



ICI Pakistan Limited is now part of the AkzoNobel Group

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ICI Pakistan Limited
Quarterly Report January - March 2010



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Condensed Interim Consolidated Financial Information

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Company Information

Board of Directors

M J Jaffer	Chairman (Non-Executive)	Tariq Iqbal Khan	Non-Executive
Waqar A Malik	Chief Executive	James R Rees	Non-Executive
Mueen Afzal *	Non-Executive	Feroz Rizvi	Executive
Ali A Aga	Executive	M Nawaz Tiwana	Non-Executive
Bart Kaster	Non-Executive	Derek W Welch	Non-Executive

Audit & Remuneration Sub Committees of the Board

Audit Sub Committee

M J Jaffer	Chairman (Non-Executive)
Mueen Afzal	Non-Executive
Bart Kaster	Non-Executive

Remuneration Sub Committee

M Nawaz Tiwana	Chairman (Non-Executive)
James R Rees	Non-Executive

Chief Financial Officer

Feroz Rizvi

Company Secretary

Saira Nishtar

Executive Management Team

Waqar A Malik	Chief Executive	Suhail Aslam Khan	Vice President, Polyester
Ali A Aga *	Vice President, Soda Ash	M Asif Malik	Vice President, Corporate HR & Life Sciences
Dr Amir Jafri	Vice President, Paints	Feroz Rizvi	Chief Financial Officer
Jehanzeb Khan	Vice President, Chemicals		

Bankers

Askari Bank Limited	MCB Bank Limited
Bank Al Habib Limited	Meezan Bank Limited
Bank Alfalah Limited	National Bank of Pakistan
Citibank N.A.	Oman International Bank
Deutsche Bank AG	Samba Bank Limited
Faysal Bank Limited	Standard Chartered Bank (Pakistan) Limited
Habib Bank Limited	The Royal Bank of Scotland Limited
HSBC Bank Middle East Limited	United Bank Limited

Auditors

Internal Auditors

Ernst & Young Ford Rhodes Sidat Hyder,
Chartered Accountants

External Auditors

KPMG Taseer Hadi & Co.,
Chartered Accountants

Registered Office

ICI House, 5 West Wharf, Karachi-74000
Tel : 111-100-200, (021) 32313717-22
Fax : 32311739
Web: www.icipakistan.com
E-mail: ccpa_pakistan@ici.com

Shares Registrar

FAMCO Associates (Pvt) Ltd
1st Floor, State Life Building 1-A
I. I. Chundrigar Road, Karachi-74000
Tel : (021) 32420755, 32427012, 32426597, 32475606 & 32425467
Fax : (021) 32426752

* names in alphabetical order

Review of the Directors For the Quarter Ended March 31, 2010

The Directors are pleased to present their review together with the un-audited financial statements of the Company for the quarter ended March 31, 2010.

Review of the Directors

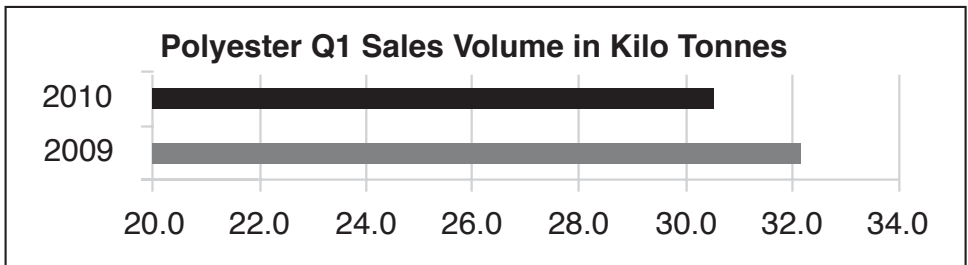
An 18 percent increase in turnover compared with the same quarter last year was achieved in a challenging economic and security environment. Operating profit was flat despite strong margin growth in the Polyester Fibre and the Chemicals Businesses as well as double digit volume growth in the Soda Ash business and in the Industrial, Refinish, Pharmaceutical and Animal Health segments. Your Company's operating profit growth was negatively impacted by over Rs 350 million due to the use of more expensive alternate fuel on account of the prolonged and unprecedented outages in supply of gas by the SNGPL during the quarter.

With other operating income higher by more than three times on account of higher interest income, the profit after tax was up 15.77 percent over the same quarter last year.

	Quarter Ended March 31,2010	
	2010	2009
Net Sales (Rs million)	8,088.16	6,722.80
Profit before taxation (Rs million)	609.78	525.54
Profit after taxation (Rs million)	396.78	342.72
Earnings per share (Rs)	2.86	2.47

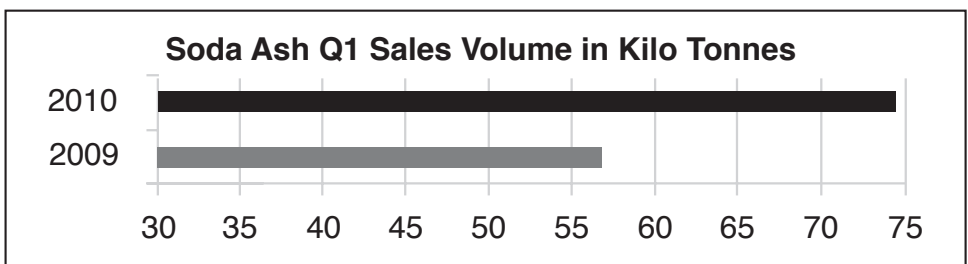
Review of the Directors For the Quarter Ended March 31, 2010

Polyester Fiber Business



Plant output was moderated in January in line with demand. However, in February and March it was operated at maximum capacity due to very strong demand from the downstream yarn industry. With better margin management, the Business posted an operating profit of Rs 320.34 million which was Rs 204.7 million higher over the same quarter last year. The operating result would have been even higher but for the use of more expensive fuel as explained above.

Soda Ash Business

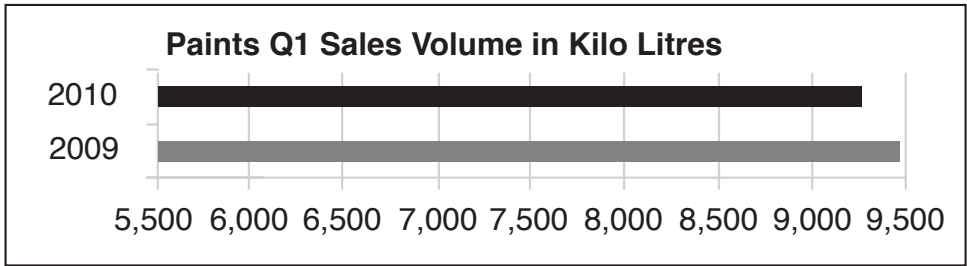


Our sales volumes were 31 percent higher compared to the same quarter last year, despite continued weak demand from the downstream industry affected by the energy crisis, due to exports of 13,847 tonnes of soda ash to the newly developed regional markets.

Internationally, prices of soda ash continue to remain weak. Unit margins during the quarter were hemorrhaged following unannounced and prolonged gas outages faced by the industrial units in the province of Punjab. To overcome this shortage, the use of alternative energy substitutes was made in order to meet our commitments to the customers. This, very significantly and negatively affected business operating result.

Review of the Directors For the Quarter Ended March 31, 2010

Paints Business

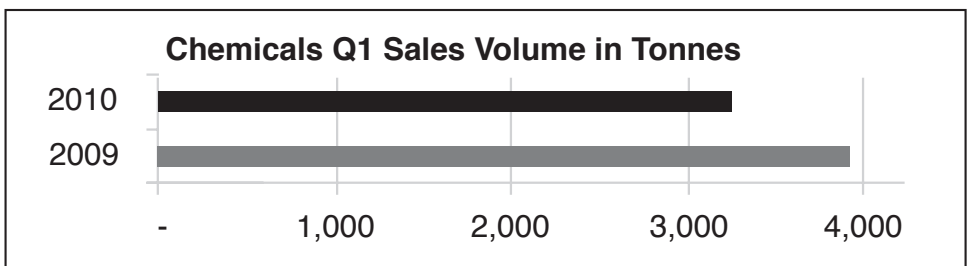


The Refinish and Industrial segments showed double digit growth in sales volumes, the Decorative segment has also started showing signs of gradual improvement following a pick-up in painting activity. Unit margins remained healthy. Operating result for the quarter at Rs 97.97 million was Rs 14.66 million lower due to provision against doubtful debts, stores and spares amounting to approximately Rs 23 million.

Life Sciences Business

Both Pharmaceutical and the Animal Health segments showed double digit volume growth. In our Seeds segment the Government initiative to grow more wheat by offering an attractive support price, continued to negatively affect our sales volumes in this segment. Resultantly, the operating result at Rs 87.18 million was lower by Rs 21.75 million despite higher operating results in both Pharmaceuticals and the Animal Health segments.

Chemicals Business

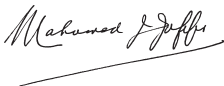


Overall volumes were higher in key segments except in the textile auxiliary segment due to weak demand from the value added textile sector. Operating result was almost in line with the same quarter last year.

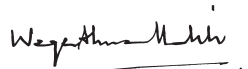
Review of the Directors For the Quarter Ended March 31, 2010

Future Outlook

The supply of gas to the industrial units significantly improved in April however the imbalance in supply and demand is expected to persist in the summer season, a scenario which is unique compared with previous years. Your Company strongly urges the Government of Pakistan to implement a long term integrated energy plan and in the short and medium term implement energy conservation plans, remove cross subsidies, and give priority for supply to sectors contributing towards increasing the national output.



M J Jaffer
Chairman



Waqar A Malik
Chief Executive

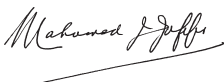
Date: April 27, 2010
Karachi

Condensed Interim Unconsolidated Balance Sheet (Unaudited) As at March 31, 2010

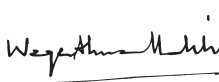
Amounts in Rs '000

	Note	March 31 2010	December 31 2009
ASSETS			
Non-Current Assets			
Property, plant and equipment	2	9,117,146	9,225,110
Long-term investments	3	712,500	712,500
Long-term loans	4	351,921	330,801
Long-term deposits and prepayments		34,086	29,078
		<u>1,098,507</u>	<u>1,072,379</u>
		10,215,653	10,297,489
Current Assets			
Stores and spares		498,473	496,401
Stock-in-trade	5	3,707,405	3,244,525
Trade debts		1,203,012	919,463
Loans and advances	6	407,643	406,739
Trade deposits and short-term prepayments		435,128	452,438
Other receivables		691,456	677,111
Taxation recoverable		545,356	460,240
Cash and bank balances		3,573,700	4,468,251
		<u>11,062,173</u>	<u>11,125,168</u>
Total Assets		<u>21,277,826</u>	<u>21,422,657</u>
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised capital 1,500,000,000 (December 31, 2009: 1,500,000,000) ordinary shares of Rs 10 each		15,000,000	15,000,000
Issued, subscribed and paid-up capital 138,802,300 (December 31, 2009: 138,802,300) ordinary shares of Rs 10 each		1,388,023	1,388,023
Capital reserves		465,845	465,845
Unappropriated profit		11,407,331	11,628,928
Total Equity		<u>13,261,199</u>	<u>13,482,796</u>
Surplus on Revaluation of Property, Plant and Equipment		925,611	931,846
LIABILITIES			
Non-Current Liabilities			
Provisions for non-management staff gratuity and eligible retired employees' medical scheme		189,668	183,019
Deferred tax liability - net		968,098	1,025,098
		<u>1,157,766</u>	<u>1,208,117</u>
Current Liabilities			
Short-term financing	7	64,892	-
Trade and other payables		5,868,358	5,799,898
		<u>5,933,250</u>	<u>5,799,898</u>
Contingencies and Commitments	8		
Total Equity and Liabilities		<u>21,277,826</u>	<u>21,422,657</u>

The annexed notes 1 to 16 form an integral part of the condensed interim unconsolidated financial information.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



Feroz Rizvi
Chief Financial Officer

Condensed Interim Unconsolidated Profit and Loss Account (Unaudited) For the Quarter Ended March 31, 2010

	Polyester		Soda Ash	
	For the 3 months ended March 31 2010	For the 3 months ended March 31 2009	For the 3 months ended March 31 2010	For the 3 months ended March 31 2009
Turnover - note 9	3,995,742	3,045,481	1,908,489	1,463,295
Sales tax	-	-	279,360	247,189
Excise duty	-	-	13,640	12,041
Commission and discounts to distributors and customers	11,494	19,939	70,166	5,136
	11,494	19,939	363,166	264,366
Net sales, commission and toll income	3,984,248	3,025,542	1,545,323	1,198,929
Cost of sales - note 9 and 10	3,607,149	2,849,777	1,425,002	960,726
Gross profit	377,099	175,765	120,321	238,203
Selling and distribution expenses	15,706	10,765	61,158	13,207
Administration and general expenses	41,056	49,365	58,230	45,545
Operating result	320,337	115,635	933	179,451
Financial charges				
Workers' profit participation fund				
Workers' welfare fund				
Other operating charges				
Other operating income				
Profit before taxation				
Taxation - note 11				
Profit after taxation				

Financial charges
Workers' profit participation fund
Workers' welfare fund
Other operating charges

Other operating income

Profit before taxation

Taxation - note 11

Profit after taxation

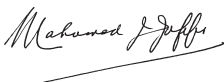
Earning per share - Basic and Diluted

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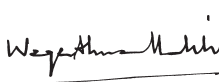
Condensed Interim Unconsolidated Profit and Loss Account (Unaudited) For the Quarter Ended March 31, 2010

Amounts in Rs '000

Paints		Life Sciences		Chemicals		Company	
For the 3 months ended March 31 2010	For the 3 months ended March 31 2009	For the 3 months ended March 31 2010	For the 3 months ended March 31 2009	For the 3 months ended March 31 2010	For the 3 months ended March 31 2009	For the 3 months ended March 31 2010	For the 3 months ended March 31 2009
1,724,129	1,659,983	914,053	965,459	677,292	697,002	9,149,760	7,747,747
229,350	212,210	-	-	70,340	64,678	579,050	524,077
14,169	12,968	-	-	2,314	1,694	30,123	26,703
256,118	282,940	79,666	117,637	34,979	48,514	452,423	474,166
499,637	508,118	79,666	117,637	107,633	114,886	1,061,596	1,024,946
1,224,492	1,151,865	834,387	847,822	569,659	582,116	8,088,164	6,722,801
857,241	779,575	602,364	605,647	456,916	477,407	6,878,727	5,589,659
367,251	372,290	232,023	242,175	112,743	104,709	1,209,437	1,133,142
173,783	189,280	115,681	103,104	32,949	28,355	399,277	344,711
95,503	70,388	29,161	30,143	31,569	27,948	255,519	223,389
97,965	112,622	87,181	108,928	48,225	48,406	554,641	565,042
						37,403	34,419
						32,227	27,869
						12,445	10,785
						6,969	7,548
						89,044	80,621
						144,181	41,123
						609,778	525,544
						213,000	182,827
						396,778	342,717
						(Rupees)	
						2.86	2.47



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



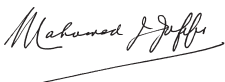
Feroz Rizvi
Chief Financial Officer

Condensed Interim Unconsolidated Statement of Comprehensive Income (Unaudited) For the Quarter Ended March 31, 2010

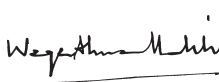
Amounts in Rs '000

	For the 3 months ended March 31 2010	For the 3 months ended March 31 2009
Profit for the period	396,778	342,717
Other comprehensive income	-	-
Total comprehensive income for the quarter	396,778	342,717

The annexed notes 1 to 16 form an integral part of the condensed interim unconsolidated financial information.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



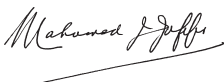
Feroz Rizvi
Chief Financial Officer

Condensed Interim Unconsolidated Cash Flow Statement (Unaudited) For the Quarter Ended March 31, 2010

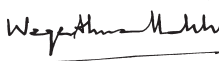
Amounts in Rs '000

	March 31 2010	March 31 2009
Cash Flows from Operating Activities		
Profit before taxation	609,778	525,544
Adjustments for:		
Depreciation and amortisation	224,455	198,645
Gain on disposal of property, plant and equipment	(18,671)	(2,936)
Provision for non-management staff gratuity and eligible retired employees' medical scheme	10,072	13,584
Mark-up on bank deposits and on loan/standby facility to subsidiary	(98,847)	(20,750)
Interest / mark-up expense	16,933	28,007
	<u>743,720</u>	<u>742,094</u>
Movement in:		
Working capital	(1,209,736)	(569,552)
Long-term loans	(21,120)	(23,387)
Long-term deposits and prepayments	(5,008)	(2,725)
Cash (used in) / generated from operations	<u>(492,144)</u>	<u>146,430</u>
Payments for :		
Non-management staff gratuity and eligible retired employees' medical scheme	(3,423)	(2,446)
Taxation	(355,116)	(75,967)
Interest / mark-up	(16,933)	(35,934)
Profit / mark-up received	80,040	8,091
Net cash (used in) / generated from operating activities	<u>(787,576)</u>	<u>40,174</u>
Cash Flows from Investing Activities		
Payments for capital expenditure	(209,971)	(328,046)
Proceeds from disposal of property, plant and equipment	20,579	3,380
Profit / mark-up received from subsidiary	17,525	14,047
Loan / standby finance facility to subsidiary company - net	-	(76,000)
Net cash used in investing activities	<u>(171,867)</u>	<u>(386,619)</u>
Cash Flows from Financing Activities	-	-
Net decrease in cash and cash equivalents	<u>(959,443)</u>	<u>(346,445)</u>
Cash and cash equivalents at January 1	<u>4,468,251</u>	<u>1,971,081</u>
Cash and cash equivalents at March 31	<u><u>3,508,808</u></u>	<u><u>1,624,636</u></u>
Movement in Working Capital (Increase) / decrease in current assets		
Stores and spares	(2,072)	(9,456)
Stock-in-trade	(462,880)	358,370
Trade debts	(283,549)	(480,902)
Loans and advances	(904)	18,948
Trade deposits and short-term prepayments	17,310	75,107
Other receivables	(13,063)	189,982
	<u>(745,158)</u>	<u>152,049</u>
Decrease in current liability		
Trade and other payables	(464,578)	(721,601)
	<u>(1,209,736)</u>	<u>(569,552)</u>
Cash and cash equivalents at March 31 comprise of:		
Cash and bank balances	3,573,700	1,657,779
Running finances utilised under mark-up arrangements	(64,892)	(33,143)
	<u><u>3,508,808</u></u>	<u><u>1,624,636</u></u>

The annexed notes 1 to 16 form an integral part of the condensed interim unconsolidated financial information.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



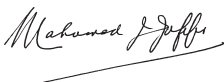
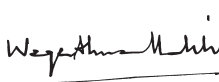
Feroz Rizvi
Chief Financial Officer

Condensed Interim Unconsolidated Statement of Changes in Equity (Unaudited) For the Quarter Ended March 31, 2010

Amounts in Rs '000

	Issued, subscribed and paid-up share capital	Capital reserves	Unappropriated profit	Total
Balance as on January 1, 2009	1,388,023	465,845	10,594,258	12,448,126
Changes in equity for 2009				
Final dividend for the year ended December 31, 2008 @ Rs 4.00 per share, transactions with owners, recorded directly in equity	-	-	(555,209)	(555,209)
Total comprehensive income for the quarter ended March 31, 2009	-	-	342,717	342,717
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred taxation	-	-	7,669	7,669
	-	-	350,386	350,386
Balance as on March 31, 2009	1,388,023	465,845	10,389,435	12,243,303
Total comprehensive income for the nine months ended December 31, 2009	-	-	1,702,021	1,702,021
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred taxation	-	-	23,280	23,280
	-	-	1,725,301	1,725,301
Interim dividend for the year 2009 @ Rs 3.50 per share, transactions with owners, recorded directly in equity	-	-	(485,808)	(485,808)
Balance as on December 31, 2009	1,388,023	465,845	11,628,928	13,482,796
Changes in equity for 2010				
Final dividend for the year ended December 31, 2009 @ Rs 4.50 per share, transactions with owners, recorded directly in equity	-	-	(624,610)	(624,610)
Total comprehensive income for the quarter ended March 31, 2010	-	-	396,778	396,778
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred taxation	-	-	6,235	6,235
	-	-	403,013	403,013
Balance as on March 31, 2010	1,388,023	465,845	11,407,331	13,261,199

The annexed notes 1 to 16 form an integral part of the condensed interim unconsolidated financial information.


M J Jaffer
Chairman / Director

Waqar A Malik
Chief Executive

Feroz Rizvi
Chief Financial Officer

Notes to the Condensed Interim Unconsolidated Financial Information (Unaudited) For the Quarter Ended March 31, 2010

Amounts in Rs '000

1. The condensed interim unconsolidated financial information has been presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and is being submitted to shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984. This condensed interim unconsolidated financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended December 31, 2009.

1.1 The accounting policies and methods of computation adopted for the preparation of this condensed interim unconsolidated financial information are the same as those applied in the preparation of the financial statements for the preceding year ended December 31, 2009.

2. PROPERTY, PLANT AND EQUIPMENT

	March 31 2010	December 31 2009
Operating assets - at net book value	8,682,327	8,835,201
Capital work-in-progress - at cost		
Civil works and buildings	77,027	50,634
Plant and machinery	196,622	183,965
Miscellaneous equipment	67,643	33,664
Advances to suppliers / contractors	93,527	121,646
	<u>434,819</u>	<u>389,909</u>
	<u>9,117,146</u>	<u>9,225,110</u>

2.1 Following is the cost of operating property, plant and equipment that have been added / disposed off during the quarter ended March 31, 2010:

	Additions/Transfers		Disposals	
	March 31 2010	March 31 2009	March 31 2010	March 31 2009
Buildings on freehold land	7,808	150	-	-
Buildings on leasehold land	255	1,938	-	-
Plant and machinery	57,041	8,942	5,539	4,079
Vehicles	363	-	477	172
Furniture and equipment	8,022	13,125	23,921	509
	<u>73,489</u>	<u>24,155</u>	<u>29,937</u>	<u>4,760</u>

3. LONG-TERM INVESTMENTS

	March 31 2010	December 31 2009
Unquoted		
Subsidiary - ICI Pakistan PowerGen Limited (wholly owned) - note 3.1 7,100,000 ordinary shares (December 31, 2009: 7,100,000) of Rs 100 each	710,000	710,000
Others		
Equity security available for sale - Arabian Sea Country Club Limited	2,500	2,500
	<u>712,500</u>	<u>712,500</u>

3.1 The value of the Company's investment on the basis of net assets of the Subsidiary as disclosed in the unaudited condensed interim financial information for the quarter ended March 31, 2010 amounted to Rs 266.589 million (December 31, 2009: Rs 258.426 million).

Notes to the Condensed Interim Unconsolidated Financial Information (Unaudited) For the Quarter Ended March 31, 2010

Amounts in Rs '000

	March 31 2010	December 31 2009
4. LONG-TERM LOANS - considered good		
Due from Subsidiary - Unsecured loan - note 4.1	200,000	200,000
Due from Directors, Executives and Employees - note 4.2	207,315	175,993
	<u>407,315</u>	<u>375,993</u>
Less: Current portion shown under current assets		
Due from Directors, Executives and Employees - note 4.2	55,394	45,192
	<u>351,921</u>	<u>330,801</u>
4.1 This represents loans given to ICI Pakistan PowerGen Limited (wholly owned subsidiary) carrying a markup at 3 months KIBOR + 2%. These loans are repayable in nine equal semi annual instalments commencing from October 1, 2011.		
4.2 These include loans to key management personnel for the purchase of motor cars and house building assistance and are repayable between two to ten years. These loans are interest free and granted to the employees of the Company in accordance with their terms of employment.		
5. STOCK-IN-TRADE		
Of the total carrying value of inventories Rs 81.53 million (December 31, 2009: Rs 18.663 million) is measured at net realisable value. As at March 31, 2010 stock has been written down by Rs 1.62 million (December 31, 2009: Rs 1.62 million) to arrive at its net realisable value.		
6. LOANS AND ADVANCES		
A standby finance facility of Rs 300 million (December 31, 2009: Rs 300 million short term loan) is provided to ICI Pakistan PowerGen Limited (wholly owned subsidiary) repayable on demand at a markup rate of 3 months KIBOR + 1.65% (December 31, 2009: Rs 3 months KIBOR + 1.65%). The amount utilized under this facility as at March 31, 2010 amounted to Rs. 283 million (December 31, 2009: Rs 283 million).		
7. SHORT-TERM FINANCING		
Running finances utilised under mark-up arrangements - note 7.1	<u>64,892</u>	<u>-</u>
7.1 The facilities for running finance available from various banks amounted to Rs 2,721 million (December 31, 2009: Rs 2,691 million) and carry mark-up during the period ranging from 13.08 to 16.25 percent per annum (December 31, 2009: 12.64 to 17.37 percent per annum). The facilities are secured by hypothecation charge over the present and future stock-in-trade and book debts of the Company and first pari passu charge over plant and machinery of Polyester Business of the Company.		
8. CONTINGENCIES AND COMMITMENTS		
8.1 Claims against the Company not acknowledged as debts are as follows:		
Local bodies	14,178	14,631
Sales Tax authorities	93,323	93,323
Others	136,601	53,396
	<u>244,102</u>	<u>161,350</u>
8.2 Guarantees issued by the Company in respect of financial and operational obligations of Lotte Pakistan PTA Limited (formerly Pakistan PTA limited) pursuant to the Scheme of Arrangement, against which Lotte Pakistan PTA Limited (formerly Pakistan PTA limited) and KP Chemicals Corporation Limited, the parent Company of Lotte Pakistan PTA limited (formerly Pakistan PTA limited), has issued counter guarantees to the Company.	<u>2,280,000</u>	<u>2,280,000</u>
8.3 Guarantees issued by the Company to a bank in respect of financing obtained by Senior Executives, in accordance with the terms of employment.	<u>35,000</u>	<u>35,000</u>
8.4 Guarantee issued by the Company to a bank on behalf of its subsidiary ICI Pakistan PowerGen Limited for availing funded facility.	<u>133,000</u>	<u>133,000</u>
8.5 Commitments in respect of capital expenditure.	<u>56,397</u>	<u>23,875</u>

Notes to the Condensed Interim Unconsolidated Financial Information (Unaudited) For the Quarter Ended March 31, 2010

Amounts in Rs '000

8.6 A notice has been issued by the Environmental Protection Authority (EPA) against the Paints factory located at Ferozpur road, Lahore. Pursuant to this an order has been passed by the EPA for violation of certain provisions of the act. The Company has filed an appeal against the order in the Environmental Tribunal in Lahore and is of the opinion that the order is not justified.

8.7 Commitments for rentals under operating lease agreements in respect of vehicles are as follows:

Year	March 31 2010	December 31 2009
2010	51,317	66,746
2011	60,849	58,165
2012	48,347	45,305
2013	27,586	23,680
2014	2,046	1,270
	190,145	195,166
Payable not later than one year	67,360	66,746
Payable later than one year but not later than five years	122,785	128,420
	190,145	195,166
	For the 3 months ended March 31 2010	For the 3 months ended March 31 2009

9. INTER-SEGMENT SALES AND PURCHASES

Inter-segment sales and purchases have been eliminated from the total	69,945	83,473
---	---------------	--------

Transactions among the business segments are recorded at arm's length prices using admissible valuation methods.

10. COST OF SALES

Opening stock of raw and packing materials	1,218,757	1,422,502
Purchases	4,834,192	3,546,891
	6,052,949	4,969,393
Closing stock of raw and packing materials	(1,417,102)	(1,397,782)
	4,635,847	3,571,611
Raw and packing materials consumption	1,620,371	1,156,604
	6,256,218	4,728,215
Opening stock of work-in-process	83,229	134,237
	6,339,447	4,862,452
Closing stock of work-in-process	(117,428)	(137,365)
	6,222,019	4,725,087
Cost of goods manufactured	1,942,539	1,395,217
Opening stock of finished goods	887,044	527,794
Finished goods purchased		
	9,051,602	6,648,098
Closing stock of finished goods	(2,172,875)	(1,058,439)
	6,878,727	5,589,659

11. TAXATION

Current	270,000	19,809
Deferred	(57,000)	163,018
	213,000	182,827

Notes to the Condensed Interim Unconsolidated Financial Information (Unaudited) For the Quarter Ended March 31, 2010

Amounts in Rs '000

12. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise parent company (ICI Omicron B.V.), ultimate parent company (AkzoNobel N.V.), related group companies, local associated company, directors of the Company, companies where directors also hold directorship, key employees and staff retirement funds. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in this condensed interim unconsolidated financial information are as follows:

	For the 3 months ended March 31 2010	For the 3 months ended March 31 2009
Subsidiary Company		
Purchase of goods, materials and services	225,397	149,496
Provision of services and other receipts	495	495
Repayment of loan by subsidiary	-	24,000
Return on loan and on standby finance facility	16,822	12,659
Running finance facility availed by subsidiary	-	100,000
Associated Companies		
Purchase of goods, materials and services	26,357	1,859,981
Provision of services and other receipts	2,897	2,647
Sale of goods and materials	27,313	27,103
Contribution to staff retirement benefit plans	32,427	33,165
Dividends	473,517	420,917
Donations	-	300

12.1 Transaction with key management personnel

Key management personnel received an amount of Rs 67.839 million (March 31, 2009: Rs 62.889 million) on account of remuneration out of which Rs 6.072 million (March 31, 2009: Rs 4.771 million) relates to post employment benefits.

13. ESTIMATES

Judgments and estimates made by the management in the preparation of the condensed interim unconsolidated financial information were the same as those that were applied to the financial statements as at and for the year ended December 31, 2009.

14. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the financial statements as at and for the year ended December 31, 2009.

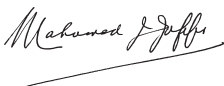
15. DATE OF AUTHORISATION

This condensed interim unconsolidated financial information was authorised for issue in the Board of Directors meeting held on April 27, 2010.

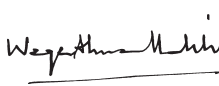
16. GENERAL

16.1 Figures have been rounded off to the nearest thousand rupees except as stated otherwise.

16.2 Certain figures have been reclassified in the condensed interim unconsolidated financial information for better presentation and disclosures in line with the annual financial statements of 2009. The effect of restatement have been properly accounted for in this condensed interim unconsolidated financial information in line with the financial statements of 2009.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



Feroz Rizvi
Chief Financial Officer

Condensed Interim Consolidated Financial Information

ICI Pakistan Limited and its Subsidiary Company



Review of the Directors For the Quarter Ended March 31, 2010

The Directors are pleased to present their review together with the un-audited Group results of ICI Pakistan Limited for the quarter ended March 31, 2010. The ICI Pakistan Group comprises of ICI Pakistan Limited and ICI Pakistan PowerGen Limited, a wholly owned subsidiary.

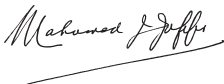
The Directors review, giving a commentary on the performance of ICI Pakistan Limited for the quarter ended March 31, 2010 has been presented separately.

During the quarter, crude oil prices showed an upward trend. Furnace oil prices during the three months of 2010 at Rs 44,549/ton were on an average higher by 78 percent as compared to the prices of Rs 25,076/ton in the same quarter last year.

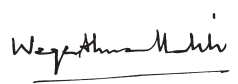
Electricity sales volume for the quarter was 2 percent higher compared with the same period last year. This was due to higher demand from the Polyester plant of ICI Pakistan Limited. This along with revision in electricity tariff enabled the Company to achieve an operating result for the quarter of Rs 26.1 million compared to Rs 18.1 million in Q1 2009.

FUTURE OUTLOOK

Furnace oil prices are expected to continue rising due to increased demand as the world economy starts to recover from the current recession.



M J Jaffer
Chairman



Waqar A Malik
Chief Executive

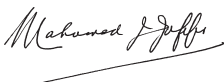
Date: April 27, 2010
Karachi

Condensed Interim Consolidated Balance Sheet (Unaudited) As at March 31, 2010

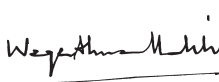
Amounts in Rs '000

	Note	March 31 2010	December 31 2009
ASSETS			
Non-Current Assets			
Property, plant and equipment	2	9,754,281	9,862,870
Long-term investments	3	2,500	2,500
Long-term loans	4	152,787	131,430
Long-term deposits and prepayments		34,086	29,078
		189,373	163,008
		9,943,654	10,025,878
Current Assets			
Stores and spares		555,629	554,581
Stock-in-trade	5	3,722,951	3,253,345
Trade debts		1,228,459	944,879
Loans and advances		125,823	124,940
Trade deposits and short-term prepayments		437,041	454,433
Other receivables		729,374	713,444
Taxation recoverable		545,356	460,240
Cash and bank balances		3,636,292	4,547,713
		10,980,925	11,053,575
Total Assets		20,924,579	21,079,453
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorised capital			
1,500,000,000 (December 31, 2009: 1,500,000,000) ordinary shares of Rs 10 each		15,000,000	15,000,000
Issued, subscribed and paid-up capital			
138,802,300 (December 31, 2009: 138,802,300) ordinary shares of Rs 10 each		1,388,023	1,388,023
Capital reserves		465,845	465,845
Unappropriated profit		10,950,706	11,163,577
Total Equity		12,804,574	13,017,445
Surplus on Revaluation of Property, Plant and Equipment		937,326	944,124
LIABILITIES			
Non-Current Liabilities			
Provisions for non-management staff gratuity and eligible retired employees' medical scheme		189,907	183,258
Deferred tax liability - net		968,098	1,025,098
		1,158,005	1,208,356
Current Liabilities			
Short-term financing	6	64,892	36,038
Trade and other payables		5,959,782	5,873,490
		6,024,674	5,909,528
Contingencies and Commitments	7		
Total Equity and Liabilities		20,924,579	21,079,453

The annexed notes 1 to 15 form an integral part of the condensed interim consolidated financial information.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



Feroz Rizvi
Chief Financial Officer

Condensed Interim Consolidated Profit and Loss Account (Unaudited) For the Quarter Ended March 31, 2010

	Polyester		Soda Ash		Paints	
	For the 3 months ended March 31 2010	For the 3 months ended March 31 2009	For the 3 months ended March 31 2010	For the 3 months ended March 31 2009	For the 3 months ended March 31 2010	For the 3 months ended March 31 2009
Turnover - note 8	3,995,742	3,045,481	1,908,489	1,463,295	1,724,129	1,659,983
Sales tax	-	-	279,360	247,189	229,350	212,210
Excise duty	-	-	13,640	12,041	14,169	12,968
Commission and discounts to distributors and customers	11,494	19,939	70,166	5,136	256,118	282,940
	11,494	19,939	363,166	264,366	499,637	508,118
Net sales, commission and toll income	3,984,248	3,025,542	1,545,323	1,198,929	1,224,492	1,151,865
Cost of sales - note 8 and 9	3,607,149	2,849,777	1,425,002	960,726	857,241	779,575
Gross profit	377,099	175,765	120,321	238,203	367,251	372,290
Selling and distribution expenses	15,706	10,765	61,158	13,207	173,783	189,280
Administration and general expenses	41,056	49,365	58,230	45,545	95,503	70,388
Operating result	320,337	115,635	933	179,451	97,965	112,622
Financial charges						
Workers' profit participation fund						
Workers' welfare fund						
Other operating charges						
Other operating income						
Profit before taxation						
Taxation - note 10						
Profit after taxation						

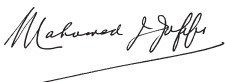
Earning per share - Basic and Diluted

The annexed notes 1 to 15 form an integral part of the condensed interim consolidated financial information.

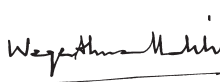
Condensed Interim Consolidated Profit and Loss Account (Unaudited) For the Quarter Ended March 31, 2010

Amounts in Rs '000

Life Sciences		Chemicals		Others- PowerGen		Group	
For the 3 months ended March 31 2010	For the 3 months ended March 31 2009	For the 3 months ended March 31 2010	For the 3 months ended March 31 2009	For the 3 months ended March 31 2010	For the 3 months ended March 31 2009	For the 3 months ended March 31 2010	For the 3 months ended March 31 2009
914,053	965,459	677,292	697,002	225,397	149,496	9,149,760	7,747,747
-	-	70,340	64,678	31,089	20,620	610,139	544,697
-	-	2,314	1,694	-	-	30,123	26,703
79,666	117,637	34,979	48,514	-	-	452,423	474,166
79,666	117,637	107,633	114,886	31,089	20,620	1,092,685	1,045,566
834,387	847,822	569,659	582,116	194,308	128,876	8,057,075	6,702,181
602,364	605,647	456,916	477,407	167,645	110,557	6,820,540	5,550,285
232,023	242,175	112,743	104,709	26,663	18,319	1,236,535	1,151,896
115,681	103,104	32,949	28,355	-	-	399,277	344,711
29,161	30,143	31,569	27,948	588	188	256,047	223,517
87,181	108,928	48,225	48,406	26,075	18,131	581,211	583,668
						38,465	40,946
						32,635	27,869
						12,600	10,785
						7,144	7,548
						90,844	87,148
						127,574	28,254
						617,941	524,774
						213,000	182,827
						404,941	341,947
						(Rupees)	
						2.92	2.46



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



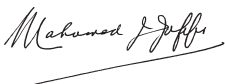
Feroz Rizvi
Chief Financial Officer

Condensed Interim Consolidated Statement of Comprehensive Income (Unaudited) For the Quarter Ended March 31, 2010

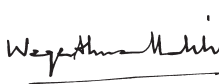
Amounts in Rs '000

	For the 3 months ended March 31 2010	For the 3 months ended March 31 2009
Profit for the period	404,941	341,947
Other comprehensive income	-	-
Total comprehensive income for the quarter	404,941	341,947

The annexed notes 1 to 15 form an integral part of the condensed interim consolidated financial information.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



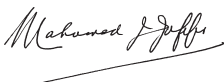
Feroz Rizvi
Chief Financial Officer

Condensed Interim Consolidated Cash Flow Statement (Unaudited) For the Quarter Ended March 31, 2010

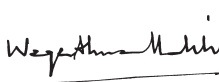
Amounts in Rs '000

	March 31 2010	March 31 2009
Cash Flows from Operating Activities		
Profit before taxation	617,941	524,774
Adjustments for:		
Depreciation and amortisation	244,992	220,541
Gain on disposal of property, plant and equipment	(18,671)	(2,936)
Provision for non-management staff gratuity and eligible retired employees' medical scheme	10,072	13,584
Mark-up on bank deposits	(82,025)	(8,091)
Interest / mark-up expense	17,995	34,534
	<u>790,304</u>	<u>782,406</u>
Movement in:		
Working capital	(1,198,616)	(569,017)
Long-term loans	(21,357)	(23,323)
Long-term deposits and prepayments	(5,008)	(2,725)
Cash (used in) / generated from operations	<u>(434,677)</u>	<u>187,341</u>
Payments for :		
Non-management staff gratuity and eligible retired employees' medical scheme	(3,423)	(2,446)
Taxation	(355,116)	(76,139)
Interest / mark-up	(17,923)	(42,381)
Profit / mark-up received	80,040	8,091
Net cash (used in) / generated from operating activities	<u>(731,099)</u>	<u>74,466</u>
Cash Flows from Investing Activities		
Payments for capital expenditure	(229,755)	(329,330)
Proceeds from disposal of property, plant and equipment	20,579	3,380
Net cash used in investing activities	<u>(209,176)</u>	<u>(325,950)</u>
Cash Flows from Financing Activities	-	-
Net decrease in cash and cash equivalents	<u>(940,275)</u>	<u>(251,484)</u>
Cash and cash equivalents at January 1	4,511,675	1,743,816
Cash and cash equivalents at March 31	<u><u>3,571,400</u></u>	<u><u>1,492,332</u></u>
Movement in Working Capital (Increase) / Decrease in current assets		
Stores and spares	(1,048)	(24,034)
Stock-in-trade	(469,606)	362,525
Trade debts	(283,580)	(480,904)
Loans and advances	(883)	18,893
Trade deposits and short-term prepayments	17,392	72,661
Other receivables	(13,945)	192,809
	<u>(751,670)</u>	<u>141,950</u>
Decrease in current liability		
Trade and other payables	(446,946)	(710,967)
	<u>(1,198,616)</u>	<u>(569,017)</u>
Cash and cash equivalents at March 31 comprise of:		
Cash and bank balances	3,636,292	1,684,077
Running finances utilised under mark-up arrangements	(64,892)	(191,745)
	<u><u>3,571,400</u></u>	<u><u>1,492,332</u></u>

The annexed notes 1 to 15 form an integral part of the condensed interim consolidated financial information.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



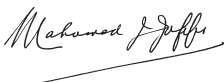
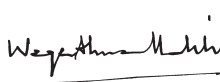
Feroz Rizvi
Chief Financial Officer

Condensed Interim Consolidated Statement of Changes in Equity (Unaudited) For the Quarter Ended March 31, 2010

Amounts in Rs '000

	Issued, subscribed and paid-up share capital	Capital reserves	Unappropriated profit	Total
Balance as on January 1, 2009	1,388,023	465,845	10,117,065	11,970,933
Changes in equity for 2009				
Final dividend for the year ended December 31, 2008 @ Rs 4.00 per share, transactions with owners, recorded directly in equity	-	-	(555,209)	(555,209)
Total comprehensive income for the quarter ended March 31, 2009	-	-	341,947	341,947
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred taxation	-	-	8,231	8,231
	-	-	350,178	350,178
Balance as on March 31, 2009	1,388,023	465,845	9,912,034	11,765,902
Total comprehensive income for the nine months ended December 31, 2009	-	-	1,712,383	1,712,383
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred taxation	-	-	24,968	24,968
	-	-	1,737,351	1,737,351
Interim dividend for the year 2009 @ Rs 3.50 per share, transactions with owners, recorded directly in equity	-	-	(485,808)	(485,808)
Balance as on December 31, 2009	1,388,023	465,845	11,163,577	13,017,445
Changes in equity for 2010				
Final dividend for the year ended December 31, 2009 @ Rs 4.50 per share, transactions with owners, recorded directly in equity	-	-	(624,610)	(624,610)
Total comprehensive income for the quarter ended March 31, 2010	-	-	404,941	404,941
Transfer from surplus on revaluation of property, plant and equipment incremental depreciation for the period - net of deferred taxation	-	-	6,798	6,798
	-	-	411,739	411,739
Balance as on March 31, 2010	1,388,023	465,845	10,950,706	12,804,574

The annexed notes 1 to 15 form an integral part of the condensed interim consolidated financial information.


M J Jaffer
Chairman / Director

Waqar A Malik
Chief Executive

Feroz Rizvi
Chief Financial Officer

Notes to the Condensed Interim Consolidated Financial Information (Unaudited) For the Quarter Ended March 31, 2010

Amounts in Rs '000

1. The condensed interim consolidated financial information comprises the consolidated balance sheet of ICI Pakistan Limited and its subsidiary company, ICI Pakistan PowerGen Limited, as at March 31, 2010 and the related consolidated profit and loss account, consolidated statement of comprehensive income, consolidated cash flow statement and consolidated statement of changes in equity together with the notes forming part thereof.
- 1.1 The condensed interim consolidated financial information has been prepared in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and is being submitted to shareholders in accordance with the requirements of section 245 of Companies Ordinance, 1984. This condensed interim consolidated financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended December 31, 2009.
- 1.2 The accounting policies and methods of computation adopted for the preparation of this condensed interim consolidated financial information are the same as those applied in the preparation of the financial statements for the preceding year ended December 31, 2009.

2. PROPERTY, PLANT AND EQUIPMENT

	March 31 2010	December 31 2009
Operating assets - at net book value	9,272,576	9,445,987
Capital work-in-progress - at cost		
Civil works and buildings	77,744	51,121
Plant and machinery	241,977	209,638
Miscellaneous equipment	67,643	33,664
Advances to suppliers / contractors	94,341	122,460
	481,705	416,883
	<u>9,754,281</u>	<u>9,862,870</u>

- 2.1 Following is the cost of operating property, plant and equipment that have been added / disposed off during the quarter ended March 31, 2010:

	Additions/Transfers		Disposals	
	March 31 2010	March 31 2009	March 31 2010	March 31 2009
Buildings on freehold land	7,808	150	-	-
Buildings on leasehold land	255	1,938	-	-
Plant and machinery	57,041	8,942	5,539	4,079
Vehicles	363	-	477	172
Furniture and equipment	8,022	13,125	23,921	509
	<u>73,489</u>	<u>24,155</u>	<u>29,937</u>	<u>4,760</u>

3. LONG-TERM INVESTMENT

	March 31 2010	December 31 2009
<i>Unquoted</i>		
Equity security available for sale - Arabian Sea Country Club Limited	2,500	2,500

4. LONG-TERM LOANS - considered good

Due from Directors, Executives and Employees - note 4.1	208,459	176,912
Less: Current portion shown under current assets		
Due from Directors, Executives and Employees - note 4.1	55,672	45,482
	<u>152,787</u>	<u>131,430</u>

- 4.1 These include loans to key management personnel for the purchase of motor cars and house building assistance and are repayable between two to ten years. These loans are interest free and granted to the employees of the Group in accordance with their terms of employment.

Notes to the Condensed Interim Consolidated Financial Information (Unaudited) For the Quarter Ended March 31, 2010

Amounts in Rs '000

5. STOCK-IN-TRADE

Of the total carrying value of inventories Rs 81.53 million (December 31, 2009: Rs 18.663 million) is measured at net realisable value. As at March 31, 2010 stock has been written down by Rs 1.62 million (December 31, 2009: Rs 1.62 million) to arrive at its net realisable value.

6. SHORT-TERM FINANCING

	March 31 2010	December 31 2009
Running finances utilised under mark-up arrangements - note 6.1	<u>64,892</u>	<u>36,038</u>
6.1 The facilities for running finance available from various banks amounted to Rs 3,054 million (December 31, 2009: Rs 2,991 million) and carry mark-up during the period ranging from 13.08 to 16.25 percent per annum (December 31, 2009: 12.64 to 17.37 percent per annum). The facilities are secured by hypothecation charge over the present and future stock-in-trade and book debts of the Group and first pari passu charge over plant and machinery of Polyester Business of the Group.		

7. CONTINGENCIES AND COMMITMENTS

7.1 Claims against the Group not acknowledged as debts are as follows:

Local bodies	31,889	32,342
Sales Tax authorities	93,323	93,323
Others	136,601	53,396
	<u>261,813</u>	<u>179,061</u>

7.2 A notice has been issued by the Environmental Protection Authority (EPA) against the Paints factory located at Ferozpur road, Lahore. Pursuant to this an order has been passed by the EPA for violation of certain provisions of the act. The Company has filed an appeal against the order in the Environmental Tribunal in Lahore and is of the opinion that the order is not justified.

7.3 Guarantees issued by the Group in respect of financial and operational obligations of Lotte Pakistan PTA Limited (formerly Pakistan PTA limited) pursuant to the Scheme of Arrangement, against which Lotte Pakistan PTA Limited (formerly Pakistan PTA limited) and KP Chemicals Corporation Limited, the parent Company of Lotte Pakistan PTA limited (formerly Pakistan PTA limited), has issued counter guarantees to the Group.

	<u>2,280,000</u>	<u>2,280,000</u>
7.4 Guarantees issued by the Company to a bank in respect of financing obtained by Senior Executives, in accordance with the terms of employment.	<u>35,000</u>	<u>35,000</u>
7.5 Commitments in respect of capital expenditure	<u>59,618</u>	<u>33,875</u>
7.6 Guarantee issued by the Company to a bank on behalf of its subsidiary ICI Pakistan PowerGen Limited for availing funded facility.	<u>133,000</u>	<u>133,000</u>

7.7 Commitments for rentals under operating lease agreements in respect of vehicles are as follows:

Year		
2010	51,667	67,213
2011	61,316	58,633
2012	48,814	45,772
2013	27,703	23,797
2014	2,046	1,270
	<u>191,546</u>	<u>196,685</u>
Payable not later than one year	67,828	67,213
Payable later than one year but not later than five years	123,718	129,472
	<u>191,546</u>	<u>196,685</u>

Notes to the Condensed Interim Consolidated Financial Information (Unaudited) For the Quarter Ended March 31, 2010

Amounts in Rs '000

For the 3 months ended March 31 2010	For the 3 months ended March 31 2009
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8. INTER-SEGMENT SALES AND PURCHASES

Inter-segment sales and purchases have been eliminated from the total. 295,342 232,969

Transactions among the business segments are recorded at arm's length prices using admissible valuation methods.

9. COST OF SALES

Opening stock of raw and packing materials	1,227,577	1,436,245
Purchases	4,927,578	3,583,687
	6,155,155	5,019,932
Closing stock of raw and packing materials	(1,432,648)	(1,407,370)
Raw and packing materials consumption	4,722,507	3,612,562
Manufacturing costs	1,475,524	1,076,279
	6,198,031	4,688,841
Opening stock of work-in-process	83,229	134,237
	6,281,260	4,823,078
Closing stock of work-in-process	(117,428)	(137,365)
Cost of goods manufactured	6,163,832	4,685,713
Opening stock of finished goods	1,942,539	1,395,217
Finished goods purchased	887,044	527,794
	8,993,415	6,608,724
Closing stock of finished goods	(2,172,875)	(1,058,439)
	6,820,540	5,550,285

10. TAXATION

Current	270,000	19,809
Deferred	(57,000)	163,018
	213,000	182,827

11. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise parent company (ICI Omicron B.V.), ultimate parent company (AkzoNobel N.V.), related group companies, local associated company, directors of the Company, companies where directors also hold directorship, key employees and staff retirement funds. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in this condensed interim consolidated financial information are as follows:

Associated Companies

Purchase of goods, materials and services	26,357	1,859,981
Provision of services and other receipts	2,897	2,647
Sale of goods and materials	27,313	27,103
Contribution to staff retirement benefit plans	32,427	33,165
Dividends	473,517	420,917
Donations	-	300

11.1 Transaction with key management personnel

Key management personnel received an amount of Rs 67.839 million (March 31, 2009: Rs 62.889 million) on account of remuneration out of which Rs 6.072 million (March 31, 2009: Rs 4.771 million) relates to post employment benefits.

Notes to the Condensed Interim Consolidated Financial Information (Unaudited) For the Quarter Ended March 31, 2010

12. ESTIMATES

Judgments and estimates made by the management in the preparation of the condensed interim consolidated financial information were the same as those that were applied to the financial statements as at and for the year ended December 31, 2009.

13. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objective and policies are consistent with that disclosed in the financial statements as at and for the year ended December 31, 2009.

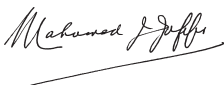
14. DATE OF AUTHORISATION

This condensed interim consolidated financial information was authorised for issue in the Board of Directors meeting held on April 27, 2010.

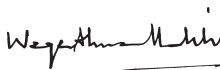
15. GENERAL

15.1 Figures have been rounded off to the nearest thousand rupees except as stated otherwise.

15.2 Certain figures have been reclassified in the condensed interim consolidated financial information for better presentation and disclosures in line with the annual financial statements of 2009. The effect of restatement have been properly accounted for in this condensed interim consolidated financial information in line with the financial statements of 2009.



M J Jaffer
Chairman / Director



Waqar A Malik
Chief Executive



Feroz Rizvi
Chief Financial Officer

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