2, 2013 informed the shareholders about the terms, conditions and procedure for the purchase of ordinary shares of the Company by UOHL, including the information about the initial share purchase offer period valid from May 3, 2013 to July 1, 2013.

On July 4, 2013 the Company informed the stock exchanges that as of July 1, 2013, the majority shareholder had bought 21.91% ordinary shares during the offer period; thus, raising its shareholding to 96.99% of the total ordinary shares issued; and the stock exchanges were requested to confirm the delisting of the Company. On August 13, 2013 a formal letter was received from the Karachi Stock Exchange Limited, confirming that from September 13, 2013 the ordinary shares of the Company will stand delisted from the exchange. Formal confirmation of delisting of the ordinary shares of the Company from other stock exchanges is awaited.

14. DATE OF ISSUE

This condensed interim financial information has been authorised for issue on August 23, 2013 by the Board of Directors of the Company.

Shazia Syed
Director

Ali Tariq
Director & Chief Financial Officer

STATEMENT UNDER SECTION 241(2) OF THE COMPANIES ORDINANCE, 1984

As the chief executive is for the time being not in Pakistan, therefore, these financial statements have been signed by two directors of the company as required under section 241(2) of the Companies Ordinance, 1984.

**CONDENSED INTERIM
CONSOLIDATED FINANCIAL INFORMATION
FOR THE HALF YEAR
ENDED JUNE 30, 2013**

Unilever Pakistan Limited
and its Subsidiary Companies

UNILEVER PAKISTAN LIMITED AND ITS SUBSIDIARY COMPANIES

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 2013

	Note	Unaudited June 30, 2013 (Rupees in thousand)	Audited (Restated) December 31, 2012
ASSETS			
Non-current assets			
Property, plant and equipment	4	7,413,321	7,225,779
Intangible - computer software		812,604	936,797
Long term investments		200	200
Long term loans		155,895	135,586
Long term deposits and prepayments	5	1,126,176	20,070
Retirement benefits - prepayments		168,155	168,812
		<u>9,676,351</u>	<u>8,487,244</u>
Current assets			
Stores and spares		522,968	421,656
Stock in trade		5,849,409	6,244,203
Trade debts		2,151,683	1,018,561
Loans and advances		140,743	181,003
Trade deposits and short term prepayments		738,848	547,671
Other receivables		202,771	108,680
Advance tax/refunds		1,120,903	748,622
Cash and bank balances		572,554	751,129
		<u>11,299,879</u>	<u>10,021,525</u>
Total assets		<u>20,976,230</u>	<u>18,508,769</u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		669,477	669,477
Reserves		2,564,490	4,684,902
		<u>3,233,967</u>	<u>5,354,379</u>
LIABILITIES			
Non-current liabilities			
Deferred taxation		581,721	685,809
Retirement benefits - obligations		434,572	401,969
		<u>1,016,293</u>	<u>1,087,778</u>
Current liabilities			
Trade and other payables		13,152,874	11,444,900
Accrued interest / mark up		15,316	6,706
Short term borrowing	6	2,836,419	-
Provisions	7	721,361	615,006
		<u>16,725,970</u>	<u>12,066,612</u>
Total liabilities		<u>17,742,263</u>	<u>13,154,390</u>
Contingencies and commitments	8		
Total equity and liabilities		<u>20,976,230</u>	<u>18,508,769</u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Shazia Syed
Director

Ali Tariq
Director & Chief Financial Officer

STATEMENT UNDER SECTION 241(2) OF THE COMPANIES ORDINANCE, 1984

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UNILEVER PAKISTAN LIMITED AND ITS SUBSIDIARY COMPANIES

CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE HALF YEAR ENDED JUNE 30, 2013 (UNAUDITED)

	Note	Quarter ended		Half year ended	
		June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
(Rupees in thousand)					
Sales	9	16,195,921	14,318,153	30,099,010	27,800,177
Cost of sales	7.3.1	(9,534,705)	(8,787,185)	(18,885,647)	(17,686,243)
Gross profit		6,661,216	5,530,968	11,213,363	10,113,934
Distribution costs	7.3.1	(3,387,183)	(2,873,595)	(6,424,599)	(5,525,605)
Administrative expenses	7.3.1	(611,395)	(471,538)	(1,119,089)	(900,086)
Other operating expenses		(193,574)	(156,161)	(269,248)	(266,531)
Other operating income		110,729	157,064	189,593	257,790
Profit from operations		2,579,793	2,186,738	3,590,020	3,679,502
Finance cost		(135,656)	(203,327)	(190,788)	(234,117)
Profit before taxation		2,444,137	1,983,411	3,399,232	3,445,385
Taxation		(804,366)	(608,969)	(1,076,062)	(1,033,450)
Profit after taxation		1,639,771	1,374,442	2,323,170	2,411,935
Other comprehensive income		-	-	-	-
Total comprehensive income		1,639,771	1,374,442	2,323,170	2,411,935
Earnings per share (Rupees)		123.35	103.39	174.76	181.44

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Shazia Syed
Director

Ali Tariq
Director & Chief Financial Officer

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UNILEVER PAKISTAN LIMITED AND ITS SUBSIDIARY COMPANIES

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED JUNE 30, 2013 (UNAUDITED)

	Note	June 30 2013	June 30 2012
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		3,399,232	3,445,385
Adjustments for non-cash charges and other items			
Depreciation		367,932	307,701
Amortisation of computer software		124,193	134,480
Gain on disposal of property, plant and equipment		335	(12,444)
Mark-up on short term borrowings		85,673	69,012
Finance charge on finance leases		-	269
Provision for staff retirement benefits		36,209	60,291
Return on savings accounts and term deposits		(14,741)	(38,967)
		<u>599,601</u>	<u>520,342</u>
EFFECT ON CASH FLOWS DUE TO WORKING CAPITAL CHANGES		3,998,833	3,965,727
(Increase) / Decrease in current assets			
Stores and spares		(101,312)	(130,652)
Stock in trade		394,794	(471,910)
Trade debts		(1,133,122)	(189,760)
Loans and advances		40,260	34,778
Trade deposits and short term prepayments		(191,177)	106,747
Other receivables		(94,091)	(158,155)
		<u>(1,084,648)</u>	<u>(808,952)</u>
Increase in current liabilities			
Trade and other payables		1,701,840	967,797
Provisions		106,355	15,550
		<u>1,808,195</u>	<u>983,347</u>
		<u>723,547</u>	<u>174,395</u>
Cash generated from operations		4,722,380	4,140,122
Mark-up paid on short term borrowings		(77,360)	(70,448)
Income tax paid		(1,551,487)	(1,424,330)
Retirement benefits obligations paid		(2,949)	(149,861)
(Increase) in long term loans		(20,309)	(8,860)
(Increase) in long term deposits and prepayments		(1,106,106)	(1,117)
Net cash from operating activities		<u>1,964,169</u>	<u>2,485,506</u>
CASH USED IN INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(573,576)	(837,971)
Sale proceeds on disposal of property, plant and equipment		17,767	19,805
Encasement of investment held to maturity		-	152,112
Return received on savings accounts and deposit accounts		15,766	28,223
Net cash used in investing activities		<u>(540,043)</u>	<u>(637,831)</u>
CASH USED IN FINANCING ACTIVITIES			
Dividends paid		(4,439,120)	(3,542,549)
Finance lease obligation paid		-	(14,757)
Net cash used in financing activities		<u>(4,439,120)</u>	<u>(3,557,306)</u>
Net increase in cash and cash equivalents		<u>(3,014,994)</u>	<u>(1,709,631)</u>
Cash and cash equivalents at the beginning of the year		751,129	669,552
Cash and cash equivalents at the end of the period	10	<u>(2,263,865)</u>	<u>(1,040,079)</u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Shazia Syed
Director

Ali Tariq
Director & Chief Financial Officer

STATEMENT UNDER SECTION 241(2) OF THE COMPANIES ORDINANCE, 1984

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UNILEVER PAKISTAN LIMITED AND ITS SUBSIDIARY COMPANIES

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED JUNE 30, 2013 (UNAUDITED)

	SHARE CAPITAL	RESERVES			TOTAL	
		CAPITAL		REVENUE		SUB TOTAL
		Arising under schemes of arrangements for amalgamations	Contingency	Unappropriated profit		
		(Rupees in thousand)				
Balance as at January 1, 2013-Restated	669,477	70,929	321,471	4,292,502	4,684,902	5,354,379
Total comprehensive income for the half year ended June 30, 2013	-	-	-	2,323,170	2,323,170	2,323,170
Dividends						
For the year ended December 31, 2012						
- On cumulative preference shares						
- @ 5% per share	-	-	-	(239)	(239)	(239)
- Final dividend on ordinary shares						
- @ Rs 283 per share	-	-	-	(3,762,165)	(3,762,165)	(3,762,165)
For the year ended Decemeber, 31 2013						
Interim dividend on ordinary shares @ Rs. 51.24 per share				(681,178)	(681,178)	(681,178)
Balance as at June 30, 2013	669,477	70,929	321,471	2,172,090	2,564,490	3,233,967
Balance as at January 1, 2012	669,477	70,929	321,471	3,172,919	3,565,319	4,234,796
Effect of changes in accounting policy with respect to accounting for recognition of actuarial losses on defined benefit plan - net of tax	-	-	-	(98,529)	(98,529)	(98,529)
Balance as at January 1, 2012 - restated	669,477	70,929	321,471	3,074,390	3,466,790	4,136,267
Total comprehensive income for the quarter ended June 30, 2012	-	-	-	2,411,935	2,411,935	2,411,935
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 ended Decemeber 31, 2012						
Interim dividend on ordinary shares @ Rs. 65 per share				(864,100)	(864,100)	(864,100)
Balance as at June 30, 2012 - restated	669,477	70,929	321,471	1,936,624	2,329,024	2,998,501

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Shazia Syed
Director

Ali Tariq
Director & Chief Financial Officer

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As the chief executive is for the time being not in Pakistan, therefore, these financial statements have been signed by two directors of the company as required under section 241(2) of the Companies Ordinance, 1984.

UNILEVER PAKISTAN LIMITED AND ITS SUBSIDIARY COMPANIES

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION FOR THE HALF YEAR ENDED JUNE 30, 2013 (UNAUDITED)

1. BASIS OF PREPARATION

This condensed interim consolidated financial information includes the financial information of Unilever Pakistan Limited (the parent company), Lever Chemicals (Private) Limited, Lever Association Pakistan Trust (Private) Limited and Sadiq (Private) Limited. The condensed interim consolidated 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 International Accounting Standard No. 34, "Interim Financial Reporting" and is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Karachi, Lahore and Islamabad Stock Exchanges.

2. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim consolidated financial information are the same as those applied in the preparation of the financial statements for the year ended December 31, 2012 except as described below.

IAS 19 (revised) - 'Employee Benefits' effective for annual periods beginning on or after January 1, 2013 amends the accounting for employee benefits. The standard requires immediate recognition of past service cost and also replaces the interest cost on the defined benefit obligation and the expected return on plan assets with a net interest cost based on the net defined benefit asset or liability and the discount rate, measured at the beginning of the year.

Further, a new term "remeasurements" has been introduced. This is made up of actuarial gains and losses, the difference between actual investment returns and the return implied by the net interest cost. The standard requires "remeasurements" to be recognised in the Balance Sheet immediately, with a charge or credit to Other Comprehensive Income in the periods in which they occur.

Following the application of IAS 19 (Amendment) - 'Employee Benefits', the Company's policy for Staff Retirement Benefits in respect of remeasurements stands amended as follows:

-The amount arising as a result of remeasurements are recognised in the Balance Sheet immediately, with a charge or credit to Other Comprehensive Income in the periods in which they occur.

-The change in accounting policy has been accounted for retrospectively in accordance with the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and comparative figures have been restated.

The Company's condensed interim consolidated financial information is affected by the 'remeasurements' relating to prior years. The effects have been summarised below:

	December 31, 2012	December 31, 2011
	(Rupees in thousand)	
Impact on Balance Sheet		
Increase / (decrease) in retirement benefits - prepayments	66,043	(109,788)
Increase in retirement benefits - obligations	(23,614)	(41,795)
(Increase) / decrease in deferred taxation	(9,089)	53,054
(Increase) / decrease in reserves	(33,340)	98,529
Increase / (decrease) in unappropriated profit		
- Cumulative effect from prior years	-	(98,529)
- Impact for the year ended December 31, 2012	131,869	-

The Company follows a consistent practice to conduct actuarial valuations annually at the year end. Hence, the impact on this and comparative condensed interim consolidated financial information are not quantifiable and are also considered immaterial.

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 judgements that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgements 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.

Judgements 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, 2012.

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, 2012.

	Unaudited June 30, 2013	Audited December 31, 2012
(Rupees in thousand)		
4. PROPERTY, PLANT AND EQUIPMENT		
Operating assets - at net book value	6,025,321	6,029,015
Capital work in progress - at cost		
Civil works	32,041	24,912
Plant and machinery	1,355,959	1,171,852
	1,388,000	1,196,764
	7,413,321	7,225,779

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

	Additions (at cost)		Disposals (at net book value)	
	June 30, 2013	June 30, 2012	June 30, 2013	June 30, 2012
	(Rupees in thousand)			
Owned				
Building on freehold land	7,567	11,362	-	-
Plant and machinery	374,216	1,352,184	18,083	7,277
Electrical, mechanical and office equipment	-	115,461	-	-
Furniture and fittings	543	-	-	-
Motor vehicles	14	-	19	-
Assets held under finance leases				
Motor vehicles	-	-	-	84
	382,340	1,479,007	18,102	7,361

5. LONG TERM DEPOSTS AND PREPAYMENTS

During the period Company paid advance rent for a period of five years for Head Office premises. The long term portion of advance rent amounting to Rs. 1.09 billion is included in the period end balances.

	Unaudited June 30, 2013	Audited December 31, 2012
(Rupees in thousand)		
6. SHORT TERM BORROWINGS		
Short term loan - note 6.1	1,500,000	-
Running finance	1,336,419	-
	2,836,419	-

6.1 The amount represents short term loan taken from banks to be repaid in July 2013 at mark-up rates ranging from 9.32% to 9.4%.

7. PROVISIONS	Unaudited June 30, 2013	Audited December 31, 2012
	(Rupees in thousand)	
Sindh Infrastructure Cess - note 7.1	550,600	487,564
PSI Marking Fee - note 7.2	34,657	36,547
Restructuring - note 7.3	136,104	90,895
	<u>721,361</u>	<u>615,006</u>

7.1 The change in amount represents provision made during the period.

7.2 PSI Marking Fee	Unaudited June 30, 2013	Audited December 31, 2012
	(Rupees in thousand)	
Opening balance	36,547	20,584
Provision during the period	3,690	15,963
Payment during the period	(5,580)	-
Closing balance	<u>34,657</u>	<u>36,547</u>

7.3 Restructuring

Opening balance	90,895	225,864
Provision / (Reversal) during the period - note 7.3.1	161,497	(18,349)
Utilised during the period	(116,288)	(116,620)
Closing balance	<u>136,104</u>	<u>90,895</u>

7.3.1 Provision during the period represents employee redundancy cost and has been allocated as follows:

	Unaudited June 30, 2013	Unaudited June 30, 2012
	(Rupees in thousand)	
Cost of sales	106,586	-
Distribution costs	46,924	-
Administrative expenses	7,987	-
	<u>161,497</u>	<u>-</u>

8. CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

The Officer of Inland Revenue while finalising the re-assessments for the tax years 2006, 2007 and 2009, passed amended assessment orders enhancing the tax liability for these years by approximately Rs. 400 million in respect of certain disallowances.

The Company has filed appeals before the Commissioner of Inland Revenue - Appeals (CIRA). However, the same were decided against it. The Company has filed appeals before the Appellate Tribunal Inland Revenue.

Further, the Additional Commissioner of Inland Revenue amended the assessments for the tax years 2008, 2010, 2011 and 2012, enhancing the tax liability by approximately Rs. 414.04 million. The Company has filed appeals before the CIRA and the same has been heard except for the tax year 2012. The appellate orders are awaited. However, the appeal for the tax year 2012 is expected to be fixed shortly.

The Company's management is of the view that the disallowances were erroneous and, therefore, the ultimate decision in appeals will likely be in the Company's favour. No provision has, therefore, been made in the financial statements.

8.2 Commitments

The commitments for capital expenditure outstanding as at June 30, 2013 amounted to Rs. 380.89 million (December 31, 2012: Rs. 701.11 million).

9. SEGMENT INFORMATION

9.1 SEGMENT RESULTS

	Home and Personal Care	Beverages	Ice Cream	Spreads	Total
	← (Rupees in thousand) →				
For the quarter ended June 30, 2013					
Revenue	8,713,948	4,513,755	2,520,167	448,051	16,195,921
Segment results	1,582,534	675,147	355,094	49,863	2,662,638
For the quarter ended June 30, 2012					
Revenue	8,079,497	3,256,025	2,538,816	443,815	14,318,153
Segment results	1,361,949	446,873	344,394	32,619	2,185,835
For half year ended June 30, 2013					
Revenue	16,552,316	9,016,997	3,590,438	939,259	30,099,010
Segment results	2,416,734	1,026,543	114,041	112,357	3,669,675
For half year ended June 30, 2012					
Revenue	15,671,494	7,692,218	3,558,526	877,939	27,800,177
Segment results	2,386,384	982,886	164,138	154,835	3,688,243

Reconciliation of segment results with profit from operations:

	Quarter ended		Half Year ended	
	June 2013	June 2012	June 2013	June 2012
	(Rupees in thousand)			
Total profit for reportable segments	2,662,638	2,185,835	3,669,675	3,688,243
Other operating expenses	(193,574)	(156,161)	(269,248)	(266,531)
Other operating income	110,729	157,064	189,593	257,790
Finance (cost) / income	(135,656)	(203,327)	(190,788)	(234,117)
Taxation	(804,366)	(608,969)	(1,076,062)	(1,033,450)
Profit after tax	1,639,771	1,374,442	2,323,170	2,411,935

9.2 SEGMENT ASSETS

	Home and Personal Care	Beverages	Ice Cream	Spreads	Total
	← (Rupees in thousand) →				
As at June 30, 2013					
Unaudited					
Segment assets	<u>9,161,932</u>	<u>2,732,250</u>	<u>4,526,265</u>	<u>289,446</u>	<u>16,709,893</u>
As at December 31, 2012					
Audited					
Segment assets	<u>7,934,868</u>	<u>2,855,266</u>	<u>4,496,453</u>	<u>200,335</u>	<u>15,486,922</u>

Reconciliation of segment's assets with total assets in the balance sheet is as follows:

	Unaudited	Audited (Restated)
	June 30,	December 31,
	2013	2012
	(Rupees in thousand)	
Total for reportable segments	16,709,893	15,486,922
Unallocated assets	4,266,337	3,021,847
Total as per balance sheet	<u>20,976,230</u>	<u>18,508,769</u>

10. CASH AND CASH EQUIVALENTS

	Unaudited	Audited
	June 30,	December 31,
	2013	2012
	(Rupees in thousand)	
Cash and bank balances	572,554	497,361
Short term borrowings	<u>(2,836,419)</u>	(1,691,230)
	<u>(2,263,865)</u>	<u>(1,193,869)</u>

11. RELATED PARTY TRANSACTIONS

Related party transactions during the period are as follows:

Relationship with the company	Nature of transactions	June 30, 2013 (Rupees in thousand)	June 30, 2012
i. Ultimate parent company:	Royalty and technical fee	1,068,065	949,223
ii. Other related parties:	Purchase of goods and services	5,446,735	6,712,407
	Sale of goods	939	3,264
	Fee for receiving of services from related party	9,011	14,929
	Fee for providing of services to related parties	125,823	149,494
	Contribution to:		
	- Defined Contribution plans	94,325	104,862
	- Defined Benefit plans	-	50,702
	Settlement on behalf of:		
	- Defined Contribution plans	152,998	257,785
	- Defined Benefit plans	113,672	137,512
	Payment made on behalf of related party	-	11,986
iii. Key management:	Salaries and other short-term	130,549	69,035
	Post-employment benefits	5,341	5,449
iv. Others:	Donations	7,000	7,000

12. INTERIM DIVIDEND

The Board of Directors in its meeting held on August 23, 2013 declared cash dividend in respect of half year ended June 30, 2013 of Rs.123.25 per share amounting to Rs.1.64 billion in addition to first interim cash dividend already declared and paid in respect of quarter ended March 31, 2013 of Rs. 51.24 per share (Quarter ended March 31, 2012: Rs. 65 per share) amounting to Rs. 681 million (Interim cash dividend for half year ended June 30, 2012: Rs. 65 per share amounting to Rs. 864 million).

This condensed interim consolidated financial information does not reflect the second interim dividend as payable, which will be accounted for in the statement of changes in equity as an appropriation from the unappropriated profit in the year ending December 31, 2013.

13. DELISTING OF THE COMPANY

The majority shareholder of the Company, Unilever Overseas Holdings Limited (UOHL) made an announcement on November 28, 2012 of its intention to acquire all of the ordinary shares held by the other shareholders of the Company at a proposed share price of Rs 9,700 per ordinary share, and to seek the delisting of the shares of the Company from the stock exchanges in Pakistan, in accordance with the voluntary delisting provisions of the Listing Regulations. Consequently, the Board of Directors of the Company at their meeting held on December 3, 2012 considered and resolved to accept the proposal made by the majority shareholder.

Thereafter, the Company submitted formal application for delisting and the required information to the stock exchanges in January and February 2013. The Karachi Stock Exchange Limited vide its letter dated April 1, 2013 agreed to the minimum purchase price of Rs 15,000 per ordinary share and required the sponsors (majority shareholder) to purchase a minimum of 1.5% of the total outstanding shares to qualify for delisting. The majority shareholder (sponsor), UOHL communicated its acceptance to the stock exchange on April 2, 2013. The said delisting proposal was also approved by the shareholders of the Company in the Extra Ordinary General Meeting held on April 26, 2013. Thereafter, the Company vide its letter dated May 2, 2013 informed the shareholders about the terms, conditions and procedure for the purchase of ordinary shares of the Company by UOHL, including the information about the initial share purchase offer period valid from May 3, 2013 to July 1, 2013.

On July 4, 2013 the Company informed the stock exchanges that as of July 1, 2013, the majority shareholder had bought 21.91% ordinary shares during the offer period; thus, raising its shareholding to 96.99% of the total ordinary shares issued; and the stock exchanges were requested to confirm the delisting of the Company. Formal confirmation of delisting of the ordinary shares of the Company from the stock exchanges is awaited.

14. DATE OF ISSUE

This condensed interim consolidated financial information has been authorised for issue on August 23, 2013 by the Board of Directors of the Company.

Shazia Syed
Director

Ali Tariq
Director & Chief Financial Officer

STATEMENT UNDER SECTION 241(2) OF THE COMPANIES ORDINANCE, 1984

As the chief executive is for the time being not in Pakistan, therefore, these financial statements have been signed by two directors of the company as required under section 241(2) of the Companies Ordinance, 1984.



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