

**CONDENSED INTERIM FINANCIAL INFORMATION
(UNAUDITED)**

SECOND QUARTER & HALF YEAR ENDED

30 JUNE 2015



Linde Pakistan Limited



Our Vision.

Linde Pakistan Limited (LPL) will be the leading industrial gases and hospital care Company, admired for its people, who provide innovative solutions that make a difference to the community.

Our Mission.

To engage effectively, responsibly and profitably in the industrial gases, healthcare and welding markets.

LPL consistently seeks a high standard of performance, and aims to maintain a long-term leadership position in its competitive environment. This will be achieved through operating efficiency, continued dedication to serving our customers, cost effectiveness and behavioral conformance to our values.

The Company will be recognized by the communities it operates in, as a safe and environmentally responsible organization.

Our people will be acknowledged for their integrity and talent. The corporation acknowledges that commercial success and sustained profitable growth depends on the recruitment, development and retention of competent human resources and it will continue to invest in building this organizational capacity and capability.

For shareholders, it protects their investment and provides an acceptable return. This is achieved through continued commercial success in winning new business and retaining existing customers. This is underpinned by the development and provision of new products and services to its customers, offering real value in price, quality, safety & environmental impact.

Company information

Board of Directors

Munnawar Hamid – OBE	Non-Executive Chairman
Muhammad Ashraf Bawany	Chief Executive & Managing Director
Atif Riaz Bokhari	Non-Executive Director
Humayun Bashir	Independent Director
Shahid Hafiz Kardar	Independent Director
Khaleeq Kayani	Non-Executive Director
Andrew James Cook	Non-Executive Director
Ganapathy Subramanian NarayanaSwamy	Non-Executive Director
Muhammad Samiullah Siddiqui	Executive Director

Chief Financial Officer

Muhammad Samiullah Siddiqui

Company Secretary

Jamal A Qureshi

Board Audit Committee

Humayun Bashir	Chairman	Independent Director
Atif Riaz Bokhari	Member	Non-Executive Director
Shahid Hafiz Kardar	Member	Independent Director
Andrew James Cook	Member	Non-Executive Director
Ganapathy Subramanian NarayanaSwamy	Member	Non-Executive Director
Jamal A Qureshi	Secretary	Company Secretary & Legal Counsel

Board Human Resource & Remuneration Committee

Munnawar Hamid – OBE	Chairman	Non-Executive Director
Muhammad Ashraf Bawany	Member	Chief Executive & Managing Director
Khaleeq Kayani	Member	Non-Executive Director
Andrew James Cook	Member	Non-Executive Director
Ganapathy Subramanian NarayanaSwamy	Member	Non-Executive Director
Muhammad Salim Sheikh	Secretary	Head of HR

Share Transfer Committee

Muhammad Ashraf Bawany	Chairman	Chief Executive & Managing Director
Muhammad Samiullah Siddiqui	Member	Executive Director
Wakil Ahmed Khan	Secretary	Manager – Corporate Services

Bankers

Standard Chartered Bank (Pakistan) Limited
 Deutsche Bank AG
 Citibank N.A.
 HBL Bank Limited (Barclays Bank Plc)
 MCB Bank Limited
 National Bank of Pakistan Limited
 Meezan Bank Limited

Share registrar

Central Depository Company of Pakistan Limited

Auditors

KPMG Taseer Hadi & Co.

Legal advisor

Ayesha Hamid of Hamid Law Associates

Registered office

West Wharf, Dockyard Road, Karachi-74000

Website

www.linde.pk
 www.linde.com

Directors' Review

I am pleased to present the Directors' Review together with the condensed interim financial information of your Company for the half year ended 30 June 2015. The accompanying financial statements were subject to a limited scope review by the statutory auditors as required under the code of corporate governance.

Pakistan's economy exhibited signs of continuing improvement. The average Consumer Price Index (CPI) inflation continued to follow a downward trajectory and declined substantially to 4.5% in FY15 from 8.6% last year. Real Gross Domestic Product (GDP) growth in FY15 remained at 4.2% which is slightly higher compared to 4.0% in FY14. Additionally, the foreign exchange position remained strong backed by lower import bills and a stable flow of remittances. This improvement, in spite of a subdued exports performance, led the State Bank of Pakistan (SBP) to slash the policy discount rate by a total of 300 basis points in FY15 which is expected to boost growth in the manufacturing sector.

However, persistent energy shortages and shrinking gas supply continued to adversely impact manufacturing activity and the industrial sector showed a growth of only 3.6% compared to an ambitious target of 6.8%. The proposed foreign investment in the Pak-China Economic Corridor, the Global X Pakistan Exchange Traded Funds (ETF) and the Qatar LNG project reflect investment confidence and a promising outlook for the Pakistan's economy. The government has also made some progress in implementing macroeconomic and structural reforms to strengthen its fiscal position, alleviate energy shortages, and restructure and privatize public enterprises. As a result of these reforms coupled with improving macroeconomic indicators, it is anticipated that the industrial sector will flourish in the period to come. However, performance will remain dependent on the pace of economic and structural reforms, improvement in Governance and managing the challenging political and security environment.

The abovementioned challenges have influenced the Company's performance during the period under review. Moreover, industrial gases and healthcare segments also continued to face a highly competitive market. To mitigate these challenges, your Company continued to improve plant productivity and efficiency through new process initiatives. Similarly, the Company also strengthened its position on Matador-47, a newly introduced electrodes' brand, along with the Matador branded cutting & grinding disks which are gradually gaining ground in the market. As mentioned earlier your Company has focused its emphasis on application development for value addition through production efficiencies in various industry sectors including refineries, steel manufacturers and food and beverage. Likewise renewed focus on special gases, refrigerants, pipeline business and welding solutions is expected to continue to improve differentiation of Linde versus competition. Volumes in gases business increased by around 4% in Quarter-2 over last year same period.

These actions, together with operational cost reductions, resulted in an enhanced Gross Profit for the second quarter ended on June 30, 2015, which at Rs. 204.8 million remained 11% higher compared to the same period last year. Similarly, gross profit percentage to net sales for the second quarter has also improved to 20.7% as against 17.8% in the same quarter last year. Overall, for the first six months, revenue however stood at 3% lower compared to last year. Overheads remained more or less in line with the same period last year as a result of the cost efficiency measures, despite salary increments and inflation.

In order to ensure permanence of the cost efficiencies and improved productivity, the Company has reorganized and restructured during the year necessitating a voluntary separation for selected employees. The cost of the scheme amounted to Rs. 38.5 million which has been recognized in the annexed accounts, and the Company is confident that this cost will be more than offset by future cost savings and strengthen overall profitability. Financing cost for the 1st half remained at Rs.9 million higher as against the same period last year mainly on account of higher capitalization last year. As a result of the necessary one-off cost, profit after tax has reduced to Rs 50 million in the first of half 2015, and an EPS of Rs.2.00.

Your Directors are pleased to note that the Company is continuing its efforts and taking effective measures to meet its various challenges as strongly as external circumstances allow.

Karachi:
31 August 2015

On behalf of the Board



Munnawar Hamid OBE
Chairman



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2
Beaumont Road
Karachi, 75530 Pakistan

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Independent Auditors' Report to the Members on Review of Condensed Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of **Linde Pakistan Limited** ("the Company") as at 30 June 2015 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the condensed interim financial information for the six months period then ended (here-in-after referred to as the "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as 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 Engagements 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 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

The figures for the quarters ended 30 June 2015 and 30 June 2014 in the condensed interim profit and loss account and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

Date: 31 August 2015

Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants
Moneeza Usman Butt

KPMG Taseer Hadi & Co., a Partnership firm registered in Pakistan and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

Linde Pakistan Limited
Condensed Interim Profit and Loss Account (*Unaudited*)

Rupees in '000	Note	For the half year ended		For the second quarter ended	
		30 Jun. 2015	30 Jun. 2014	30 Jun. 2015	30 Jun. 2014
Gross sales		2,254,347	2,323,146	1,122,196	1,176,771
Trade discount and sales tax		(262,866)	(277,414)	(130,931)	(139,198)
Net sales	5	1,991,481	2,045,732	991,265	1,037,573
Cost of sales	5	(1,575,292)	(1,621,545)	(786,475)	(853,048)
Gross profit		416,189	424,187	204,790	184,525
Distribution and marketing expenses	5	(122,377)	(112,137)	(54,327)	(51,141)
Administrative expenses	5	(117,203)	(118,354)	(60,905)	(58,170)
Other operating expenses		(10,928)	(16,992)	(4,769)	(9,661)
Other income		9,597	25,186	886	21,029
		(240,911)	(222,297)	(119,115)	(97,943)
Operating profit before reorganisation / restructuring cost		175,278	201,890	85,675	86,582
Reorganisation / restructuring cost	6	(38,500)	-	(38,500)	-
Operating profit after reorganisation / restructuring cost		136,778	201,890	47,175	86,582
Finance costs		(67,701)	(58,878)	(30,864)	(29,050)
Profit before taxation		69,077	143,012	16,311	57,532
Taxation - deferred	7	(19,048)	(45,984)	(4,059)	(14,070)
Profit for the period		50,029	97,028	12,252	43,462
----- (Rupees) -----					
Earnings per share - basic and diluted in Rupees		2.00	3.88	0.49	1.74

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



Muhammad Ashraf Bawany
Chief Executive



Munnawar Hamid OBE
Chairman

Linde Pakistan Limited
 Condensed Interim Statement of Comprehensive Income (Unaudited)

Rupees in '000	For the half year ended		For the second quarter ended	
<u>30 Jun. 2015</u>	30 Jun. 2014	<u>30 Jun. 2015</u>	<u>30 Jun. 2014</u>	
Profit for the period	50,029	97,028	12,252	43,462
Other comprehensive income				
<i>Items that will never be reclassified to profit and loss account:</i>				
Net re-measurement on defined benefit plans	1,413	4,736	32,021	6,248
Tax thereon	(452)	(1,563)	(10,553)	(2,077)
	961	3,173	21,468	4,171
<i>Items that will be reclassified subsequently to profit and loss account:</i>				
Changes in fair value of derivative financial instruments	-	(6,401)	-	-
Tax thereon	-	2,176	-	-
	-	(4,225)	-	-
Total comprehensive income for the period	50,990	95,976	33,720	47,633

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



Muhammad Ashraf Bawany
 Chief Executive



Munnawar Hamid OBE
 Chairman

Linde Pakistan Limited
Condensed Interim Balance Sheet

Rupees in '000	Note	As at 30 Jun. 2015 <i>(Unaudited)</i>	As at 31 Dec. 2014 <i>(Audited)</i>
ASSETS			
Non-current assets			
Property, plant and equipment	8	3,122,064	3,162,583
Intangible assets		23,076	25,370
Investment in subsidiary		10	10
Long term deposits		26,410	26,410
		3,171,560	3,214,373
Current assets			
Stores and spares		128,247	114,790
Stock-in-trade	9	274,062	276,591
Trade debts		364,826	293,490
Loans and advances		20,500	15,231
Deposits and prepayments		69,951	46,882
Other receivables		77,278	96,511
Taxation - net		297,963	232,335
Cash and bank balances		97,807	307,612
		1,330,634	1,383,442
Total assets		4,502,194	4,597,815
EQUITY AND LIABILITIES			
Share capital and reserves			
<i>Authorised:</i>			
40,000,000 (2014: 40,000,000) Ordinary shares of Rs. 10 each		400,000	400,000
<i>Issued, subscribed and paid-up:</i>			
25,038,720 (2014: 25,038,720) Ordinary shares of Rs. 10 each		250,387	250,387
Reserves		1,359,204	1,348,427
Unappropriated profit		50,990	92,153
		1,410,194	1,440,580
		1,660,581	1,690,967
Non-current liabilities			
Long term financing		675,000	810,000
Long term deposits		151,036	140,478
Deferred liabilities		359,272	339,425
		1,185,308	1,289,903
Current liabilities			
Trade and other payables		1,136,305	1,088,752
Short term borrowings		250,000	343,193
Current maturity of long term financing		270,000	185,000
		1,656,305	1,616,945
Total equity and liabilities		4,502,194	4,597,815
Contingency and Commitment	10		

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

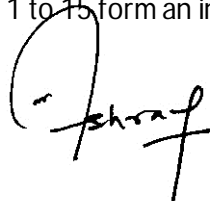

Muhammad Ashraf Bawany
Chief Executive


Munnawar Hamid OBE
Chairman

Linde Pakistan Limited
 Condensed Interim Cash Flow Statement (*Unaudited*)

Rupees in '000	<i>Note</i>	For the half year ended 30 Jun. 2015	For the half year ended 30 Jun. 2014
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	11	256,277	250,824
Finance costs paid		(73,630)	(49,806)
Income tax paid		(65,628)	(70,929)
Post retirement medical benefits paid		(126)	(93)
Long term loans and deposits		-	130
Long term deposits (cylinders and others)		10,558	(5,744)
<i>Net cash generated from operating activities</i>		127,451	124,382
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(117,918)	(126,076)
Acquisition of intangible assets		-	(665)
Proceeds from disposal of operating assets		2,566	-
Interest received on balances with banks		1,397	1,126
<i>Net cash used in investing activities</i>		(113,955)	(125,615)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of long term financing		(50,000)	(50,000)
Dividends paid		(80,108)	(98,856)
<i>Net cash used in financing activities</i>		(130,108)	(148,856)
Net decrease in cash and cash equivalents		(116,612)	(150,089)
Cash and cash equivalents at beginning of the period		(35,581)	290,199
Cash and cash equivalents at end of the period	12	(152,193)	140,110

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



Muhammad Ashraf Bawany
Chief Executive



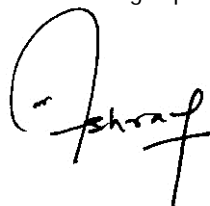
Munnawar Hamid OBE
Chairman

Linde Pakistan Limited
Condensed Interim Statement of Changes in Equity (Unaudited)

For the half year ended 30 June 2015

Rupees in '000	Issued, subscribed and paid-up capital	Hedging reserve	Reserves General reserve	Unappropriated profit	Total
Balance as at 1 January 2014	250,387	4,225	1,303,316	145,266	1,703,194
Total comprehensive income for the period					
Profit for the period	-	-	-	97,028	97,028
Other comprehensive income for the period	-	(4,225)	-	3,173	(1,052)
	-	(4,225)	-	100,201	95,976
Transactions with owners of the Company recognised directly in equity - Distribution					
Final dividend for the year ended 31 December 2013 - Rs. 4 per share	-	-	-	(100,155)	(100,155)
Transfer to general reserve	-	-	45,111	(45,111)	-
Balance as at 30 June 2014	<u>250,387</u>	<u>-</u>	<u>1,348,427</u>	<u>100,201</u>	<u>1,699,015</u>
Balance as at 1 January 2015	250,387	-	1,348,427	92,153	1,690,967
Total comprehensive income for the period					
Profit for the period	-	-	-	50,029	50,029
Other comprehensive income for the period	-	-	-	961	961
	-	-	-	50,990	50,990
Transactions with owners of the Company recognised directly in equity - Distribution					
Final dividend for the year ended 31 December 2014 - Rs. 3.25 per share	-	-	-	(81,376)	(81,376)
Transfer to general reserve	-	-	10,777	(10,777)	-
Balance as at 30 June 2015	<u>250,387</u>	<u>-</u>	<u>1,359,204</u>	<u>50,990</u>	<u>1,660,581</u>

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



Muhammad Ashraf Bawany
Chief Executive



Munnawar Hamid OBE
Chairman

Notes to the Condensed Interim Financial Information (*Unaudited*)

For the six months period ended 30 June 2015

1. LEGAL STATUS AND OPERATIONS

Linde Pakistan Limited ("the Company") was incorporated in Pakistan under the Companies Act, 1913 (now Companies Ordinance, 1984), as a private limited company in 1949 and converted into a public limited company in 1958. Its shares are quoted on all the Stock Exchanges of Pakistan. The address of its registered office is West Wharf, Dockyard Road, Karachi, Pakistan.

The Company is principally engaged in the manufacture of industrial and medical gases, welding electrodes and marketing of medical equipment.

The Company is a subsidiary of The BOC Group Limited whereas its ultimate parent company is Linde AG, Germany.

The Company owns a wholly owned subsidiary, BOC Pakistan (Private) Limited ("BOCPL"), which has not carried out any business activities during the period. Accordingly, exemption has been granted by the Securities and Exchange Commission of Pakistan ("SECP") from the application of sub-section (1) to (7) of section 237 of the Companies Ordinance, 1984 requiring consolidation of subsidiary in the preparation of financial statements for the year ending 31 December 2015 and all interim periods within the aforementioned year.

2. BASIS OF PREPARATION

This condensed interim financial information of the Company for the six months period ended 30 June 2015 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 condensed interim financial information of the Company does not include all of the information required for full annual financial statements and should be read in conjunction with the audited annual financial statements of the Company as at and for the year ended 31 December 2014.

This condensed interim financial information is presented in Pak Rupee which is also the Company's functional currency and all financial information presented has been rounded off to the nearest thousand.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies adopted by the Company in the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding published financial statements of the Company for the year ended 31 December 2014.

3.2 Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the Company's operations or did not have any significant impact on the accounting policies of the Company.

4. ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

Estimates and judgements made by management in the preparation of this condensed interim financial information are the same as those that were applied to the audited annual financial statements of the Company as at and for the year ended 31 December 2014.

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements of the Company as at and for the year ended 31 December 2014.

5. SEGMENT RESULTS

	For the half year ended						For the second quarter ended					
	30 June 2015			30 June 2014			30 June 2015			30 June 2014		
	Industrial medical and other gases	Welding and others	Total	Industrial medical and other gases	Welding and others	Total	Industrial medical and other gases	Welding and others	Total	Industrial medical and other gases	Welding and others	Total
Rupees in '000												
Gross sales	1,842,025	412,322	2,254,347	1,890,770	432,376	2,323,146	928,973	193,223	1,122,196	962,374	214,397	1,176,771
Less:												
Trade discount	1,992	-	1,992	5,070	-	5,070	993	-	993	646	-	646
Sales tax	201,427	59,447	260,874	210,481	61,863	272,344	101,324	28,614	129,938	107,698	30,854	138,552
	203,419	59,447	262,866	215,551	61,863	277,414	102,317	28,614	130,931	108,344	30,854	139,198
Net sales	1,638,606	352,875	1,991,481	1,675,219	370,513	2,045,732	826,656	164,609	991,265	854,030	183,543	1,037,573
Less:												
Cost of sales	1,292,027	283,265	1,575,292	1,321,545	300,000	1,621,545	656,583	129,892	786,475	709,919	143,129	853,048
Distribution and marketing expenses	101,926	20,451	122,377	93,496	18,641	112,137	45,108	9,219	54,327	39,681	11,460	51,141
Administrative expenses	97,616	19,587	117,203	98,680	19,674	118,354	49,610	11,295	60,905	46,535	11,635	58,170
	1,491,569	323,303	1,814,872	1,513,721	338,315	1,852,036	751,301	150,406	901,707	796,135	166,224	962,359
Segment result	147,037	29,572	176,609	161,498	32,198	193,696	75,355	14,203	89,558	57,895	17,319	75,214
Unallocated corporate expenses:												
Other operating expenses			(10,928)			(16,992)			(4,769)			(9,661)
Other income			9,597			25,186			886			21,029
Operating profit before reorganisation / restructuring cost			175,278			201,890			85,675			86,582
Reorganisation / restructuring cost			(38,500)			-			(38,500)			-
Operating profit after reorganisation / restructuring cost			136,778			201,890			47,175			86,582
Finance costs			(67,701)			(58,878)			(30,864)			(29,050)
Taxation - deferred	7		(19,048)			(45,984)			(4,059)			(14,070)
Profit for the period			50,029			97,028			12,252			43,462

6. REORGANISATION / RESTRUCTURING COST

In order to contain operational costs and improve productivity, during the period, the Board has approved scheme for voluntary separation of selected employees. The cost has been recognised in accordance with duly approved plan and represents severance package to the employees.

7. TAXATION - deferred

During the period, the minimum tax under section 113 of the Income Tax Ordinance, 2001 has been applied as no tax is payable in respect of the current period owing to tax losses brought forward from previous years. The applicable minimum tax charge has been adjusted against the tax credits available to the Company under section 65B of the Income Tax Ordinance, 2001.

8. PROPERTY, PLANT AND EQUIPMENT

Rupees in '000	Note	30 June 2015 (Unaudited)	31 December 2014 (Audited)
Operating assets	8.1	3,003,691	3,060,895
Capital work-in-progress		118,373	101,688
		3,122,064	3,162,583

8.1 Operating assets

Net book value as at 1 January 2015 / 2014	3,060,895	2,720,118
Additions during the period / year:		
- Land and Building	4,789	23,640
- Plant and machinery	96,048	589,778
- Vehicles	-	6,479
- Computer equipments	2,508	6,989
	103,345	626,886
Less:		
- Disposals during period / year - net book value	(15)	-
- Depreciation charge during the period / year	(160,534)	(286,109)
	(160,549)	(286,109)
	3,003,691	3,060,895

9. STOCK-IN-TRADE

Rupees in '000	Note	30 June 2015 (Unaudited)	31 December 2014 (Audited)
Raw and packing materials			
- in hand	9.1	77,918	56,220
- In transit		14,731	-
		92,649	56,220
Finished goods			
- in hand	9.1	181,195	220,270
- in transit		218	101
		181,413	220,371
		274,062	276,591

9.1 Raw and packing materials and finished goods include inventories with a value of Rs. 22,483 thousand (31 December 2014: Rs. 11,282 thousand) which were held by third parties for manufacturing purposes.

9.2 The cost of raw and packaging materials and finished goods has been adjusted net of provision for slow moving and obsolete stock by Rs. 24,483 thousand (31 December 2014: Rs. 19,870 thousand).

10. CONTINGENCY AND COMMITMENT

10.1 Contingency

The Company has disputed the unilateral increase in rentals of one of its leased premises being exorbitant, unreasonable and unjustified. Therefore, a civil suit has been filed against the Lessor. The Court has directed parties to maintain status quo. The amount not acknowledged as debt in this regard as at 30 June 2015 amounted to Rs. 39,591 thousand (31 December 2014: Rs.38,501 thousand).

10.2 Commitment

Capital commitments outstanding as at 30 June 2015 amounted to Rs.118,532 thousand (31 December 2014: Rs. 100,209 thousand).

11. CASH GENERATED FROM OPERATIONS

Rupees in '000	Note	For the half year ended 30 Jun. 2015	For the half year ended 30 Jun. 2014
Profit before taxation		69,077	143,012
<i>Adjustments for :</i>			
Depreciation		160,534	140,987
Amortisation		2,294	2,101
Liabilities written back		-	(20,556)
Gain on disposal of property, plant and equipment		(2,551)	-
Mark-up income from savings and deposit accounts		(1,397)	(1,091)
Finance costs		67,701	58,878
Reorganisation / restructuring cost		38,500	-
Post retirement medical benefits		325	302
Working capital changes	11.1	(78,206)	(72,809)
		256,277	250,824

11.1 Working capital changes

Increase in current assets:

Stores and spares	(13,457)	(10,138)
Stock-in-trade	2,529	(1,596)
Trade debts	(71,336)	(100,965)
Loans and advances	(5,269)	(10,269)
Deposit and prepayments	(23,069)	(8,512)
Other receivables	21,687	(30,982)
	(88,915)	(162,462)

Decrease in current liabilities:

Trade and other payables	10,709	89,653
	(78,206)	(72,809)

12. CASH AND CASH EQUIVALENTS

Rupees in '000	For the half year ended 30 Jun. 2015	For the half year ended 30 Jun. 2014
Cash and bank balances	97,807	140,110
Short term borrowings - running finance under mark-up arrangement	(250,000)	-
	(152,193)	140,110

13. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of group companies, entities with common directors, major shareholders, key management employees and retirement benefit funds. Transactions and balances with related parties and associated undertakings are given below.

13.1 Transactions with related parties are summarised as follows:

Rupees in '000	30 June 2015	30 June 2014
Nature of relationship		
	Nature of transactions	
The BOC Group Limited (Parent)	Technical assistance fee	22,221
	Dividend	48,826
Linde AG (Ultimate parent)	Information systems support / maintenance and development	20,262
Associated Companies	Purchase of goods and receipt of services	23,837
	Staff related cost in respect of services claimed by the Company from associated companies	13,918
Related entities by virtue of common directorship	Sale of goods	28,676
Staff Retirement Benefits	Contributions to Staff Retirement Funds	17,209
Key management personnel	Remuneration for the period	115,108
Meeting fee to Directors and remuneration to Non-Executive Directors		2,741
Re-measurement: Actuarial gain recognised in other comprehensive income on account of Staff Retirement Benefits		1,586
		2,807
		4,453

Rupees in '000	30 June 2015 (Unaudited)	31 December 2014 (Audited)
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13.2 Balances with related parties are summarised as follows:

Receivable from associates in respect of trade debts	7,373	5,088
Receivable from Staff Retirement Funds	692	810
Payable to holding company / associates in respect of trade and other payables	180,830	176,113

13.3 Sales, purchases and other transactions with related parties are carried out on commercial terms and conditions. The cost of technical assistance fee has been determined on the basis of agreement, duly acknowledged by the State Bank of Pakistan, between the Company and The BOC Group Limited based on an agreed methodology consistently applied.

14. CORRESPONDING FIGURES

The condensed interim balance sheet has been compared with the preceding balance sheet as at 31 December 2014, whereas the condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity have been compared with the corresponding period of the previous year. Corresponding figures have been rearranged and reclassified, wherever necessary, for the purposes of comparison and has no material effect.

15. DATE OF AUTHORISATION

This condensed interim financial information was authorised for issue on 31 August 2015 by the Board of Directors of the Company.



Muhammad Ashraf Bawany
Chief Executive



Munnawar Hamid OBE
Chairman

Our products and services

In Pakistan our business and reputation is built around our customers. Whatever the industry or interest, we continue to respond to its needs as quickly and effectively as possible. The ever-changing requirements of customers are the driving force behind the development of all our products, technologies and support services. Linde Pakistan provides gas products, facilities and turnkey services and solutions which are customized to meet the unique needs of our customers and add value to their businesses. Our competitive advantage is our extensive process engineering, project development and comprehensive product portfolio. We have the widest range of bulk and compressed gases product lines as well as welding consumables, equipment and safety gear. At Linde, our highly qualified and experienced engineers, product managers, technologists and marketers excel at providing dedicated support. A Linde customer receives for each gas application, the complete solution – gas, know-how, tailor-made hardware and customized services.

Industrial gases

Bulk gases

- Liquid oxygen
- Liquid nitrogen
- Liquid argon
- Pipeline hydrogen
- Trailer hydrogen
- Liquid carbon dioxide
- Industrial pipelines

PGP gases

- Compressed oxygen
- Aviation oxygen
- Compressed nitrogen
- Compressed argon
- Compressed air
- Compressed hydrogen
- Compressed carbon dioxide
- Dissolved acetylene

Speciality gases

- High purity gases
- Research grade gases
- Gaseous chemicals
- Calibration mixtures
- Argon mixtures
- Welding gas mixtures
- Sterilization gases
- Propane
- Helium (liquid & compressed)
- Refrigerants

Healthcare

Medical gases

- Liquid medical oxygen
- Compressed medical oxygen
- Nitrous oxide
- ENTONOX®
- Specialty medical gases & mixtures e.g. helium, carbon dioxide, heliox etc.

Medical equipment

- High precision flowmeters
- Suction injector units and oxygen therapy products
- ENTONOX® delivery systems, complete with apparatus, regulators and cylinders.
- Medical Air, Vacuum and AGSS Plants
- Medical Gas Pipeline Accessories
- Medical Gas Distribution System
- Medical Gas Source Equipment

Medical engineering services

- Consultation, design, installation and service of medical gas pipeline systems (O₂, N₂O, Air, Suction etc)
- Safety, quality, risk analysis & training on medical gas pipeline systems
- Authorized Person Training for Hospital Staff
- Qi Facility Management (Gas Pipeline Management System)
- Qi Point Analysis (Point to Point Verification System)

Welding & others

Welding consumables

- Low hydrogen welding electrodes – Fortrex E7018
- Mild steel welding electrodes – Zodian Universal E6013
- Mild steel welding electrodes – Matador®47 E6013
- Stainless steel electrodes
- Special electrodes
- MIG welding wires

Welding machines

- Automatic
- Semi-automatic
- Manual

Welding accessories

- Regulators
- Cutting torches
- Welding torches
- Cutting machines
- Gas control equipment
- Safety equipment
- Matador cutting and grinding discs and wheels

PGP – others

- Dry ice



Business locations.

Registered Office/ head office	Karachi	P.O.Box 4845, West Wharf Phones +92.21.32313361 (9 lines) Fax 92.21 32312968	
North-western region	Lahore	P.O.Box 205 Shalamar Link Road, Mughalpura Phones +92.42.36824091 (4 lines) Fax + 92.42.36817573	Nitrous oxide plant Gases compression facility
		Plot No. 705, Sundar Industrial Estate Phones +92.42.35297244-47 (4 lines)	ASU plant
	Multan	Adjacent to PFL Khanewal Road Phones + 92.61.6562201 & +92.61.6001360 (2 lines) 061-6001360 Fax + 92.61.6778401	Carbon dioxide plant
	Mehmood Kot	Adjacent to PARCO Mid Country Refinery, Mehmood Kot Qasba Gujrat, Muzaffargarh Phones +92.66.2290751 & 2290484-85 Fax +92.66.2290752	Nitrogen plant
	Faisalabad	Altaf Ganj Chowk Near Usman Flour Mills Jhang Road Phones +92.41.2653463 & 2650564	Sales depot Gas compression facility
	Wah Cantonment	Kabul Road Phone +92.51.4545359	Acetylene plant
	Taxila	Adjacent to HMC No.2 Phones +92.51.4560701(5 lines) & 4560600 Fax +92.51.4560700	Gases compression facility
	Rawalpindi	2 nd Floor, Jahangir Multiplex Golra Mor, Peshawar Road Phones +92.51.2315501 (3 lines) Fax +92.51.2315050	Sales office
	Hasanabdal	Adjacent to Air Weapon Complex Abbotabad Road Phones +92.572.520017 (Ext. 104) & 522428 (Ext. 104)	Hydrogen plant
	Southern region	Karachi	P.O.Box 4845, West Wharf Phones +92.21.32313361 (9 lines) Fax +92.21.32312968
Port Qasim		Plot EZ/1/P-5(SP-1), Eastern Zone Phones +92.21.34740058 & 34740060 Fax +92.21.34740059	ASU plant Hydrogen plant Carbon dioxide plant Dry Ice plant
Sukkur		A-15, Airport Road Near Bhatti Hospital Phone +92.71.5630871	Sales depot