

ACI Limited

3rd Quarter Report 2012

ADVANCED CHEMICAL INDUSTRIES LIMITED

Statement of Financial Position

As at 30 September 2012

Unaudited

Figures in '000'

| | Note | 30 Sept 2012 Taka | 31 December 2011 Taka |
|---------------------------------------|------|----------------------|--------------------------|
| Assets | | | |
| Property, plant and equipment: | | | |
| At cost / revaluation | | 2,934,432 | 2,545,581 |
| Accumulated depreciation | | (353,834) | (214,160) |
| | 2 | 2,580,598 | 2,331,421 |
| Capital work-in-progress | | 694,103 | 611,541 |
| Intangible assets | | 1,427 | 1,816 |
| Investment | 3 | 1,180,872 | 1,197,264 |
| Total non-current assets | | 4,457,000 | 4,142,042 |
| Current assets: | | | |
| Inventories | 4 | 2,315,363 | 1,770,482 |
| Accounts receivables | 5 | 1,165,586 | 1,131,612 |
| Other receivables | | 155,046 | 138,455 |
| Advance, deposits & prepayments | 6 | 531,127 | 522,847 |
| Advance income tax | | 306,609 | 122,789 |
| Inter-company receivable | 7 | 3,786,823 | 3,045,085 |
| Cash and cash equivalents | | 131,584 | 223,660 |
| | | 8,392,140 | 6,954,929 |
| Total assets | | 12,849,139 | 11,096,971 |
| Equity and liabilities | | | |
| Shareowners' equity: | | | |
| Share capital | | 237,738 | 197,148 |
| Share premium | | 321,893 | 298,788 |
| Capital reserve | | 1,671 | 1,671 |
| Revaluation surplus | | 894,622 | 895,637 |
| Available for sale reserve | | 164,515 | 237,767 |
| Retained earnings | | 3,353,582 | 3,136,486 |
| | | 4,974,021 | 4,767,497 |
| Current liabilities | | | |
| Bank overdraft | | 1,047,208 | 905,029 |
| Bank term loan | | 4,125,920 | 2,744,119 |
| Trade payables | | 243,508 | 221,220 |
| Other payables | 8 | 876,315 | 939,541 |
| Inter-company payables | 9 | 280,922 | 289,072 |
| Current portion of lease obligation | | 733 | 653 |
| Current tax liability | | 390,308 | 216,422 |
| | | 6,964,915 | 5,316,056 |
| Long term liabilities | 10 | 910,203 | 1,013,418 |
| Total equity and liabilities | | 12,849,139 | 11,096,971 |



Dr. Arif Dowla
Managing Director



Muallem A Choudhury
Chief Financial Officer

Consolidated Statement of Financial Position
As at 30 September 2012
Unaudited

| | Note | Figures in '000' | |
|-------------------------------------|-------|-------------------|-------------------|
| | | 30 Sept 2012 | 31 December 2011 |
| | | Taka | Taka |
| Assets | | | |
| Property, plant and equipment | | | |
| At Cost / revaluation | | 7,670,699 | 6,322,174 |
| Accumulated depreciation | | (1,208,140) | (878,636) |
| | 2(a) | 6,462,559 | 5,443,538 |
| Capital work-in-progress | | 745,226 | 1,295,296 |
| Investment | | 710,893 | 769,517 |
| Intangible assets | | 78,832 | 81,819 |
| Total non-current assets | | 7,997,510 | 7,590,171 |
| Current assets: | | | |
| Inventories | 4(a) | 4,669,840 | 3,734,176 |
| Accounts receivables | 5(a) | 3,219,066 | 3,162,789 |
| Other receivables | | 173,411 | 150,235 |
| Advance, deposits & prepayments | 6(a) | 789,016 | 713,392 |
| Advance income tax | | 615,465 | 291,909 |
| Inter-company receivables | 7(a) | 16,070 | 14,125 |
| Cash and bank balance | | 289,328 | 419,074 |
| | | 9,772,197 | 8,485,701 |
| Total assets | | 17,769,707 | 16,075,871 |
| Equity and liabilities: | | | |
| Share holders' equity | | | |
| Share capital | | 237,738 | 197,148 |
| Share premium | | 321,893 | 298,788 |
| Capital reserve | | 1,671 | 1,671 |
| Revaluation surplus | | 1,514,001 | 1,515,016 |
| Available for sale reserve | | 164,515 | 237,767 |
| Retained profit | | 1,605,236 | 1,943,698 |
| | | 3,845,054 | 4,194,088 |
| Non-controlling interest | | 362,963 | 494,270 |
| | | 4,208,017 | 4,688,358 |
| Current liabilities | | | |
| Bank overdraft | | 1,329,104 | 1,116,708 |
| Short term bank loan | | 6,955,152 | 5,845,568 |
| Trade payables | | 1,109,500 | 936,932 |
| Other payables | 8(a) | 1,261,151 | 1,348,382 |
| Current portion of lease obligation | | 6,995 | 653 |
| Current tax liability | | 586,293 | 358,736 |
| | | 11,248,195 | 9,606,978 |
| Long term liabilities | 10(a) | 2,313,496 | 1,780,536 |
| Total equity and liabilities | | 17,769,707 | 16,075,872 |



Dr. Arif Dowla
Managing Director



Muallem A Choudhury
Chief Financial Officer

Advanced Chemical Industries Limited
Income statement
for the period ended 30 September 2012
Unaudited

Figures in '000'

| | Note | January to Sept 2012 | January to Sept 2011 | July to Sept 2012 | July to Sept 2011 |
|------------------------------------|------|-------------------------|-------------------------|----------------------|----------------------|
| | | Taka | Taka | Taka | Taka |
| Revenue | 11 | 7,020,472 | 6,163,313 | 2,228,645 | 2,188,324 |
| Cost of goods sold | 12 | <u>(4,416,056)</u> | <u>(3,896,039)</u> | <u>(1,369,937)</u> | <u>(1,372,790)</u> |
| Gross profit | | 2,604,417 | 2,267,274 | 858,710 | 815,534 |
| Operating expenses | 13 | <u>(1,933,511)</u> | <u>(1,604,019)</u> | <u>(638,317)</u> | <u>(570,670)</u> |
| | | 670,906 | 663,255 | 220,392 | 244,864 |
| Other income | | 150,959 | 89,172 | 17,226 | 18,769 |
| | | 821,864 | 752,427 | 237,617 | 263,633 |
| Financing cost | | <u>(207,786)</u> | <u>(120,498)</u> | <u>(72,033)</u> | <u>(26,833)</u> |
| | | 614,078 | 631,929 | 165,584 | 236,800 |
| Provision for contribution to WPPF | | <u>(30,704)</u> | <u>(31,596)</u> | <u>(8,279)</u> | <u>(11,840)</u> |
| Profit before tax | | 583,374 | 600,333 | 157,305 | 224,960 |
| Tax (expenses)/ income | | <u>(169,179)</u> | <u>(162,090)</u> | <u>(49,879)</u> | <u>(64,493)</u> |
| Profit after tax | | 414,196 | 438,243 | 107,427 | 160,467 |
| Earnings per share | | 17.45 | 18.52 | 4.51 | 6.78 |



Dr. Arif Dowla
Managing Director



Muallem A Choudhury
Chief Financial Officer

Advanced Chemical Industries Limited
Statement of Comprehensive Income
for the period ended 30 September 2012
Unaudited

Figures in '000'

| | January to Sept 2012 | January to Sept 2011 | July to Sept 2012 | July to Sept 2011 |
|--|-------------------------|-------------------------|----------------------|----------------------|
| | Taka | Taka | Taka | Taka |
| Net profit after tax for the period | 414,196 | 438,243 | 107,427 | 160,467 |
| Other comprehensive income: | | | | |
| Change in fair value of available-for-sale financial assets | (81,392) | (157,449) | 4,239 | 23,528 |
| Income tax on other comprehensive income | 8,139 | 15,745 | (424) | (2,353) |
| Total other comprehensive income for the period, net of tax | (73,253) | (141,704) | 3,815 | 21,175 |
| Total comprehensive income for the period | 340,943 | 296,539 | 111,242 | 181,642 |



Dr. Arif Dowla
Managing Director



Muallem A Choudhury
Chief Financial Officer

Advanced Chemical Industries Limited
Consolidated Income Statement
for the period ended 30 September 2012

Unaudited

Figures in '000'

| | Note | January to Sept 2012 | January to Sept 2011 | July to Sept 2012 | July to Sept 2011 |
|---|-------|-------------------------|-------------------------|----------------------|----------------------|
| | | Taka | Taka | Taka | Taka |
| Revenue | 11(a) | 16,223,888 | 12,563,365 | 4,919,273 | 4,241,841 |
| Cost of goods sold | 12(a) | (12,164,602) | (9,089,005) | (3,572,753) | (3,065,765) |
| Gross profit | | 4,059,287 | 3,474,360 | 1,346,520 | 1,176,076 |
| Other income | | 147,753 | 72,281 | 28,675 | 28,852 |
| | | 4,207,040 | 3,546,641 | 1,375,195 | 1,204,928 |
| Operating expenses | 13(a) | (3,144,658) | (2,667,766) | (1,044,007) | (912,354) |
| | | 1,062,382 | 878,875 | 331,188 | 292,574 |
| Profit/ (loss) from Associates and Joint Ventures | | (49,543) | 68,808 | (38,862) | 35,105 |
| | | 1,012,839 | 947,683 | 292,326 | 327,679 |
| Financing cost | | (928,586) | (577,106) | (325,797) | (195,163) |
| | | 84,253 | 370,577 | (33,471) | 132,514 |
| Provision for contribution to WPPF | | (46,289) | (43,919) | (14,031) | (14,001) |
| Profit before tax | | 37,964 | 326,658 | (47,502) | 118,515 |
| Tax expenses | | (275,743) | (271,735) | (84,143) | (85,705) |
| Profit after tax | | (237,779) | 54,923 | (131,645) | 32,810 |
| Non-controlling interest | | 96,418 | 53,779 | 34,238 | 32,502 |
| Profit after tax and minority interest | | (141,361) | 108,702 | (97,407) | 65,312 |
| | | | | - | - |
| Basic earnings per share (EPS) | | (5.96) | 4.59 | (4.10) | 2.76 |


Dr. Arif Dowla
Managing Director


Muallem A Choudhury
Chief Financial Officer

Advanced Chemical Industries Limited
Consolidated Statement of Comprehensive Income
for the period ended 30 Sept 2012
Unaudited

| | Figures in '000' | | | |
|--|-------------------------|-------------------------|----------------------|----------------------|
| | January to Sept 2012 | January to Sept 2011 | July to Sept 2012 | July to Sept 2011 |
| | Taka | Taka | Taka | Taka |
| Net profit after tax for the period | (237,779) | 54,923 | (131,645) | 32,810 |
| Other comprehensive income: | | | | |
| Change in fair value of available-for-sale financial assets | (81,392) | (157,449) | 4,239 | 23,528 |
| Income tax on other comprehensive income | 8,139 | 15,745 | (424) | (2,353) |
| Total other comprehensive income for the period, net of tax | (73,253) | (141,704) | 3,815 | 21,175 |
| Total comprehensive income for the period | (311,032) | (86,781) | (127,830) | 53,985 |
| Profit attributable to: | | | | |
| Equity holders of the Company | (407,450) | (33,002) | (162,067) | 86,488 |
| Non-controlling interest | 96,418 | (53,779) | 34,238 | (32,502) |
| Total comprehensive income | (311,032) | (86,781) | (127,830) | 53,985 |



Dr. Arif Dowla
Managing Director



Muallem A Choudhury
Chief Financial Officer

Advanced Chemical Industries Limited
Statement of Cash Flows
for the period ended 30 September 2012
Unaudited

| | Figures in '000' | |
|---|-------------------------|-------------------------|
| | January to Sept 2012 | January to Sept 2011 |
| | Taka | Taka |
| A. Cash flows from operating activities | | |
| Cash receipts from customers | 6,988,495 | 6,143,377 |
| Cash receipts from other income | 79,960 | 89,136 |
| Receipts from / (paid) to others | (17,192) | 10,125 |
| | 7,051,263 | 6,242,638 |
| Cash paid for: | | |
| Purchase of inventory | (4,871,233) | (3,605,905) |
| Operating expenses | (2,007,442) | (1,512,852) |
| Payments to other payables | 96,233 | 85,606 |
| Financing cost | (138,292) | (120,498) |
| Payments for advances, deposits and prepayments | (10,277) | (30,408) |
| Income tax | (183,821) | (185,255) |
| Paid to workers from WPPF | (24,314) | (12,824) |
| | (7,139,146) | (5,382,136) |
| Net cash from operating activities | (87,881) | 860,502 |
| B. Cash flows from investing activities | | |
| Purchases of fixed assets | (76,447) | (150,328) |
| Payments for capital work-in-progress | (395,758) | (496,123) |
| Sale proceeds from property, plant and equipment | 1,158 | 1,175 |
| Investments in joint ventures and associates | (65,000) | (18,439) |
| Net cash from (used in) investing activities | (536,047) | (663,715) |
| C. Cash flows from financing activities | | |
| Inter-company receivables/ payables (paid)/ received | (711,808) | (582,933) |
| Dividend paid | (153,271) | (224,765) |
| Payment for finance lease | (480) | (524) |
| Redemption of ZCB | (228,420) | (212,577) |
| Short term bank loan (paid)/ received | 1,357,213 | 11,851 |
| Long term bank loan (paid)/received | 126,440 | 77,780 |
| Net cash from/(used in) financing activities | 389,673 | (931,168) |
| D. Net cash inflows/(outflows) from total activities (A+B+C) | (234,254) | (734,381) |
| E. Opening cash and bank balances | (681,369) | (75,856) |
| Non-controlling interest | (915,624) | (810,237) |
| Closing balance represents: | | |
| Cash and bank | 131,584 | 201,390 |
| Bank overdraft | (1,047,208) | (1,011,627) |
| | (915,624) | (810,237) |



Dr. Arif Dowla
Managing Director



Muallem A Choudhury
Chief Financial Officer

Advanced Chemical Industries Limited
Consolidated Statement of Cash Flows
for the period ended 30 September 2012
Unaudited

Figures in '000'

| | January to Sept 2012 | January to Sept 2011 |
|--|---------------------------|---------------------------|
| | Taka | Taka |
| A Cash flows from operating activities: | | |
| Cash receipts from customers | 16,206,610 | 12,270,031 |
| Cash receipts as other income | 66,678 | 76,277 |
| Receipts from / (payments to) others | (17,925) | 10,125 |
| | <u>16,255,363</u> | <u>12,356,433</u> |
| Cash paid for: | | |
| Purchase of inventory | (12,707,803) | (8,916,863) |
| Operating expenses | (3,197,486) | (2,679,579) |
| Payments to other payables | 87,249 | 99,682 |
| Financing cost | (863,277) | (573,321) |
| Payments for advances, deposits and prepayments | (77,621) | 133,934 |
| Tax paid | (320,485) | (301,612) |
| Paid to workers from WPPF | (33,258) | (19,283) |
| | <u>(17,112,680)</u> | <u>(12,257,042)</u> |
| Net cash provided by operating activities | <u>(857,318)</u> | <u>99,391</u> |
| B Cash flows from investing activities : | | |
| Purchase of fixed assets | (129,186) | (253,473) |
| Payments for capital work-in-progress | (679,601) | (1,000,077) |
| Sale proceeds from property, plant and equipment | 1,520 | - |
| Investments in shares/FDR | (65,000) | (12,893) |
| Net cash used in investing activities | <u>(872,267)</u> | <u>(1,266,443)</u> |
| C Cash flows from financing activities : | | |
| Issue of shares | - | 1,500 |
| Paid to non-controlling interest | (33,871) | (38,899) |
| Inter-company receivables / payables- received/(paid) | 1,946 | (1,118) |
| Dividend paid | (153,271) | (224,765) |
| Payment for finance lease | (480) | (524) |
| Redemption of ZCB | (228,420) | (212,577) |
| Short term bank loan received/(paid) | 1,023,374 | 892,715 |
| Long term bank loan (paid)/received | 778,164 | (71,126) |
| Net cash flows from financing activities | <u>1,387,442</u> | <u>345,206</u> |
| Non-controlling interest | | |
| D Net cash inflow/(outflow) from total activities (A+B+C) | <u>(342,142)</u> | <u>(821,846)</u> |
| E Opening balance | <u>(697,634)</u> | <u>(111,538)</u> |
| F Closing balance (D+E) | <u>(1,039,777)</u> | <u>(933,384)</u> |
| Cash in hand and at bank | 289,328 | 283,530 |
| Bank overdraft | (1,329,104) | (1,216,914) |
| | <u>(1,039,777)</u> | <u>(933,384)</u> |



Dr. Arif Dowla
Managing Director



Muallem A Choudhury
Chief Financial Officer

**Statement of changes in equity
for the period ended 30 September 2012
Unaudited**

Figures in '000'

| <u>Particulars</u> | Share capital <u>Taka</u> | Share premium <u>Taka</u> | Capital reserve <u>Taka</u> | Revaluation surplus <u>Taka</u> | Available for sare reserve <u>Taka</u> | Retained earnings <u>Taka</u> | Total <u>Taka</u> |
|---|---------------------------------|---------------------------------|-----------------------------------|---------------------------------------|--|-------------------------------------|----------------------|
| Balance as at 31 December 2010 | 194,040 | 250,022 | 1,671 | 896,521 | 424,873 | 2,691,050 | 4,458,177 |
| Conversion of bonds into equity shares | 3,108 | | | | | | 3,108 |
| Premium from conversion of bonds into shares | - | 48,766 | - | - | - | - | 48,766 |
| Changes in fair value for available for sale assets | - | - | - | - | (141,704) | - | (141,704) |
| Net profit after tax for the period ended 30 September 2011 | - | - | - | - | - | 438,243 | 438,243 |
| Dividend to equityholders | - | - | - | - | - | (236,577) | (236,577) |
| Balance as at 30 September 2011 | 197,148 | 298,788 | 1,671 | 896,521 | 283,169 | 2,892,716 | 4,570,013 |
| Balance as at 31 December 2011 | 197,148 | 298,788 | 1,671 | 895,637 | 237,767 | 3,136,486 | 4,767,498 |
| Conversion of bonds into equity shares | 968 | - | - | - | - | - | 968 |
| Premium from conversion of bonds into shares | - | 23,104 | - | - | - | - | 23,104 |
| Issuance of bonus shares | 39,623 | - | - | - | - | (39,623) | - |
| Realization of revaluation reserve | - | - | - | (1,015) | - | 1,015 | - |
| Changes in fair value for available for sale assets | - | - | - | - | (73,253) | - | (73,253) |
| Net profit after tax for the period ended 30 September 2012 | - | - | - | - | - | 414,196 | 414,196 |
| Dividend to equityholders | - | - | - | - | - | (158,492) | (158,492) |
| Balance as at 30 September 2012 | 237,738 | 321,893 | 1,671 | 894,622 | 164,515 | 3,353,582 | 4,974,021 |



Dr. Arif Dowla
Managing Director



Muallem A Choudhury
Chief Financial Officer

Advanced Chemical Industries Limited
Consolidated Statement of Changes in Equity
for the half year ended 30 September 2012
Unaudited

Figures in '000'

| Particulars | Share capital Taka | Share premium Taka | Capital reserve Taka | Revaluation surplus Taka | Available for sale reserve Taka | Retained earnings Taka | Non-controlling interest Taka | Total Taka |
|---|-----------------------|-----------------------|-------------------------|-----------------------------|------------------------------------|---------------------------|----------------------------------|------------------|
| Balance as at 31 December 2010 | 194,040 | 250,022 | 1,671 | 1,515,899 | 424,874 | 1,941,278 | 586,664 | 4,914,448 |
| Conversion of bonds into equity shares | 3,108 | - | - | - | - | - | - | 3,108 |
| Premium from conversion of bonds into shares | - | 48,766 | - | - | - | - | - | 48,766 |
| Changes in fair value for available for sale assets | - | - | - | - | (141,705) | - | - | (141,705) |
| Net profit after tax for the period ended 30 September 2011 | - | - | - | - | - | 108,702 | (53,779) | 54,923 |
| Dividend to equityholders | - | - | - | - | - | (236,577) | (41,850) | (278,427) |
| Share capital paid by non-controlling shareholders | - | - | - | - | - | - | 1,500 | 1,500 |
| Balance as at 30 September 2011 | 197,148 | 298,788 | 1,671 | 1,515,899 | 283,169 | 1,813,403 | 492,535 | 4,602,613 |
| Balance as at 31 December 2011 | 197,148 | 298,788 | 1,671 | 1,515,016 | 237,767 | 1,943,698 | 494,270 | 4,688,358 |
| Conversion of bonds into equity shares | 968 | - | - | - | - | - | - | 968 |
| Premium from conversion of bonds into shares | - | 23,104 | - | - | - | - | - | 23,104 |
| Issuance of bonus shares | 39,623 | - | - | - | - | (39,623) | - | - |
| Realization of revaluation reserve | - | - | - | (1,015) | - | 1,015 | - | - |
| Changes in fair value for available for sale assets | - | - | - | - | (73,253) | - | - | (73,253) |
| Net profit after tax for the period ended 30 September 2012 | - | - | - | - | - | (141,361) | (96,418) | (237,779) |
| Dividends during the period | - | - | - | - | - | (158,492) | (34,890) | (193,382) |
| Balance as at 30 September 2012 | 237,738 | 321,893 | 1,671 | 1,514,001 | 164,515 | 1,605,236 | 362,963 | 4,208,016 |



Dr. Arif Dowla
Managing Director



Muallem A Choudhury
Chief Financial Officer

Advanced Chemical Industries Limited
Notes to the consolidated financial statements
for the period ended 30 September 2012
Unaudited

1 Selected explanatory notes

These financial statements have been prepared in line with Accounting Policies as adopted in the preparation of financial statements for the year ended 31 December 2011. This interim financial report includes only those selected explanatory notes as were deemed appropriate for better understanding of unaudited financial statements.

| | 30 Sept 2012 | Figures in '000' 31 December 2011 |
|---|---------------------|--|
| | Taka | Taka |
| 2 Property, plant and equipment at cost/ revaluation | | |
| Fixed assets at cost/revaluation as on 1 January | 2,545,581 | 1,813,316 |
| Addition during the period/year | 390,391 | 742,170 |
| Disposal/adjustment made during the period | (1,540) | (9,905) |
| Closing accumulated depreciation | (353,834) | (214,160) |
| Closing balance | 2,580,598 | 2,331,421 |
| 2 (a) Consolidated property, plant and equipment at cost/ revaluation | | |
| Fixed assets at cost/revaluation as on 1 January | 6,322,174 | 5,254,591 |
| Addition during the period/year | 1,352,423 | 1,079,406 |
| Disposal/adjustment made during the period | (3,898) | (11,823) |
| Closing accumulated depreciation | (1,208,140) | (878,636) |
| Closing balance | 6,462,559 | 5,443,538 |
| 3 Long term investment | | |
| Investment in subsidiary | 563,384 | 563,384 |
| Investment in associates and jointventures | 399,153 | 334,153 |
| Investment in shares | 214,249 | 295,641 |
| Investment in FDR/ other deposits | 4,086 | 4,086 |
| | 1,180,872 | 1,197,264 |
| 4 Inventories | | |
| Finished goods | 1,462,143 | 1,176,656 |
| Work-in-process | 121,920 | 59,307 |
| Raw materials | 481,789 | 347,515 |
| Packing materials | 192,543 | 156,759 |
| Stores & spares | 37,077 | 19,674 |
| Non-cont Stock in transit | 138,956 | 105,949 |
| | 2,434,428 | 1,865,860 |
| Less: Provision for slow moving and damaged goods and write down to NRV | 119,065 | 95,378 |
| | 2,315,363 | 1,770,482 |
| 4 (a) Consolidated inventories | | |
| Finished goods | 2,838,339 | 2,177,959 |
| Work-in-process | 158,796 | 79,663 |
| Raw materials | 1,319,888 | 1,184,141 |
| Packing materials | 211,390 | 170,098 |
| Stores & spares | 95,536 | 65,966 |
| Stock in transit | 230,898 | 208,837 |
| | 4,854,848 | 3,886,664 |
| Less: Provision for slow moving and damaged goods and write down to NRV | 185,008 | 152,488 |
| | 4,669,840 | 3,734,176 |

| | 30 Sept 2012 | Figures in '000' 31 December 2011 |
|--|-------------------------|--------------------------------------|
| | Taka | Taka |
| 5 Accounts receivables | | |
| Debts due over six months | 334,634 | 284,589 |
| Debts due below six months | 873,292 | 885,628 |
| | <u>1,207,926</u> | <u>1,170,217</u> |
| Less: Provision for doubtful debts | 42,340 | 38,605 |
| | <u>1,165,586</u> | <u>1,131,612</u> |
| 5 (a) Consolidated accounts receivables | | |
| Debts due over six months | 753,169 | 617,556 |
| Debts due below six months | 2,603,347 | 2,665,986 |
| | <u>3,356,517</u> | <u>3,283,542</u> |
| Less: Provision for doubtful debts | 137,451 | 120,753 |
| | <u>3,219,066</u> | <u>3,162,789</u> |
| 6 Advances, deposits & prepayments | | |
| Loan and advance to staff and others | 345,125 | 310,974 |
| VAT current account. | 57,530 | 59,527 |
| Advance for capital expenditure | 94,874 | 134,690 |
| Deposits | 26,787 | 16,744 |
| Prepayments | 6,812 | 912 |
| | <u>531,127</u> | <u>522,847</u> |
| 6 (a) Consolidated advances, deposits & prepayments | | |
| Loan and advance to staff and others | 533,746 | 465,024 |
| VAT current account. | 59,611 | 59,596 |
| Advance for capital expenditure | 115,454 | 135,318 |
| Deposits | 58,550 | 44,932 |
| Prepayments | 21,654 | 8,522 |
| | <u>789,016</u> | <u>713,392</u> |
| 7 Inter-company receivables | | |
| Flyban Insecticides Limited | 1,005 | 1,000 |
| Apex Leathercraft Limited | 98,253 | 105,915 |
| Computer Technology Limited | 30 | 30 |
| Tetley ACI (Bangladesh) Limited | 539 | 469 |
| Asian Consumer Care (Pvt.) Limited | 7,740 | 7,576 |
| ACI Salt Limited | 55,370 | 116,152 |
| ACI Godrej Agrovet (Pvt.) Limited | 880 | 880 |
| ACI Foods Limited | 637,329 | 528,223 |
| ACI Agrochemicals Limited | 126 | 151 |
| Stochastic Logic Limited | 6,881 | 5,169 |
| Premiaflex Plastics Limited | 436,200 | 566,438 |
| ACI Motors Limited | 57,986 | 12,515 |
| ACI Logistics Limited | 2,484,484 | 1,700,565 |
| | <u>3,786,823</u> | <u>3,045,085</u> |

| | 30 Sept 2012 | Figures in '000' 31 December 2011 |
|--|------------------|--------------------------------------|
| | Taka | Taka |
| 7 (a) Consolidated inter-company receivables | | |
| Tetley ACI (Bangladesh) Limited | 539 | 469 |
| Asian Consumer Care (PVT.) Limited | 7,740 | 7,576 |
| Computer Technology Limited | 30 | 30 |
| ACI Godrej Agrovet (Pvt.) Limited | 880 | 880 |
| Stochastic Logic Limited | 6,881 | 5,169 |
| | 16,070 | 14,125 |
| 8 Other payables | | |
| Creditors for expenses | 299,179 | 407,912 |
| Security money received from customers | 128,342 | 77,970 |
| Workers' profit participation fund | 178,693 | 163,642 |
| Unclaimed dividend | 41,087 | 35,865 |
| Tax deducted at source | 65,896 | 53,481 |
| Employees welfare fund | 123,018 | 99,291 |
| Rights share deposit to be refunded | 564 | 564 |
| Family day fund | 4,157 | 4,148 |
| Non-management staff provident fund | 138 | - |
| Advance against sale of land of ACI Trading | - | 72,639 |
| Unclaimed refund warrant-Zero Coupon Bonds | 3,679 | 3,739 |
| Payable for redemption for ZCB | 21,103 | 13,106 |
| Provident fund | 10,338 | 641 |
| Laser advertisement and promotional fund | 122 | 6,412 |
| Electronics advertisement and promotional fund | - | 131 |
| | 876,315 | 939,541 |
| 8 (a) Consolidated other payables | | |
| Creditors for expenses | 585,729 | 699,207 |
| Security money received from customers | 142,905 | 107,544 |
| Workers' profit participation fund | 218,663 | 197,050 |
| Unpaid dividend | 42,578 | 36,337 |
| Provident fund | 10,338 | 364 |
| Tax deducted from suppliers and employees | 72,543 | 65,048 |
| Employees savings fund | 123,018 | 99,291 |
| Rights share deposit to be refunded | 564 | 564 |
| Family day fund | 4,157 | 4,148 |
| Non-management staff provident fund | 138 | 277 |
| Unclaimed refund warrant-Zero Coupon Bonds | 3,679 | 3,739 |
| Payable for redemption for ZCB | 21,103 | 13,106 |
| Creditors for capital expenditure | 35,614 | 42,525 |
| Advance against sale of land of ACI Trading | - | 72,639 |
| Laser advertisement and promotional fund | 122 | 6,412 |
| Electronics advertisement and promotional fund | - | 131 |
| | 1,261,151 | 1,348,382 |

| | 30 Sept 2012 | Figures in '000' 31 December 2011 |
|---|---------------------|--|
| | Taka | Taka |
| 9 Inter-company payables | | |
| ACI Formulations Limited | 89,171 | 243,764 |
| Creative Communication Limited | 13,970 | 17,165 |
| ACI Edible Oils Limited | 10,886 | 10,498 |
| ACI Pure Flour Limited | 166,895 | 17,645 |
| | 280,922 | 289,072 |
| 10 Long term liabilities | | |
| Staff gratuity provision | 211,756 | 187,186 |
| Other long term employee benefits | 47,931 | 38,381 |
| Deferred tax liabilities | 112,165 | 125,012 |
| Employees group insurance fund | 400 | 400 |
| Loan from other sources - unsecured | 215 | 215 |
| Obligation under finance lease-due more than one year | 3,227 | 3,787 |
| ACI 20% Convertible Zero Coupon Bonds (ZCB) | 460,500 | 658,437 |
| Long term bank loans | 74,010 | |
| | 910,203 | 1,013,418 |
| 10 (a) Consolidated long term liabilities | | |
| Staff gratuity provision | 218,790 | 192,353 |
| Other long term employee benefits | 53,335 | 43,785 |
| Deferred tax liabilities | 313,049 | 273,562 |
| Employees group insurance fund | 400 | 400 |
| Loan from other sources - unsecured | 215 | 215 |
| Obligation under finance lease | 25,769 | 3,787 |
| ACI 20% Convertible Zero Coupon Bonds (ZCB) | 460,500 | 658,437 |
| Long term bank loans | 1,241,438 | 607,997 |
| | 2,313,496 | 1,780,536 |
| | | |
| | 30 Sept 2012 | Figures in '000' 30 Sept 2011 |
| | Taka | Taka |
| 11 Revenue | | |
| Pharmaceuticals | 3,306,653 | 2,711,832 |
| Animal Health | 612,544 | 585,395 |
| Consumer brands | 2,374,205 | 2,089,407 |
| Seeds | 132,832 | 105,741 |
| Fertilizer | 266,891 | 233,707 |
| Cropex | 327,347 | 437,230 |
| | 7,020,472 | 6,163,313 |
| 11 (a) Consolidated revenue | | |
| Gross sales | 17,440,178 | 13,516,012 |
| Inter-company sales | (1,216,289) | (952,647) |
| Net sales | 16,223,888 | 12,563,365 |

30 Sept 2012

Figures in '000'

30 Sept 2011

Taka

Taka

12 Cost of goods sold

| | | |
|------------------------|------------------|------------------|
| Opening stock | 1,740,238 | 1,626,671 |
| Purchase | 4,527,996 | 3,724,265 |
| | <u>6,268,234</u> | <u>5,350,936</u> |
| Closing stock | (2,258,394) | (1,753,942) |
| | <u>4,009,839</u> | <u>3,596,993</u> |
| Manufacturing expenses | 406,216 | 299,046 |
| | <u>4,416,056</u> | <u>3,896,039</u> |

12 (a) Consolidated cost of goods sold

| | | |
|------------------------|-------------------|-------------------|
| Opening stock | 3,043,919 | 2,625,708 |
| Purchase | 11,981,434 | 8,860,819 |
| | <u>15,025,353</u> | <u>11,486,527</u> |
| Closing stock | (3,748,592) | (3,029,329) |
| | <u>11,276,761</u> | <u>8,457,198</u> |
| Manufacturing expenses | 887,841 | 631,807 |
| | <u>12,164,602</u> | <u>9,089,005</u> |

13 Operating expenses

| | | |
|-------------------------|------------------|------------------|
| Administrative expenses | 119,477 | 133,151 |
| Distribution expenses | 246,188 | 191,101 |
| Selling expenses | 1,567,846 | 1,279,767 |
| | <u>1,933,511</u> | <u>1,604,019</u> |

13 (a) Consolidated operating expenses

| | | |
|-------------------------|------------------|------------------|
| Administrative expenses | 413,724 | 384,169 |
| Distribution expenses | 484,791 | 397,719 |
| Selling expenses | 2,246,143 | 1,885,877 |
| | <u>3,144,658</u> | <u>2,667,766</u> |

14 Consolidated operating segments

Please see at the next page

15 Figures have been rounded off to the nearest '000' Taka and previous period's figures have been rearranged to conform to current period's presentation.



Dr. Arif Dowla
Managing Director



Muallem A Choudhury
Chief Financial Officer

Consolidated operating segments-30 September 2012

Figures in '000'

| Particulars | Reportable segment | | | | | | | | | | Non-reportable segment | Unallocated/adjustment | Total |
|-------------------------------|--------------------|---------------|-----------------|-----------------------------|------------|----------------|-----------|-----------|--------------|------------|------------------------|------------------------|------------|
| | Pharmaceuticals | Animal Health | Consumer brands | Crop Care and Public Health | ACI Motors | ACI Pure Flour | ACI Foods | ACI Salt | Retail chain | Premiaflex | | | |
| | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka |
| Total revenue | 3,306,653 | 612,544 | 3,417,788 | 871,958 | 888,229 | 1,855,297 | 450,321 | 599,368 | 3,595,604 | 1,079,812 | 762,603 | - | 17,440,178 |
| Inter-segment revenue | - | - | 1,043,583 | - | - | 12,193 | 25,601 | 18,324 | - | 107,605 | 8,984 | - | 1,216,289 |
| External revenue | 3,306,653 | 612,544 | 2,374,205 | 871,958 | 888,229 | 1,843,104 | 424,721 | 581,044 | 3,595,604 | 972,207 | 753,619 | - | 16,223,888 |
| Finance cost | 92,319 | 18,348 | 77,365 | 60,461 | 56,037 | 45,046 | 99,501 | 33,109 | 299,704 | 112,111 | 34,584 | - | 928,586 |
| Operating expenses | 1,198,215 | 163,335 | 443,340 | 186,678 | 133,990 | 86,776 | 112,605 | 64,093 | 576,621 | 17,950 | 168,487 | (7,434) | 3,144,658 |
| Depreciation and amortisation | 101,714 | 9,162 | 24,380 | 16,206 | 1,227 | 18,704 | 14,179 | 26,800 | 61,528 | 30,853 | 5,827 | 20,313 | 330,892 |
| Segment profit before tax | 522,001 | 5,291 | 52,307 | 90,799 | (24,880) | 65,817 | (127,171) | 55,763 | (603,087) | 37,058 | (63,439) | 27,503 | 37,964 |
| Segment assets | 4,045,192 | 758,673 | 2,088,752 | 1,844,762 | 1,242,986 | 837,549 | 323,769 | 1,308,286 | 1,439,495 | 1,214,065 | 1,152,928 | 1,513,250 | 17,769,707 |
| Segment external liabilities | 954,598 | 292,317 | 546,344 | 452,946 | 1,098,635 | 701,173 | 1,022,692 | 1,131,775 | 3,489,111 | 1,093,091 | 231,926 | 2,910,044 | 13,924,654 |

Consolidated operating segments-30 September 2011

| Particulars | Reportable segment | | | | | | | | | | Non-reportable segment | Unallocated/adjustment | Total |
|-------------------------------|--------------------|-----------------------|-----------------|-----------------------------|------------|----------------|-----------|----------|--------------|------------|------------------------|------------------------|------------|
| | Pharmaceuticals | Livestock & Fisheries | Consumer brands | Crop Care and Public Health | ACI Motors | ACI Pure Flour | ACI Foods | ACI Salt | Retail chain | Premiaflex | | | |
| | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka | Taka |
| Total revenue | 2,711,832 | 585,395 | 3,034,621 | 790,076 | 890,533 | 1,634,156 | 344,258 | 477,017 | 1,402,518 | 823,811 | 821,795 | - | 13,516,012 |
| Inter-segment revenue | - | - | 945,213 | - | - | - | - | - | - | - | 7,434 | - | 952,647 |
| External revenue | 2,711,832 | 585,395 | 2,089,407 | 790,076 | 890,533 | 1,634,156 | 344,258 | 477,017 | 1,402,518 | 823,811 | 814,361 | - | 12,563,364 |
| Finance cost | 53,537 | 10,640 | 44,105 | 51,421 | 7,036 | 44,319 | 71,840 | 17,828 | 176,930 | 77,421 | 22,028 | - | 577,106 |
| Operating expenses | 954,777 | 151,525 | 401,827 | 192,371 | 96,359 | 84,412 | 141,610 | 55,424 | 454,062 | 13,368 | 129,466 | (7,434) | 2,667,766 |
| Depreciation and amortisation | 83,961 | 5,482 | 25,151 | 15,764 | 852 | 17,324 | 14,130 | 20,742 | 57,102 | 23,461 | 5,778 | 18,163 | 287,911 |
| Segment profit before tax | 484,249 | 49,474 | 115,415 | 52,851 | 72,409 | 32,181 | (150,767) | 61,248 | (450,076) | 41,800 | (47,162) | 65,038 | 326,658 |
| Segment assets | 3,534,166 | 586,083 | 2,000,865 | 1,539,318 | 1,210,228 | 701,754 | 396,685 | 863,166 | 1,144,211 | 1,188,821 | 1,132,665 | 1,640,429 | 15,938,392 |
| Segment external liabilities | 795,414 | 169,279 | 513,229 | 253,371 | 1,077,413 | 616,038 | 919,626 | 730,893 | 1,093,879 | 1,093,879 | 211,405 | 4,353,891 | 11,828,315 |