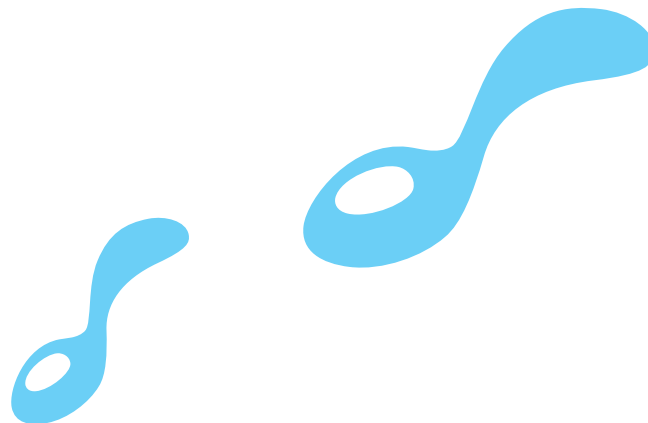


Unilever Pakistan Foods Limited
Condensed Interim Financial Information
For the period ended September 30, 2008



Unilever

vitality... naturally



**UNILEVER PAKISTAN FOODS LIMITED
COMPANY INFORMATION**

Board of Directors

Ehsan Ali Malik
Jamal Mustafa Siddiqui
Abdul Rab
Mian Zulfikar H. Mannoo
Mian M. Adil Mannoo
Kamal Monnoo
Badaruddin F.Vellani
Imran Husain
Mohammad Qayser Alam
Syed Noeman Shirazi

Chairman
CEO & Managing Director
Executive Director & CFO
Director
Director
Director
Director
Director
Director

Company Secretary

Amar Naseer

Audit Committee

Imran Husain
Mohammad Qayser Alam
Mian Zulfikar H. Mannoo
Qanit Khalil

Chairman
Member
Member
Secretary & Head of Internal Audit

Auditors

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

Registered Office

52-KM, Multan Road,
Pernawan,Bhai Pheru, Distt.Kasur
Tel: 049 - 4510376-79
Fax: 0303 - 7355366

Head Office

Avari Plaza
Fatima Jinnah Road,
Karachi.
Tel: 021 - 5660062
Fax: 021 - 5674971

Factory

52-KM, Multan Road,
Pernawan,Bhai Pheru, Distt.Kasur
Tel: 049 - 4510376-79
Fax: 0303 - 7355366

Share Registration Office

C/o Famco Associates (Pvt) Ltd
(Formerly Ferguson Associates (Pvt.) Ltd)
State Life building No.2-A
I.I Chundrigar Road, Karachi

UNILEVER PAKISTAN FOODS LIMITED DIRECTORS' REVIEW

The directors are pleased to present the financial statements for the nine months ended September 30, 2008.

Financial Results	Nine Months Ended Sep 30	
	2008	2007
Net Sales (Rs.000)	2,507,967	1,875,395
Profit before taxation (Rs.000)	479,934	285,161
Profit after taxation (Rs.000)	310,463	183,981
Earnings per share (Rs)	50.42	29.88

In challenging economic conditions the company managed to deliver a healthy EPS growth of 69% over the corresponding period. A strong sales growth of 34% was attained during the first 3 quarters of 2008 in a high inflationary environment with sharply increasing food prices. Price increases have been taken during the period to counter the rising corn, wheat and edible oil prices.

The re-launch of Noodles in Q2 contributed to Knorr becoming the main growth driver during the period. The Food solutions business also delivered strong performance achieving overall growth of 45%. This was achieved through strengthening partnership with International Chain Accounts and improving availability of our products.

Future Outlook

Despite stabilizing international food prices, input costs remain under pressure due to depreciating Rupee. If this trend is not reversed, it will have a dampening effect on real future growth and impact profit margins.

Our priority is to build strong brands that deliver exceptional value to our consumers, customers and shareholders.

On behalf of the Board

Karachi
October 27, 2008

Jamal Mustafa Siddiqui
Chief Executive

UNILEVER PAKISTAN FOODS LIMITED

CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2008

	Note	Unaudited September 30, 2008 (Rupees in thousand)	Audited December 31, 2007
ASSETS			
Non-current assets			
Property, plant and equipment	2	268,943	196,350
Intangible assets		181,145	181,145
Long term loans		5,854	5,969
Long term prepayment		6,114	8,086
Retirement benefit - prepayment		-	2,580
		<u>462,056</u>	<u>394,130</u>
Current assets			
Stores and spares		13,317	10,025
Stock in trade		294,282	378,002
Trade debts		88,428	88,101
Loans and advances		16,008	15,268
Accrued interest / mark-up		7,994	7,994
Trade deposits and short term prepayments		25,876	15,314
Other receivables		20,759	9,418
Sales tax refundable		-	12,145
Cash and bank balances		28,022	16,151
		<u>494,686</u>	<u>552,418</u>
Total assets		<u><u>956,742</u></u>	<u><u>946,548</u></u>
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		61,576	61,576
Reserves		201,564	137,406
		<u>263,140</u>	<u>198,982</u>
LIABILITIES			
Non-current liabilities			
Retirement benefit - obligation		11,451	5,751
Deferred taxation		33,146	8,175
Current liabilities			
Trade and other payables		386,173	363,467
Accrued interest / mark-up		4,205	7,214
Sales tax payable		10,462	-
Taxation - provision less payments		70,583	592
Short term borrowings		177,582	362,367
		<u>649,005</u>	<u>733,640</u>
Total liabilities		<u>693,602</u>	<u>747,566</u>
Commitments			
	3	-	-
Total equity and liabilities		<u><u>956,742</u></u>	<u><u>946,548</u></u>

The annexed notes 1 to 6 form an integral part of this condensed interim financial information.

Jamal Mustafa Siddiqui
Chief Executive & Managing Director

Abdul Rab
Executive Director & CFO

UNILEVER PAKISTAN FOODS LIMITED

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED SEPTEMBER 30, 2008 - UNAUDITED**

	QUARTER ENDED		PERIOD ENDED	
	Sep 30, 2008	Sep 30, 2007	Sep 30, 2008	Sep 30, 2007
	← (Rupees in thousand) →			
Sales	823,582	635,300	2,507,967	1,875,395
Cost of sales	(531,189)	(380,864)	(1,541,297)	(1,172,363)
Gross profit	292,393	254,436	966,670	703,032
Distribution costs	(111,345)	(131,034)	(413,845)	(380,127)
Administrative expenses	(6,446)	(7,981)	(30,099)	(29,028)
Other operating expenses	(14,669)	(8,982)	(41,094)	(23,311)
Other operating income	9,118	4,783	15,477	17,065
Profit from operations	169,051	111,222	497,109	287,631
Finance costs	(1,058)	(732)	(17,175)	(2,470)
Profit before taxation	167,993	110,490	479,934	285,161
Taxation				
- current	(51,620)	(42,600)	(144,500)	(101,700)
- deferred	(9,998)	2,663	(24,971)	520
	(61,618)	(39,937)	(169,471)	(101,180)
Profit after taxation	106,375	70,553	310,463	183,981
Earnings per share - Rupees	17.28	11.46	50.42	29.88

The annexed notes 1 to 6 form an integral part of this condensed interim financial information.

Jamal Mustafa Siddiqui
Chief Executive & Managing Director

Abdul Rab
Executive Director & CFO

UNILEVER PAKISTAN FOODS LIMITED

**CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD ENDED SEPTEMBER 30, 2008 - UNAUDITED**

	Note	Sep 30, 2008	Sep 30, 2007
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations		621,500	336,656
Finance costs paid		(20,184)	(2,424)
Income tax paid		(74,509)	(45,461)
Long term loans (net)		115	(8,420)
Long term prepayment (net)		1,972	(3,288)
Net cash from operating activities		528,894	277,063
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(94,366)	(23,687)
Sale proceeds of property, plant and equipment on disposal		8,275	955
Return received on savings accounts		170	13,334
Net cash used in investing activities		(85,921)	(9,398)
CASH FLOWS FROM FINANCING ACTIVITY			
Dividend paid		(246,317)	(584,923)
Net increase / (decrease) in cash and cash equivalents		196,656	(317,258)
Cash and cash equivalents at the beginning of the period		(346,216)	172,096
Cash and cash equivalents at the end of the period	5	(149,560)	(145,162)

The annexed notes 1 to 6 form an integral part of this condensed interim financial information.

Jamal Mustafa Siddiqui
Chief Executive & Managing Director

Abdul Rab
Executive Director & CFO

UNILEVER PAKISTAN FOODS LIMITED

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2008 - UNAUDITED**

	SHARE CAPITAL	CAPITAL		RESERVES		SUB TOTAL	TOTAL
		Share Premium	Special	REVENUE			
				General	Unappropriated Profit		
(Rupees in thousand)							
Balance as at January 1, 2007	61,576	24,630	628	138	472,492	497,888	559,464
Final dividend for the year ended December 31, 2006 @ Rs 20 per share	-	-	-	-	(123,153)	(123,153)	(123,153)
Interim dividend for the year ended December 31, 2007 @ Rs 75 per share	-	-	-	-	(461,821)	(461,821)	(461,821)
Net profit after taxation for the period ended September 30, 2007	-	-	-	-	183,981	183,981	183,981
Balance as at September 30, 2007	<u>61,576</u>	<u>24,630</u>	<u>628</u>	<u>138</u>	<u>71,499</u>	<u>96,895</u>	<u>158,471</u>
Balance as at January 1, 2008	61,576	24,630	628	138	112,010	137,406	198,982
Final dividend for the year ended December 31, 2007 @ Rs 18 per share	-	-	-	-	(110,837)	(110,837)	(110,837)
Interim dividend for the year ended December 31, 2008 @ Rs 22 per share	-	-	-	-	(135,468)	(135,468)	(135,468)
Net profit after taxation for the period ended September 30, 2008	-	-	-	-	310,463	310,463	310,463
Balance as at September 30, 2008	<u>61,576</u>	<u>24,630</u>	<u>628</u>	<u>138</u>	<u>176,168</u>	<u>201,564</u>	<u>263,140</u>

The annexed notes 1 to 6 form an integral part of this condensed interim financial information.

Jamal Mustafa Siddiqui
Chief Executive & Managing Director

Abdul Rab
Executive Director & CFO

UNILEVER PAKISTAN FOODS LIMITED

SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED SEPTEMBER 30, 2008 - UNAUDITED

1. BASIS OF PREPARATION

This condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard (IAS) 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 and Lahore Stock Exchanges. This condensed interim financial information should be read in conjunction with the annual financial statements for the year ended December 31, 2007, which have been prepared in accordance with the approved accounting standards as applicable in Pakistan.

The present accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding annual financial statements of the Company for the year ended December 31, 2007.

(Audited)
September 30, 2008 December 31, 2007
(Rupees in thousand)

2. PROPERTY, PLANT AND EQUIPMENT

Operating assets - at net book value	265,295	108,904
Capital work in progress - at cost	3,648	87,446
	<u>268,943</u>	<u>196,350</u>

2.1 Details of additions and disposals to operating assets are:

	Additions (at cost)		Disposals (at net book value)	
	Sep 30, 2008	Sep 30, 2007	Sep 30, 2008	Sep 30, 2007
	← (Rupees in thousand) →			
Buildings on freehold land	32,279	-	-	
Plant and machinery	119,192	2,244	556	1,492
Electrical, mechanical and office Equipment	14,919	1,664	-	82
Furniture and fittings	72	-	-	1
Motor vehicles	11,702	9,236	893	119
	<u>178,164</u>	<u>13,144</u>	<u>1,449</u>	<u>1,694</u>

3. COMMITMENTS

Aggregate commitments for capital expenditure as at September 30, 2008 amounted to Rs. 6.78 million (December 31, 2007: Rs. 2.50 million).

Sep 30, Sep 30,
2008 2007
(Rupees in thousand)

4. RELATED PARTY TRANSACTIONS

Significant related party transactions are:

Relationship with the Company	Nature of transactions		
Associated companies	Purchase of goods	638,278	427,915
	Purchase of services	65,453	12,414
	Sale of goods	23,121	5,116
	Sale of services	20,801	5,092
	Purchase of property, plant and equipment	19,053	-
Post-employment benefit plans	Markup / Interest charged / incurred - net	-	808
Key management personnel	Salaries and other short term employee benefits	3,133	4,274
	Post-employment benefits	-	641

5. CASH AND CASH EQUIVALENTS

Cash and bank balances	28,022	15,318
Short term borrowings	(177,582)	(160,480)
	<u>(149,560)</u>	<u>(145,162)</u>

6. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on October 27, 2008 by the Board of Directors of the Company.

Jamal Mustafa Siddiqui
Chief Executive & Managing Director

Abdul Rab
Executive Director & CFO