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DIRECTORS REVIEW

On behalf of the Board of Directors of Ismail Industries Limited, we are pleased to present you the reviewed financial statements of the company for the second quarter and six months period ended December 31, 2011. The financial performance for the six months under review is summarized below:

Business Review

	Half year ended		
	Dec 2011	Dec 2010	%
	(Rupe	(Rupees '000)	
Gross sales	5,141,257	4,144,128	24%
Gross profit	856,790	607,996	41%
Profit before taxation	224,278	143,214	57%
Profit after taxation	100,898	103,101	- 2%

The company has delivered a 24% healthy value and volume growth during the first half of the current year, total turnover of the Company stood at Rs.5,141 million as compared to Rs.4,144 million in the corresponding period. The company has also achieved a significant growth in its pre-tax earnings Rs.224 million in comparison of Rs. 143 million earned in the same period of last year on the back of healthy gross margins resulting from mix improvements as well as better absorption of distribution and other fixed expenses. However, profit after tax declined to Rs. 101 million as compared to Rs. 103 million in the corresponding period due to share of loss from associated undertaking during the period under review and an exceptional increase in deferred tax liability of the company.

On business development, your company continues to invest in balancing and modernization of production facilities and automation which substantially increased production capacities and is committed towards increasing resource utilization by developing manpower.

Future Outlook

Overall persistent high inflation, prevailing security conditions and power outages pose significant challenges to business. However, we will continue our efforts to consolidate the portfolio innovative and invest selectively in our products and remain committed to build strong brands which deliver exceptional value to all our stakeholders.

We wish to record our appreciation of continued patronage of our customers and commitment of our employees to the Company.

On behalf of the Board of Directors

Maqsood Ismail Chief Executive

Karachi: February 27, 2011

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of Ismail Industries Limited (the Company) as at December 31, 2011 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and selected explanatory notes to the condensed interim financial information for the six-month period ended (herein after referred to as the "condensed interim financial information"). Management of the Company is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with the approved accounting standards applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagement 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the six-month period ended December 31, 2011 is not prepared in all material respects, in accordance with approved accounting standards as applicable in Pakistan for the condensed interim financial reporting.

Other matter The figures for the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended December 31, 2011 and December 31, 2010 have not been reviewed, as we are required to review only cumulative figures for the six-month period ended December 31, 2011.

The financial statements of the Company for the year ended June 30, 2011 and six-month period ended December 31, 2010 were audited/reviewed by another firm of chartered accountants who have expressed unmodified opinion/conclusion dated September 27, 2011 and February 24, 2011 respectively.

Chartered Accountants

Anjum Asim Shahid Rahman

Karachi:

BALANCE SHEET AS AT DECEMBER 31, 2011

ASSETS	Note	Un-audited December 2011 Rupees	Audited June 2011 Rupees
Non-current assets			
Property, plant and equipment	4	2,339,880,337	2,375,674,778
Long-term investments	5	1,043,278,538	1,053,199,934
Long-term deposits		39,694,662	36,018,562
Total non-current assets		3,422,853,537	3,464,893,274
Current assets			
Stores and spares		60,614,612	42,450,083
Stock-in-trade		4,091,540,042	3,896,776,499
Trade debts - unsecured, considered good		557,233,872	450,406,878
Advances - considered good		198,113,640	225,800,338
Trade deposits and short-term prepayments		17,931,045	6,580,419
Other receivables		179,434,037	152,465,524
Advance tax - net of provision		54,485,265	71,040,756
Cash and bank balances	6	74,292,813	21,597,690
Total current assets	Ü	5,233,645,326	4,867,118,187
Total assets			
		8,656,498,863	8,332,011,461
EQUITY AND LIABILITIES			
Shareholders' equity			
Authorised share capital			
100,000,000 (June 2011: 100,000,000) ordinary share of Rs. 10 each		1,000,000,000	1,000,000,000
Issued, subscribed and paid-up capital 50,520,750 (June 2011: 50,520,750) ordinary shares at Rs.10 each full paid in cash		505,207,500	505,207,500
Share premium		579,265,000	579,265,000
Unappropriated profit		1,047,400,208	948,053,287
Total shareholders' equity		2,131,872,708	2,032,525,787
		2,131,872,708	2,032,323,767
Non-current liabilities		005 522 422	4 000 724 542
Long-term finances - secured		895,532,133	1,000,721,513
Loan from directors		352,151,770	352,151,770
Liabilities against assets subject to finance lease		158,589,189	160,002,875
Deferred liabilities Total non-current liabilities		316,426,224	226,576,909
		1,722,699,316	1,739,453,067
Current liabilities			
Trade and other payables		858,911,307	1,034,996,890
Accrued mark-up		91,440,032	95,468,695
Short-term finance - secured		3,190,207,365	2,775,463,012
Current portion of:			
- Long-term finances		527,017,587	548,628,586
- Liabilities against assets subject to finance lease		52,074,565	41,946,072
Advance from customers		82,275,983	63,529,352
Total current liabilities		4,801,926,839	4,560,032,607
Total liabilities	_	6,524,626,155	6,299,485,674
Contingencies and commitments	8	0 656 400 055	
Total equity and liabilities		8,656,498,863	8,332,011,461

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

Maqsood Ismail Chief Executive Munsarim Saif Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2011

Note	Quarter	ended	Six-month p	eriod ended
	December 31,	December 31,	December 31,	December 31,
	2011	2010 Rup ε	2011	2010
		кире	:es	
Gross sales	3,036,858,468	2,394,432,103	5,141,256,992	4,144,128,248
Sales tax and special excise duty	(364,549,609)	(337,581,012)	(631,852,498)	(587,093,761)
Net sales	2,672,308,859	2,056,851,091	4,509,404,494	3,557,034,487
Cost of sales	(2,156,443,816)	(1,717,422,970)	(3,652,614,374)	(2,949,038,840)
Gross profit	515,865,043	339,428,121	856,790,120	607,995,647
Selling and distribution expenses	(151,111,860)	(127,056,183)	(268,428,381)	(222,142,843)
Administrative expenses	(17,740,077)	(16,164,261)	(41,557,706)	(32,876,759)
	(168,851,937)	(143,220,444)	(309,986,087)	(255,019,602)
Operating profit	347,013,106	196,207,677	546,804,033	352,976,045
Other operating income	16,187,873	51,279,050	19,244,778	55,622,335
	363,200,979	247,486,727	566,048,811	408,598,380
Other operating expenses				
- Financial charges	(165,757,998)	(126,961,926)	(319,536,059)	(250,371,955)
- Other charges	(12,066,424)	(1,284,484)	(12,313,486)	(2,256,079)
	(177,824,422)	(128,246,410)	(331,849,545)	(252,628,034)
	185,376,557	119,240,317	234,199,266	155,970,346
Share of loss from associated undertakings	(9,921,396)	(12,756,081)	(9,921,396)	(12,756,081)
Profit before income tax	175,455,161	106,484,236	224,277,870	143,214,265
Income tax expense	(106,190,118)	(31,714,731)	(123,379,673)	(40,113,396)
Profit for the period	69,265,043	74,769,505	100,898,197	103,100,869
Front for the period	09,203,043	74,769,505	100,898,197	103,100,809
Earnings per share - basic and				
diluted 9	1.37	1.48	2.00	2.04

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2011

	Quarter ended		Six-month p	eriod ended	
	December 31, December 3		December 31,	December 31,	
	2011	2010	2011	2010	
		Rupe	es		
Profit for the period	69,265,043	74,769,505	100,898,197	103,100,869	
Other comprehensive income	-	-	-	-	
Total comprehensive income for the period		74.760.505	400 000 407	402 400 000	
rotal comprehensive income for the period	69,265,043	74,769,505	100,898,197	103,100,869	

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2011

	Note	December 31, 2011 Rupe	December 31, 2010
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations after working capital changes Gratuity paid Taxes paid (Payment) of long-term deposits	10	382,459,768 (3,431,452) (26,500,170) (3,676,100)	618,167,143 (3,369,632) (30,877,694) (19,387,177)
Net cash generated from operating activities		348,852,046	564,532,640
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure Proceeds from disposal of property, plant and equipment		(82,995,817) 3,397,271	(311,115,581) 78,747,697
Net cash (used in) investing activities		(79,598,546)	(232,367,884)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance lease liabilities less repayments Loan from directors Dividends paid Long-term finance less repayments Foreign exchange gain - net Financial charges paid Net cash (used in) financing activities		8,714,807 - (1,430,348) (126,800,379) 2,724,045 (323,564,722) (440,356,597)	197,496,815 82,151,770 (776,463) (252,869,880) 2,729,898 (249,103,182) (220,371,042)
Net (decrease)/increase in cash and cash equivalents		(171,103,097)	111,793,714
Cash and cash equivalents at the beginning of the period		(821,693,751)	(894,576,492)
Cash and cash equivalents at the end of the period	11	(992,796,848)	(782,782,778)

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2011

	Issued, subscribed and paid up capital	Share premium	Unappropriated profit	Share holders' equity
		Rup	ees	
Balance as at June 30, 2010	505,207,500	579,265,000	643,195,493	1,727,667,993
Total comprehensive income for the six-month period ended December 31, 2010	-	-	103,100,869	103,100,869
Cash dividend paid for the year ended June 30, 2010 @ Rs. 1.75 per share	-	-	(880,324)	(880,324)
	-		102,220,545	102,220,545
Balance as at December 31, 2010	505,207,500	579,265,000	745,416,038	1,829,888,538
Balance as at June 30, 2011	505,207,500	579,265,000	948,053,287	2,032,525,787
Total comprehensive income for the six-monh period ended December 31, 2011	-	-	100,898,197	100,898,197
Cash dividend paid for the year ended June 30, 2011 @ Rs. 2 per share	-	_	(1,551,276)	(1,551,276)
	-		99,346,921	99,346,921
Balance as at December 31, 2011	505,207,500	579,265,000	1,047,400,208	2,131,872,708

NOTES TO THE INTERIM FINANCIAL STATEMENT (UN-AUDITED)

FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2011

1 LEGAL STATUS AND OPERATIONS

Ismail Industries Limited (the Company) was incorporated in Karachi, Pakistan as a private limited company on June 21, 1988. On November 01, 1989 the company was converted into a public limited company and its shares are quoted on the Karachi and Lahore stock exchanges. The registered office of the company is situated at 17 - Banglore Town, Shahrah-e-raisal, Karachi, Pakistan. Principal activities of the company are manufacturing and trading of sugar confectionery items, biscuits, potato chips and cast polypropylene film under the brands of 'CandyLand', 'Bisconni', 'Snackcity' and 'Astropack' respectively.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 – Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

This un-audited condensed interim financial information constitutes separate condensed interim financial statements of the Company and are being presented and submitted to the shareholders as required by Listing Regulations of Karachi and Lahore stock exchanges and under Section 245 of the Companies Ordinance, 1984. The condensed interim financial information do not include all information and disclosures required in the financial statements and should be read in conjuncton with the financial statements of the Company for the year ended June 30, 2011.

The condensed interim financial information is un-audited, but have been subject to limited scope review by the auditors as required by the Listing Regulations of Karachi and Lahore stock exchanges where the Company is listed.

2.1 These condensed interim financial statements have been prepared under the accrual basis of accounting except for cash flow information.

3 SIGNIFICANT ACCOUNTING INFORMATION AND POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended June 30, 2011.

4 PROPERTY, PLANT AND EQUIPMENT

		December 31,	June 30,
		2011	2011
		Rup	ees
Operating fixed assets	4.1	2,267,272,561	2,270,610,246
Capital work in progress	4.2	72,607,776	105,064,532
		2,339,880,337	2,375,674,778

4.1 Details of additions and disposals to operating assets during the six-months period ended December 31, 2011 are as follows:

	Additions (at cost)		Deleti (at net boo	
	December 31,	June 30,	December 31,	June 30,
	2011	2011	2011	2011
		Rupe	es	
Owned assets				
Leasehold land	-	28,909,249	-	33,185,448
Building on leasehold land	58,602,276	165,884,141	-	-
Plant and machinery	33,796,157	438,796,662	-	-
Furnitue and fittings	2,907,582	3,106,124	-	-
Equipment	2,088,146	8,888,646	32,345	2,319
Computers	882,700	1,651,014	77,895	34,079
Vehicles	681,721	25,701,500	1,551,683	4,559,029
	98,958,582	672,937,336	1,661,923	37,780,875
Leased assets				
Plant and machinery	-	205,455,832	-	-
Vehicles	16,544,000	12,657,000	-	943,381
	115,502,582	891,050,168	1,661,923	38,724,256

4.2 Details of additions and disposals to capital work-in-progress during the six-months period ended December 31, 2011 are as follows:

		Additions (at cost)		fers	
	December 31,	December 31, June 30,		June 30,	
	2011	2011	2011	2011	
		Rupees			
Civil Works	21,179,752	171,970,087	57,788,897	139,218,318	
Plant & Machinery	42,388,886	418,736,030	30,353,379	645,254,794	
Electical Installation	2,211,477	322,000	7,780,862	-	
Furniture & Fixture	520,000	3,676,731	2,654,784	2,052,625	
Computer	-	-	322,000	-	
Equipment	143,050	3,307,676	-	3,725,926	
	66,443,165	598,012,524	98,899,922	790,251,663	

	December 31,	June 30,
	2011	2011
	Ruj	oees
LONG-TERM INVESTMENT		
Investment in associated undertakings		
Novelty enterprises (Private) Limited	229,724,069	229,724,069
The Bank of Khyber	813,554,469	823,475,865
	1,043,278,538	1,053,199,934

December 21

June 20

5.1 Investment in associated undertakings

5

The Company holds a 33% voting and equity interest in Novelty Enterprises (Private) Limited. The Company holds a 14% voting and equity interest and has representation on the Board of Directors in The Bank of Khyber. The Bank of Khyber announced a right issue in May 2011, the subscription for which was subsequent to the year end. The Company has not exercised its right for this issuance which has resulted in a dilution in its holding to 8.6%.

These investments are accounted for under the equity method. The reporting date of Novelty Enterprises (Private) Limited is 30 June, while the Bank of Khyber concludes its annual financial results on 31 December as required by State Bank of Pakistan for financial institutions.

The shares of Novelty Enterprises (Private) Limited are not listed on a stock exchange and hence published price quotes are not available. The fair value of 14% holding in Bank of Khyber as on December 31, 2011 was Rs. 382,682,416 (June 2011: Rs. 335,201,449). The aggregate amounts of the associates can be summarised as follows:

	The Bank of Khyber		Novelty Enterp Limi	
	December 31, 2011	June 30, 2011	December 31, 2011	June 30, 2011
July 01, 2011 Share of (loss) / profit	823,475,865 (9,921,396)	711,505,825 111,970,040	229,724,069	229,724,069
	813,554,469	823,475,865	229,724,069	229,724,069

All transfers of funds to the Company, i.e. distribution of cash dividends, are subject to approval by means of a resolution passed by the shareholders of the associates. The Company has not received any dividend during the period. (2010: Rs. Nil).

The Company has not incurred any contingent liabilities or other commitments relating to its investments in associates.

Novelty Entrprises (Private) Limited has not commenced operations as of the reporting date and hence the investment is stated at cost.

	December 31, 2011	June 30, 2011
CASH AND BANK BALANCES	Rupe	es
Cash in hand	8,729,085	1,673,253
Cash with banks in current accounts	65,563,728	19,924,437
	74,292,813	21,597,690

		Note	December 31, 2011	June 30, 2011
7	SHORT TERM FINANCES - Secured		Rupe	ees
	Term finances	7.1	1,489,708,511	1,189,337,764
	Export refinances	7.2	310,000,000	310,000,000
	Import / Export finances FE-25	7.3	323,840,193	432,833,807
	Running finance utilized under mark-up			
	arrangements	7.4	1,067,089,661	843,291,441
			3,190,638,365	2,775,463,012

- 7.1 The facilities for term finances from various banks aggregated to Rs. 1,735,000,000 (June 2011: Rs. 1,265,000,000). These facilities are secured against pari-passu/ranking hypothecation of stocks, book debts and personal guarantees of the directors. These facilities carry mark-up at the rates ranging from 12.86% to 15.06% per annum (December 2010: 13.25% to 14.59% per annum).
- 7.2 The facilities for export refinance from various banks aggregated to Rs. 310,000,000 (June 2011: Rs. 310,000,000). These facilities are secured pari-passu against hypothecation of stocks, lien on export letters of credit and personal guarantees of the directors. These facilities carry mark-up at the rate of 1% (December 2010: 1%) above the State Bank of Pakistan rate per annum.
- 7.3 The import/export finance facility against (FE-25) of Rs. 400,000,000 (June 2011: Rs. 487,000,000) allowed by various banks which are secured against pari-passu/ranking hypothecation of stocks and book debts of the company, lien on import documents and personal guarantees of the directors. These facilities carry mark-up at the rate ranging from 3.4% to 3.93% per anum (December 2010: 3.4% to 5% per anum).
- 7.4 The facilities for running finances available from various banks aggregated to Rs. 1,019,000,000 (June 2011: Rs. 812,000,000). These facilities are secured against pari-passu/ranking hypothecation of stocks and book debts and personal guarantees of the directors. These facilities carry mark-up at the rates ranging from 12.92% to 15.54% per annum (December 2010: 13.29% to 15.09% per annum).

8 CONTINGENCIES AND COMMITMENTS

The contingencies and commitments reported in the preceeding annual financial statements have undergone to following change:

	December 31, 2011	June 30, 2011
	Rup	ees
Outstanding letter of guarantees	64,000,288	56,130,788
Outstanding letter of credit for:		
- capital expenditures	2,241,408	8,584,146
- others	343,490,898	329,575,539

			December 31, 2011	December 31, 2010
EADNING	S PER SHARE-Basic and Diluted		Rup	ees
Profit for	nings per share		100,898,197	103,100,869
FIOIIL IOI	une year		100,898,197	103,100,809
Weighted	average number of shares		50,520,750	50,520,750
Earnings p	per share		2.00	2.04
Diluted e	arning per share			
There is r	o dilution effect on the basic earning peents.	r share of the (Company as the Com	npany has no such
	NERATED FROM OPERATIONS AFTER CHANGESS	WORKING		
Profit bef	ore income tax		224,277,870	143,214,265
Adjustme	ents for non-cash and other items:			
Depreciat	ion		117,092,078	86,914,466
Gain on d	isposal of property, plant and equipment	- net	(1,699,092)	(42,758,384)
Provision	for staff retirement gratuity		12,956,755	12,311,836
Loss from	associated undertakings		9,921,396	12,756,081
Foreign e	kchange gain - net		(2,724,045)	(2,729,898)
Financial	charges - net		319,536,059	253,101,853
Net (incre	ase)/decrease in working capital	10.1	(296,901,253)	155,356,924
			382,459,768	618,167,143
10.1	Norking capital changes			
	Current assets			
	ncrease in stores and spares		(18,164,529)	(7,231,790)
	ncrease in stock-in-trade		(194,763,543)	(479,314,064)
	Increase)/decrease in trade debts		(106,826,994)	25,077,064
	Decrease in advances		27,686,698	94,452,538
	ncrease in trade deposits and short-term ncrease in other receivables	prepayments	(11,350,626) (26,968,513)	(15,851,743) (53,105,072)
'	increase in other receivables		(330,387,507)	(435,973,067)
	Current liabilities		(330,387,307)	(433,373,007)
	Decrease)/increase in trade and other pay	/ahles	(176,206,510)	147,778,986
	ncrease in short-term finances	abies	190,946,133	290,560,356
	ncrease in advance from customers		18,746,631	152,990,649
			33,486,254	591,329,991
ı	Net increase/(decrease) in working capi	tal	(296,901,253)	155,356,924
CASH AN	ID CASH EQUIVALENTS			
Cash and	bank balances	6	74,292,813	43,774,113
	inances under mark-up arrangement	7	(1,067,089,661)	(826,556,891)
U	, ,		(992,796,848)	(782,782,778)

A segment is a distinguishable component of the Company that is reased in business activities from which the Company earns revenues and its results are regularly reviewed by the Company Cheel Operating Decision Maker to make decision about resources to be allocated to the segment and assess its performance. Further, discrete financial information is available for each segment. 12 SEGMENT INFORMATION

Based on internal management reporting structure and products produced and sold, the Company is organised into the following two operating segments:

- Food processing - Plastic film

Management monitors the operating results of above mentioned segments separately for the purpose of making decisions about resources to be allocated and of assessing performance.

Segment revenue, segment result, costs,

Food Processing Food Processing	ecember 31, 2010 1,938,834,356 239,174,329	Plastic Film December 31, Dec	: Film December 31.	Total	Į.	Food Processing	cessing	Plastic Film	c Film	1 1	
rt segment sales r retum and discounts it tax and excise duty	ecember 31, 2010 1,938,834,356 239,174,329	December 31,	December 31.	December 31 2011 F							
regment sales segment sales trebum and discounts it ax and excise duly	1,938,834,356	2011	2010		December 31, 2011 December 31, 2010	December 31, 2011 December 31, 2010 December 31, 2011 December 31, 2010	December 31, 2010	December 31, 2011	December 31, 2010	December 31, 2011 December 31, 2010	December 31, 2
ret response sales return and discounts tax and excise duly	1,938,834,356 239,174,329										
ret segment sales 2 return and discounts 6 tax and excise duty	239,174,329	256,657,827	262,661,893	2,777,126,512	2,201,496,249	4,160,807,828	3,397,047,284	539,548,028	450,191,587	4,700,355,856	3,847,238,87
segment sales return and discounts star and excise duty		(190,297)	18,687,185	208,305,668	257,861,514	454,320,536	385,583,398	10,278,888	50,004,247	464,599,424	435,587,645
2 return and discounts tax and excise duty		75,772,035	40,190,811	75,772,035	40,190,811			140,093,812	802'660'69	140,093,812	802'660'69
return and discounts tax and excise duty	2,178,008,685	332,239,566	321,539,889	3,061,204,216	2,499,548,574	4,615,128,364	3,782,630,682	689,920,729	569,295,542	5,305,049,093	4,351,926,224
	(64,752,278)		(173,382)	(88,687,066)	(64,925,660)	(161,358,637)	(138,090,635)	(2,453,006)	(607,633)	(163,811,643)	(138,698,268)
(406,796,805)	(288,508,841)	(46,420,327)	(49,072,171)	(364,530,066)	(337,581,012)	(534,841,986)	(503,021,535)	(696'066'96)	(84,072,226)	(631,832,955)	(587,093,761)
	(353,261,119)	(46,420,327)	(49,245,553)	(453,217,132)	(402,506,672)	(696,200,623)	(641,112,170)	(99,443,975)	(84,679,859)	(795,644,598)	(725,792,029)
Net sales 2,322,167,845	1,824,747,566	285,819,239	272,294,336	2,607,987,084	2,097,041,902	3,918,927,741	3,141,518,512	590,476,754	484,615,683	4,509,404,495	3,626,134,195
Cost of sales (1,856,471,064)	(1,522,581,738)	(235,650,976)	(235,032,043)	(2,092,122,040)	(1,757,613,781)	(3,159,033,388)	(2,602,899,943)	(493,580,987)	(415,238,605)	(3,652,614,375)	(3,018,138,548)
Selling and distribution expenses (148,735,831)	(123,514,804)	(2,376,029)	(3,541,379)	(151,111,860)	(127,056,183)	(263,681,384)	(215,214,718)	(4,746,997)	(6,928,125)	(268,428,381)	(222,142,843)
_	(15,514,549)	(523,100)	(649,712)	(17,740,077)	(16,164,261)	(40,507,213)	(31,816,645)	(1,050,493)	(1,060,114)	(41,557,706)	(32,876,759)
(2,022,423,872)	(1,661,611,091)	(238,550,105)	(239,223,134)	(2,260,973,977)	(1,900,834,225)	(3,463,221,985)	(2,849,931,306)	(499,378,477)	(423,226,844)	(3,962,600,462)	(3,273,158,150)
Segment result 299,743,973	163,136,475	47,269,134	33,071,202	347,013,107	196,207,677	455,705,756	291,587,206	91,098,277	61,388,839	546,804,033	352,976,045
Unallocated income and expenses										OCT 100 OL	86 67 33
Finance cost										(319,536,059)	(250,371,955)
Other charges										(12,313,486)	(2,256,079)
Share of loss from associated undertaking										(9,921,396)	(12,756,081)
Profit before taxation										224,277,870	143,214,265
Income tax expense										(123,379,673)	(40,113,396)
Depreciation										117,092,078	86,914,466
Other non cash expenses						11,857,139	11,288,364	1,099,616	1,023,472	12,956,755	12,311,836
						Food Processing	cessing	Plastic Film	Film	Total	-
						December 31, 2011	June 30, 2011	December 31, 2011	June 30, 2011	December 31, 2011	June 30, 2011
								(Rupees)	ees)		
12.2 Segment assets and liabilities											
Segment assets						6,231,062,410	5,749,942,396	1,331,507,201	1,473,636,391	7,562,569,611	7,223,578,787
Unallocated assets										1,093,929,252	1,108,432,674
Total assets						6,231,062,410	5,749,942,396	1,331,507,201	1,473,636,391	8,656,498,863	8,332,011,461
Segment liabilities						4,036,664,143	3,954,369,744	224,555,501	43,947,859	4,261,219,644	3,998,317,603
Unallocated liabilities										2,263,406,510	2,301,168,071

6,299,485,674 698,802,282

6,524,626,154 82,995,817

14,695,885

2,120,810 224,555,501

3,954,369,744 684,106,397

4,036,664,143 80,875,007

13 TRANSACTIONS WITH RELATED PARTIES

Related party comprise associates, directors and key management personnel. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in the financial statements are as follows:

			December 31, 2011	December 31, 2010
			Ruj	oees
	Sale of land to associated undertaking			75,000,000
	Rent paid to chief executive		600,000	350,000
	Dividends paid to associated undertaking		783,720	761,950
	Others			
	Remuneration to directors and other key management personnel	13.1	25,708,352	25,228,646
13.1	Remuneration to directors and other key management personnel			
	Chief Executive		1,350,000	1,350,000
	Directors		3,600,000	3,600,000
	Executives		20,758,352	20,278,646
			25,708,352	25,228,646

14 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on 27 February, 2012 by the Board of Directors of the Company.

COMPANY PROFILE

Board of Directors Executive Directors

Mr Muhammad M Ismail

(Chairman)

Mr. Magsood Ismail

(Chief Executive) Mr Miftah Ismail

Mr. Munsarim Saif

Non-Executive Directors

Ms. Rashida Igbal

Ms. Anisa Naviwala

Ms. Nafisa Yousuf Palla

Ms Uzma Arif

Audit Committee Members

Ms. Rashida Iqbal Chairperson Mr. Magsood Ismail Member

Ms. Uzma Arif Member

Registered Office

17, Bangalore Town,

Main Shahra-e-Faisal, Karachi

Factory - 1

C-230. Hub H.I.T.E.. Balochistan

Factory - 2

B-140. Hub H.I.T.E.. Balochistan.

Factory - 3

G-1, Hub H.I.T.E., Balochistan

Factory - 4

G-22. Hub H.I.T.E.. Balochistan

Factory - 5

38C, Sundar Industrial Estate

Raiwind Road, Lahore.

CFO & Company Secretary

Mr. Ghulam Faroog

Auditor

Anjum Asim Shahid Rahman.

Chartered Accountants

Tax Advisor

Munaf Yusuf & Co

Chartered Accountants

Legal Advisor

Faroog Rasheed & Co.

Share Registrar

THK Associates (Pvt.) Limited

Intellectual Property Advisor

Ali Associates

Bankers / Institutions

Allied Bank Limited

Bank Al-Habib Limited Barclays Bank PLC, Pakistan

Burj Bank Limited

Dubai Islamic Bank (Pakistan) Limited

Faysal Bank Limited First Habib Bank Modaraba

First Habib Modaraba

First National Bank Modaraba

Habib Bank Limited

Habib Metropolitan Bank Limited

JS Bank Limited

Meezan Bank Limited

MCB Bank Limited

National Bank of Pakistan

NBP Leasing Ltd

NIB Bank Limited

Pak Brunei Investment Co Ltd.

Soneri Bank Limited

Standard Chartered Bank (Pakistan) Limited

Standard Chartered Modaraba

Silkbank Limited

The Bank of Puniab

United Bank Limited



ISMAIL INDUSTRIES LIMITED

Head Office

17 Bangalore Town, Shahrah-e-Faisal, Karachi-75350. Tel: (92-21) 3431 1172-75, Fax: (92-21) 3454 7843, 3454 1094

Factories

Unit 1: C-230, H.I.T.E., HUB, Balochistan.

Tel: (92-853) 302526-302392, Fax: (92-853) 302527

Unit 2: B-140, H.I.T.E., HUB, Balochistan. Tel: (92-853) 302589, Fax: (92-853) 302408

Unit 3: G-1, H.I.T.E., HUB, Balochistan.

Tel: (92-853) 302611, Fax: (92-853) 302611, 303817

Unit 4: G-22, H.I.T.E., HUB, Balochistan.

Tel: (92-853) 303193, 303177, Fax: (92-853) 302284

Unit 5: 38-C, Sunder Industrial Estate, Raiwind Road, Lahore. Tel: (92-42) 36140972