


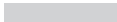





Mission Statement

To systematically and cost effectively manufacture and supply consistently high quality products and services thus achieving customer satisfaction profitably and thereby ensuring the financial well being of the company and maximum returns to the shareholders

Corporate Strategy

Retain market share leadership through quality and price competitiveness while creating value as a low cost producer.

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COMPANY INFORMATION

BOARD OF DIRECTORS:

Mr. Hussain Jamil	Chairman/Chief Executive Officer
Mr. Ahsan Jamil	
Mr. Ali Jamil	
Mr. Shahid Jamil	
Mrs. Deborah Jamil	
Mrs. Ayesha Khan	
Mr. Asad Ali Sheikh	

AUDIT COMMITTEE:

Mr. Ahsan Jamil	Chairman	
Mrs. Ayesha Khan	Member	Non-Executive Director
Mr. Shahid Jamil	Member	Non-Executive Director

CHIEF FINANCIAL OFFICER:

Mr. Habib Ur Rehman Siddiqui

COMPANY SECRETARY:

Mr. Muhammad Ali Adil

BANKERS:

Askari Bank Limited
Habib Bank Limited
Allied Bank Limited
JS Bank Limited
RBS Limited

AUDITORS:

Rahman Sarfaraz
Rahim Iqbal Rafiq
Chartered Accountants

LEGAL ADVISOR:

M/s. Ebrahim Hosain Advocate & Corporate Council

FACTORY:

- Plot No. 112-113, Phase V, Industrial Estate Hattar, District Haripur, N.W.F.P.,
Tel: (0995) 617682-3, Fax: (0995) 617074
Email: plant_h@ecopack.com.pk
- Inside Haidry Beverages (Pvt) Kahota Triangle Estate Islamabad
Tel: (051) 5384566

REGISTERED & CORPORATE OFFICE:

Suite 206 Second Floor The Plaza Kekhshan Clifton Block 9 Karachi
Tel: (021) 5361232-6, Fax: (021) 5361242
Email: headoffice@ecopack.com.pk

DIRECTORS' REPORT

The board of directors of Ecopack Limited is pleased to present the un-audited financial results of the company for the quarter ended 30th September, 2008:

Sales & Operations:

Sales in quantitative terms grew by 8.14% and in value terms by 30% to Rs. 605.14 million in this quarter against the corresponding quarter last year, clearly reflecting the continuing growth trajectory for both PET bottles as well as preforms. This is in line with your Company's strategy to bring down its fixed costs with greater unit production and sales. As PET bottles increasingly replace returnable glass bottles (RGB) through more segments of bottle sizes i.e. 300 ml, 500ml (single serve packs) and 1.5 litre & 2.25 litre (multi serve packs), your company continues to enhance its share of sales to the beverage industry.

Financial Results:

The difficult but necessary action of passing on the high and widespread inflationary costs impacting our products to our customers was more effectively undertaken in this quarter. Consequently your company increased its GP from Rs. 57.37 million to Rs. 85.28 million and its operating profit from Rs. 30.18 million to Rs. 55.02 million. Profit after tax increased from Rs. 2.19 million to Rs. 10.11 million in this quarter compared to the same quarter of the prior year.

The results clearly indicate that the company has moved to profitable growth after an extremely challenging year which was beset with high inflationary costs of raw-materials & financial charges as well as fuel, electricity, labour, packing materials, etc.

Future Outlook:

PET Bottles are now exceeding the 50% mark of the packaging mix nationally for carbonated soft-drinks (CSD) versus glass bottles whose share is now consistently declining. The CSD industry now more than ever needs solid and adequate supply-chain arrangements for ensuring continuous growth of the PET packs. The technical expertise, skill set and experience of Ecopack's team has made your company the foremost vendor across the country to the fast growing beverage industry, capable of making cost-effective timely supplies of quality assured products. As international crude oil prices and consequently PET Resin prices are in steady decline from the first quarter of this financial year, considerable relief in our cost of goods sold (COGS) is already taking place.

Acknowledgement:

Despite a financially & politically turbulent environment that the country is passing through, the spirit and morale of the management, staff and workers of the company remains high as we move forward to restore the financial health of your company.

For & on behalf of the Board of Directors

Karachi
Dated: October 24, 2008

Hussain Jamil
Chief Executive Officer

**CONDENSED BALANCE SHEET (UN-AUDITED)
AS ON 30 SEP, 2008**

	SEP 30, 2008	JUN 30, 2008
	(Rupees in '000)	
ASSETS		
NON-CURRENT ASSETS		
Property, Plant & Equipment	1,073,794	1,086,225
Long term security deposits	9,764	9,764
CURRENT ASSETS		
Stores, Spares and loose tools	47,455	47,559
Stock in trade	293,737	319,678
Trade debts	297,772	252,806
Loans and advances	8,318	2,980
Short term deposits & prepayments	6,401	1,929
Other receivables	34,859	38,309
Cash and bank balances	34,685	36,304
	723,226	699,565
TOTAL ASSETS	1,806,783	1,795,554
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Share Capital		
Authorised		
50,000,000 (June 2007 : 50,000,000) Ordinary shares of Rs. 10 each	500,000	500,000
Issued, subscribed and paid-up Capital	229,770	229,770
Unappropriatead Profit	40,470	25,820
	270,240	255,590
SURPLUS ON REVALUATION ON PROPERTY, PLANT & EQUIPMENT	78,991	82,691
NON-CURRENT LIABILITIES		
Long term Finances - Secured	499,076	542,634
Liabilities against assets subject to finance lease	31,350	34,910
Deferred liabilities	99,376	96,812
	679,801	674,356
CURRENT LIABILITIES		
Trade and other payables	387,485	326,776
Accrued mark-up on loans	33,470	25,487
Short term finances	317,038	199,852
Current portion of long term borrowings	65,002	206,044
Taxation	24,758	24,758
	777,753	782,917
TOTAL EQUITY AND LIABILITIES	1,806,785	1,795,554

CHIEF EXECUTIVE OFFICER

DIRECTOR

**CONDENSED PROFIT & LOSS
FOR THE QUARTER**

	Note	Total	
		Jul-Sep 08	Jul-Sep 07
(Rupees in '000)			
SALES-Net	4	605,144	465,081
Less: Cost of sales	5	(518,947)	(407,707)
		86,196	57,374
Operating expenses:			
Administrative		(11,261)	(10,200)
Distribution cost		(18,995)	(16,994)
		(30,256)	(27,194)
OPERATING PROFIT		55,940	30,180
Finance Cost		(45,705)	(31,821)
Others charges		(201)	-
Workers' profit participation fund		(576)	(253)
Other income		1,492	6,699
		(44,990)	(25,375)
(LOSS)/PROFIT BEFORE TAXATION		10,950	4,805
Taxation - Current		-	(2,326)
- Deferred		(845)	(290)
		(845)	(2,616)
(LOSS)/PROFIT AFTER TAXATION		10,105	2,189
Earning per share - basic and diluted		0.44	0.10

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

ACCOUNT (UN-AUDITED)
ENDED SEPTEMBER 30, 2008

(Rupees in '000)

Injection		Blowing	
Jul-Sep 08 Rs.	Jul-Sep 07 Rs.	Jul-Sep 08 Rs.	Jul-Sep 07 Rs.
120,336	108,294	484,808	356,787
110,521	97,788	408,426	309,919
9,815	10,506	76,382	46,868
(2,241)	(2,375)	(9,020)	(7,825)
(3,781)	(3,957)	(15,214)	(13,037)
(6,022)	(6,332)	(24,234)	(20,862)
3,793	4,174	52,148	26,006

DIRECTOR

**CONDENSED CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2008**

	Jul-Sep 08	Jul-Sep 07
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	10,940	4,805
Adjustment		
Depreciation	22,803	18,424
Exchange loss	201	-
Provision for WPPF	586	253
Provision for gratuity	2,775	1,598
Finance cost	45,705	31,821
	<u>72,071</u>	<u>52,095</u>
Cash flow before working capital changes	83,011	56,901
(Increase) / decrease in current assets :		
Store,spares & loose tools	104	13,852
Stock in trade	25,941	125,096
Trade debts	(44,966)	(63,869)
Loans & advances	(5,338)	25,660
Short term deposits & prepayments	(4,472)	(2,708)
Other receivables	5,728	(42,997)
Net (increase)/ decrease in current assets	(23,002)	55,035
Increase / (decrease) in current liabilities:		
Trade and other payables	60,133	(158,603)
	<u>60,133</u>	<u>(158,603)</u>
Finance cost paid	(37,923)	(34,706)
Gratuity paid	(212)	(806)
WPPF paid	-	(503)
Taxes paid	(2,277)	(390)
	<u>(40,412)</u>	<u>(36,406)</u>
Net cash (Outflow) / inflow from operating activities	79,730	(83,074)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(9,904)	(24,457)
Capital work-in-progress	(470)	-
Long term security deposits	-	(184)
Net cash outflow from investing activities	(10,374)	(24,642)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term finance obtained	3,750	75,000
Repayment of long term finance	(188,350)	(16,950)
Leases acquired	-	2,048
Re payment of finance lease	(3,561)	(4,816)
Net cash outflow from financing activities	(188,161)	55,282
Net Increase in cash and cash equivalents	(118,805)	(52,434)
Cash and cash equivalents at the beginning of the period	(163,548)	(203,480)
Cash and cash equivalents at the end of the period	(282,353)	(255,914)

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

DIRECTOR

**STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2008**

	Share Capital	Unappropriated Profit	Total
	-----	<i>(Rupees in '000)</i>	-----
Balance as at July 1, 2007	229,770	95,392	325,162
Transfer from profit & loss account	-	(84,669)	(84,669)
Transfer from surplus on revaluation of property, plant & equipment - net of deferred tax	-	15,097	15,097
Balance as at July 1, 2008	<u>229,770</u>	<u>25,820</u>	<u>255,590</u>
Transfer from profit & loss account		10,150	10,105
Transfer from surplus on revaluation of property, plant & equipment - net of deferred tax		3,700	3,700
Balance as at September 30, 2008	<u><u>229,770</u></u>	<u><u>39,625</u></u>	<u><u>269,395</u></u>

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

DIRECTOR

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2008****1 STATUS AND NATURE OF BUSINESS**

The company was incorporated on 25 August 1991 as a private limited company under the Companies Ordinance, 1984. It was converted as a public limited company on April 29, 1992 and subsequently in March 1994 was listed at Karachi Stock Exchange. The principal activity of the company is to manufacture and sale of Poly Ethylene Terephthalat (PET) bottles and preforms for beverage and non-beverage industry. It has two manufacturing facilities located in the province of NWFP at Hattar and in the Federal Capital Territory Islamabad at Kahota.

2 SEGMENT REPORTING

As the company has moved its plant from Karachi to Hattar, the segment reporting which was previously based on geographical location, now has been changed and is based on product. Hence new segment classification is Injection and Blowing instead of Northern and Southern. Comparative information has been restated on product basis.

3 SIGNIFICANT ACCOUNTING POLICIES

These condensed interim financial statements are un-audited and have been presented in accordance with the requirements of International Accounting Standard (IAS-34) "Interim Financial Reporting" and are being submitted to shareholders as required under section 245 of the Companies Ordinance, 1984 and the listing regulations of Karachi Stock Exchange. These condensed interim financial statements do not include all the information required for annual financial statements and should be read in conjunction with the financial statement of the company for the year ended June 30, 2008.

The accounting policies adopted and methods of computation followed for the preparation of these financial statements are the same as those applied in preparing the financial statements for the year ended June 30, 2008.

4 ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statement requires management to make judgement, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. In preparing these condensed statements, the significant judgements made by management is applying the company's accounting policies and the key source of estimation uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2008.

September 30 September 30
2008 2007
Rs in 000

5. NET SALES		
Sales	708,173	541,647
Less : Sales tax	(96,669)	(69,178)
1 % Special Excise Duty	(6,042)	(4,636)
Sales Commission	(319)	-
Sales return	-	(2,752)
	(103,030)	(76,566)
	605,144	465,081
6. COST OF SALES		
Raw material consumed	397,278	258,697
Packing material consumed	19,967	18,522
Salaries, wages & other benefits	21,875	19,641
Travelling & conveyance	333	853
Professional charges	145	198
Vehicle repair & maintenance	2,252	1,659
Rent, rate & taxes	7,748	8,261
Repair & maintenance	683	2,347
Telephone	232	373
Printing, postage & stationery	280	684
Entertainment	149	210
Insurance	655	640
Medical	579	394
Electricity, gas & water	24,046	25,046
Freight, octroi & toll tax	2,643	1,484
Depreciation	21,702	17,544
Transportation factory workers	1,164	890
Consumable store	6,995	6,174
Lab tests	192	122
Miscellaneous	20	39
	508,937	363,778
Work in process		
Opening	87,180	156,406
Closing	(95,956)	(81,199)
	(8,776)	75,207
COST OF GOODS MANUFACTURED	500,161	438,984
Finished goods		
Opening	145,017	71,643
Closing	(126,230)	(102,919)
	18,787	(31,277)
COST OF GOODS SOLD	518,947	407,707

7 CONTINGENCIES AND COMMITMENTS

Contingencies remain same during the quarter ended September 30, 2008 as disclosed in the audited financial statements for the year ended June 30, 2008

	September 30 2008	September 30 2007
	Rs in 000	
7.1 Commitments		
Letter of Credit	12,328	37,678

8 Current Maturity

Due to reprofiling of long term debt by the bankers, the current maturity of long term loans has been adjusted accordingly, to the extent it reflect the effects of restructuring.

9 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on October 24, 2008 by the Board of Director of the Company.

10 GENERAL

Figures have been rounded off to the nearest rupees.

CHIEF EXECUTIVE OFFICER

DIRECTOR