

**CONDENSED INTERIM FINANCIAL INFORMATION
(UNAUDITED)**

FOR THE NINE MONTHS ENDED

30 SEPTEMBER 2016



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

Mazhar Iqbal

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
Mazhar Iqbal	Secretary	Manager Finance & Company Secretary

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
HBL Bank Limited
Citibank NA
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 (un-audited) of your Company for the third quarter ended 30 September 2016.

Pakistan's economy has performed moderately well and continued to maintain its momentum as a result of favorable macro-economic environment. Real Gross Domestic Product (GDP) grew by an 8 year high of 4.7% compared to 4.0% in FY15. The inflation rate, as a result of reduced oil prices in the international market, was at an average of 3.2% in FY 2016, almost at par with last year. Though record high foreign exchange reserves have currently supported stability in the foreign exchange market, however, the current account remained under pressure due to declining exports and rising imports. Large Scale Manufacturing (LSM) witnessed an improved growth of 4.7% as compared to 3.3% last year, but overall growth in the agriculture sector fell by 0.19 % in FY16 mainly due to lower production of cotton crop and a decline in rice output.

The economy is projected to expand as a result of the China Pakistan Economic Corridor (CPEC) projects which are expected to improve industrial activity, especially construction and power generation, and as a consequence rising demand for allied services. In addition, relatively improved energy supplies, low interest rates, and lower import prices of inputs are further expected to strengthen manufacturing sector growth. Overall, the improving security situation should help in attracting foreign investment as well.

During the year, your Company sustained its overall turnover for the nine months period at last year's level of Rs. 2.9 billion with the performance being led primarily by the gases segment. Turnover in Gases business witnessed an increase of 3% over last year as a result of growing demand from infrastructure projects, but prices remained highly competitive due to lower energy costs, surplus capacity and cheaper imports of finished steel. However, Hard Good segment's sales continued to remain under pressure from the influx of smuggled Chinese electrode.

The gross profit for the nine months period ended September 2016 stood at Rs. 663 million, exhibiting a growth of 4.2% compared to the same period last year and Gross profit ratio also increased to 22%. During the year, overheads remained under control almost in line with last year's level and finance costs were reduced by 14%, which together with cost efficiencies has led the Company to register after tax profit of Rs. 147 million (and an EPS of Rs. 5.87), a growth of 58% over corresponding period last year, which even after excluding the one off impact of restructuring costs of last year remains at a strong 22%.

Keeping in view company's performance, your directors look forward to a strong close to the year.

On behalf of the Board

Karachi:
26 October 2016



Munnawar Hamid OBE
Chairman

ڈائریکٹرز کا جائزہ،

میں ہمسرت ڈائریکٹرز کے جائزے کے ساتھ 30 ستمبر 2016 کو ختم ہونے والی تیسری سہ ماہی کیلئے آپ کی کمپنی کی عبوری مالیاتی تفصیلات (غیر آڈٹ شدہ) کا خلاصہ پیش کرتا ہوں۔

پاکستان کی معیشت میں مناب حد تک بہتری رہی اور سازگار حالات اقتصادی ماحول کے نتیجے میں ترقی کی رفتار بدستور جاری رہی۔ ریٹیل گراس ڈومیسٹک پروڈکٹ (GDP) میں مالیاتی سال 2015 کے 4.0% کے مقابلے میں 4.7% کا اضافہ ہوا جو 8 سالوں میں ریکارڈ کیا گیا بہترین اضافہ ہے۔ بین الاقوامی مارکیٹ میں آئل کی قیمتوں میں کمی کے نتیجے میں افراط زر کی شرح مالیاتی سال 2016 میں اوسط 3.2% تھی جو تقریباً گزشتہ سال کے برابر ہے۔ اگرچہ فارن ایکسچینج کے ذخائر میں ریکارڈ اضافہ فارن ایکسچینج مارکیٹ کے استحکام میں فی الحال معاون ثابت ہوا، البتہ برآمدات میں کمی اور درآمدات میں اضافے کے باعث کرنٹ اکاؤنٹ دباؤ کا شکار رہا۔ لارج اسکیل مینوفیکچرنگ (LSM) میں گزشتہ سال کے 3.3% کے مقابلے میں 4.7% کا بہتر اضافہ دیکھنے میں آیا، لیکن مجموعی طور پر زراعت کے شعبے میں مالیاتی سال 2016 میں 0.19% تک کمی ہوئی، جس کی وجہ کپاس اور چاول کی پیداوار میں کمی تھی۔

پاک چین معاشی راہداری (CPEC) کے منصوبوں کی وجہ سے مستقبل میں معیشت میں بہتری کی توقع ہے۔ ان منصوبوں سے صنعتی سرگرمیوں بالخصوص تعمیرات، بجلی کی پیداوار میں بہتری اور تین تینا متعلقہ خدمات کی مانگ میں بھی اضافہ ہوگا۔ اس کے علاوہ بجلی کی فراہمی میں نسبتاً بہتری، کم سودی شرح اور برآمدات کی قیمتوں میں کمی سے مینوفیکچرنگ کے شعبے میں بہتری متوقع ہے۔ بحیثیت مجموعی، سیکورٹی کی بہتر صورتحال بیرونی سرمایہ کاری کیلئے باعث کشش ہوگی۔

روانہ سال نو ماہ کی مدت کیلئے، کمپنی کی مجموعی سیکورٹی گزشتہ سال کے 2.9 بلین روپے کی سطح پر برقرار رہی، جس کا حصول بنیادی طور پر گیسز کے شعبے کی بہتر کارکردگی کی وجہ سے ممکن ہوا۔ بنیادی ڈھانچے کے منصوبوں سے بڑھتی ہوئی طلب کے باعث گیسز کے برنس کی مجموعی آمدنی گزشتہ برس سے 3% بڑھ گئی، مگر توانائی کی کم قیمتوں، اضافی استعداد اور تیار شدہ آسٹیل کی ارزمان درآمد کی وجہ سے قیمتوں میں انتہائی مقابلے کا رجحان رہا، تاہم چین سے الیکٹروڈ کی غیر قانونی طریقے سے درآمد کے باعث ہارڈ گولڈز کے شعبے میں سیکورٹی بڑھ رہی ہے۔

ستمبر 2016 میں ختم ہونے والی نو ماہ کی مدت کیلئے مجموعی منافع 663 ملین روپے رہا جو گزشتہ سال اسی مدت کے مقابلے میں 4.2% زیادہ رہا اور مجموعی منافع کی شرح بھی 22% تک بڑھ گئی۔ زبرد جائزہ مدت کے دوران متفرق اخراجات پر بہتر کنٹرول کے باعث یہ گزشتہ سال کی سطح پر برقرار رہا اور مالیاتی لاگتوں میں 14% کمی اور اخراجات میں کمی کے اضافی اقدامات کی وجہ سے کمپنی نے 147 ملین روپے کا بعد از ٹیکس منافع (EPS کا 5.87 روپے) حاصل کیا، جو گزشتہ سال اسی مدت کے مقابلے میں 58% زائد ہے، واضح رہے کہ گزشتہ سال تنظیم نو کے اخراجات کے اثرات ہٹانے کے باوجود بھی بعد از ٹیکس منافع میں پچھلے سال کے مقابلے میں 22 فیصد کا مستحکم اضافہ ہوا۔

کمپنی کی کارکردگی کو مد نظر رکھتے ہوئے، آپ کے ڈائریکٹرز سال کے بہتر اختتام کے لئے پُر امید ہیں۔

منجانب بورڈ

Munawar Hamid

منور حمید (اوبی ای)

چیئرمین

کراچی

12 اکتوبر 2016

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

<u>Rupees in '000</u>	Note	For the nine months ended		For the third quarter ended	
		30 Sep. 2016	30 Sep. 2015	30 Sep. 2016	30 Sep. 2015
Gross sales	5	3,353,839	3,365,824	1,085,656	1,111,477
Trade discount and sales tax	5	(403,720)	(394,274)	(129,929)	(131,408)
Net sales		2,950,119	2,971,550	955,727	980,069
Cost of sales	5	(2,287,259)	(2,335,619)	(735,282)	(760,327)
Gross profit		662,860	635,931	220,445	219,742
Distribution and marketing expenses	5	(194,489)	(199,198)	(65,195)	(76,821)
Administrative expenses	5	(176,483)	(170,450)	(58,821)	(53,247)
Other operating expenses		(20,643)	(18,974)	(7,225)	(8,046)
		(391,615)	(388,622)	(131,241)	(138,114)
Operating profit before other income		271,245	247,309	89,204	81,628
Other income		12,481	16,419	7,222	6,822
Operating profit before					
reorganisation / restructuring cost		283,726	263,728	96,426	88,450
Reorganisation / restructuring cost		-	(38,500)	-	-
Operating profit after					
reorganisation / restructuring cost		283,726	225,228	96,426	88,450
Finance costs		(83,147)	(96,784)	(28,196)	(29,083)
Profit before taxation		200,579	128,444	68,230	59,367
Taxation	6	(53,640)	(35,410)	(20,341)	(16,362)
Profit for the period		146,939	93,034	47,889	43,005
----- (Rupees) -----					
Earnings per share - basic and diluted		5.87	3.72	1.91	1.72

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



Muhammad Ashraf Bawany
Chief Executive



Munnawar Hamid OBE
Chairman

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

<i>Rupees in '000</i>	For the nine months ended		For the third quarter ended	
	30 Sep. 2016	30 Sep. 2015	30 Sep. 2016	30 Sep. 2015
Profit for the period	146,939	93,034	47,889	43,005
<i>Other comprehensive income</i>				
<i>Items that will never be reclassified to profit and loss account</i>				
Net re-measurement on defined benefit plans	4,003	(9,407)	(2,794)	(10,820)
Tax thereon	(1,241)	3,036	866	3,488
	2,762	(6,371)	(1,928)	(7,332)
<i>Items that will be reclassified subsequently to profit and loss account</i>				
Derivative financial instruments	257	-	-	-
Tax thereon	(82)	-	-	-
	175	-	-	-
Total comprehensive income for the period	149,876	86,663	45,961	35,673

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



Muhammad Ashraf Bawany
Chief Executive



Munnawar Hamid OBE
Chairman

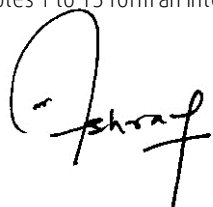
Linde Pakistan Limited
Condensed Interim Balance Sheet

<i>Rupees in '000</i>	<i>Note</i>	As at 30 Sep. 2016 (Unaudited)	As at 31 Dec. 2015 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	7	3,039,783	3,120,315
Intangible assets		17,341	20,781
Investment in subsidiary		10	10
Long term deposits		60,587	51,910
		<u>3,117,721</u>	<u>3,193,016</u>
Current assets			
Stores and spares		98,331	109,167
Stock-in-trade	8	414,676	299,169
Trade debts		518,912	439,332
Loans and advances		32,970	19,950
Deposits and prepayments		101,927	75,582
Other receivables		59,126	78,401
Taxation - net		392,617	348,842
Cash and bank balances		106,233	94,026
		<u>1,724,792</u>	<u>1,464,469</u>
Total assets		<u><u>4,842,513</u></u>	<u><u>4,657,485</u></u>
EQUITY AND LIABILITIES			
Share capital and reserves			
<i>Authorised:</i>			
40,000,000 (2015: 40,000,000) Ordinary shares of Rs. 10 each		<u>400,000</u>	<u>400,000</u>
<i>Issued, subscribed and paid-up:</i>			
25,038,720 (2015: 25,038,720) Ordinary shares of Rs. 10 each		250,387	250,387
Reserves			
Unappropriated profit		<u>1,375,413</u>	<u>1,359,029</u>
		112,143	110,104
		<u>1,487,556</u>	<u>1,469,133</u>
		1,737,943	1,719,520
Non-current liabilities			
Long term financing		<u>405,000</u>	<u>1,040,000</u>
Long term deposits		162,057	155,769
Deferred liabilities		<u>392,800</u>	<u>391,024</u>
		959,857	1,586,793
Current liabilities			
Trade and other payables		<u>1,374,713</u>	<u>1,081,172</u>
Current maturity of long term financing		770,000	270,000
		<u>2,144,713</u>	<u>1,351,172</u>
Total equity and liabilities		<u><u>4,842,513</u></u>	<u><u>4,657,485</u></u>

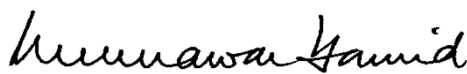
Contingencies and Commitments

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



Muhammad Ashraf Bawany
Chief Executive

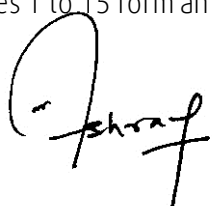


Munnawar Hamid OBE
Chairman

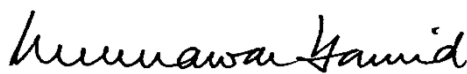
Linde Pakistan Limited
Condensed Interim Cash Flow Statement (*Unaudited*)

<i>Rupees in '000</i>	Note	For the nine months ended	
		30 Sep. 2016	30 Sep. 2015
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	10	591,119	252,808
Finance costs paid		(71,800)	(78,781)
Income tax paid		(99,540)	(86,453)
Post retirement medical benefits paid		(189)	(187)
Reorganisation / restructuring cost paid		(3,460)	(20,392)
Long term loans and deposits		(8,677)	-
Long term deposits		6,288	12,669
Net cash generated from operating activities		413,741	79,664
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		(172,804)	(157,128)
Proceeds from disposal of operating assets		3,345	4,807
Interest received on balances with banks		-	1,397
Net cash used in investing activities		(169,459)	(150,924)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of long term financing		(135,000)	(50,000)
Dividends paid		(97,075)	(80,726)
Net cash used in financing activities		(232,075)	(130,726)
Net increase / (decrease) in cash and cash equivalents		12,207	(201,986)
Cash and cash equivalents at beginning of the year		94,026	(35,581)
Cash and cash equivalents at end of the period	11	106,233	(237,567)

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



Muhammad Ashraf Bawany
Chief Executive

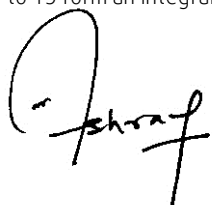


Munnawar Hamid OBE
Chairman

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

	For the nine months ended 30 September 2016				Total
	Share capital Issued, subscribed and paid-up	Reserves Hedging reserve	General reserve	Unappropriated profit	
<i>Rupees in '000</i>					
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	-	-	-	93,034	93,034
Other comprehensive income for the period	-	-	-	(6,371)	(6,371)
	-	-	-	86,663	86,663
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)
Interim dividend for the year ending					
31 December 2015 - Rs. 1.25 per share	-	-	-	(31,298)	(31,298)
Transfer to general reserve	-	-	10,777	(10,777)	-
Balance as at 30 September 2015	250,387	-	1,359,204	55,365	1,664,956
Balance as at 1 January 2016	250,387	(175)	1,359,204	110,104	1,719,520
Total comprehensive income for the period					
Profit for the period	-	-	-	146,939	146,939
Other comprehensive income for the period	-	175	-	2,762	2,937
	-	175	-	149,701	149,876
Transactions with owners of the Company recognised directly in equity - distribution					
Final dividend for the year ended					
31 December 2015 - Rs. 3.75 per share	-	-	-	(93,895)	(93,895)
Interim dividend for the year ending					
31 December 2016 - Rs. 1.50 per share	-	-	-	(37,558)	(37,558)
Transfer to general reserve	-	-	16,209	(16,209)	-
Balance as at 30 September 2016	250,387	-	1,375,413	112,143	1,737,943

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



Muhammad Ashraf Bawany
Chief Executive



Munnawar Hamid OBE
Chairman

Linde Pakistan Limited

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

For the nine months period ended 30 September 2016

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 Pakistan Stock Exchange Limited. The address of its registered office is West Wharf, Dockyard Road, Karachi, Pakistan.

The Company is principally engaged in the manufacturing 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 year. 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 2016 and all interim periods within the aforementioned year.

2. BASIS OF PREPARATION

This condensed interim financial information of the Company for the nine months ended 30 September 2016 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 2015.

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 annual audited financial statements of the Company as at and for the year ended 31 December 2015.
- 3.2 Amendments to certain existing standards and new standards and interpretations on approved accounting standards became 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, FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT

In preparing these condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. 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 2015.

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 2015. The Company has established control framework with respect to the measurements of fair values. Management uses observable inputs / data as far as possible to determine fair values of assets and liabilities, where ever required or permitted under accounting standards. At reporting date management considers fair values of financial assets and liabilities not measured at fair values approximate their carrying amounts.

5. SEGMENT RESULTS

Rupees in '000	For the nine months ended						For the third quarter ended					
	30 September 2016			30 September 2015			30 September 2016			30 September 2015		
	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	2,823,234	530,605	3,353,839	2,749,733	616,091	3,365,824	947,375	138,281	1,085,656	907,708	203,769	1,111,477
Less:												
Trade discount	2,341	-	2,341	3,194	-	3,194	735	-	735	1,202	-	1,202
Sales tax	326,258	75,121	401,379	301,818	89,262	391,080	109,375	19,819	129,194	100,391	29,815	130,206
	328,599	75,121	403,720	305,012	89,262	394,274	110,110	19,819	129,929	101,593	29,815	131,408
Net sales	2,494,635	455,484	2,950,119	2,444,721	526,829	2,971,550	837,265	118,462	955,727	806,115	173,954	980,069
Less:												
Cost of sales	1,939,737	347,522	2,287,259	1,917,358	418,261	2,335,619	643,532	91,750	735,282	625,331	134,996	760,327
Distribution and marketing expenses	162,812	31,677	194,489	165,190	34,008	199,198	57,263	7,932	65,195	63,264	13,557	76,821
Administrative expenses	147,739	28,744	176,483	141,350	29,100	170,450	51,686	7,135	58,821	43,734	9,513	53,247
	2,250,288	407,943	2,658,231	2,223,898	481,369	2,705,267	752,481	106,817	859,298	732,329	158,066	890,395
Segment result	244,347	47,541	291,888	220,823	45,460	266,283	84,784	11,645	96,429	73,786	15,888	89,674
Unallocated corporate expenses:												
- Other operating expenses			(20,643)			(18,974)			(7,225)			(8,046)
- Other income			12,481			16,419			7,222			6,822
			(8,162)			(2,555)			(3)			(1,224)
Operating profit before reorganisation / restructuring cost			283,726			263,728			96,426			88,450
Reorganisation / restructuring cost			-			(38,500)			-			-
Operating profit after reorganisation / restructuring cost			283,726			225,228			96,426			88,450
Finance costs			(83,147)			(96,784)			(28,196)			(29,083)
Taxation			(53,640)			(35,410)			(20,341)			(16,362)
Profit for the period			146,939			93,034			47,889			43,005

6. TAXATION

Under section 5A of the Income Tax Ordinance, 2001, tax at the rate of ten percent to be imposed on every public company other than a scheduled bank or a modaraba, that derives profits for a tax year but does not distribute cash dividends within six months of the end of the said tax year or distributes dividends to such an extent that its reserves, after such distribution, are in excess of hundred percent of its paid up capital, so much of its reserves as exceed hundred percent of its paid up capital shall be treated as income of the said company. However, this tax on undistributed reserves is not applicable to a public company which distributes profit equal to either forty percent of its after tax profits or fifty percent of its paid up capital, whichever is less, within six months of the end of the tax year.

The Board of Directors of the Company intends to distribute sufficient cash dividend for the year ending 31 December 2016 to comply with the above stated requirement. Accordingly, no provision for tax on undistributed reserves has been recognised in these condensed interim financial information.

7. PROPERTY, PLANT AND EQUIPMENT

<u>Rupees in '000</u>	<u>Note</u>	<u>30 September 2016 (Unaudited)</u>	<u>31 December 2015 (Audited)</u>
Operating assets	7.1	3,013,337	2,966,954
Capital work-in-progress		26,446	153,361
		<u>3,039,783</u>	<u>3,120,315</u>

7.1 Operating assets

Net book value as at 1 January 2016 / 2015		2,966,954	3,060,895
Additions during the period / year:			
- Land and Building		820	4,790
- Plant and machinery		274,305	212,360
- Vehicles		16,142	-
- Furniture, fittings and office equipments		837	9,230
- Computer equipments		7,615	5,659
		299,719	232,039
Less:			
- Disposals during period / year - net book value		(211)	(1,856)
- Depreciation charge during the period / year		(253,125)	(324,124)
		<u>(253,336)</u>	<u>(325,980)</u>
		<u>3,013,337</u>	<u>2,966,954</u>

8. STOCK-IN-TRADE

Raw and packing materials - in hand		123,837	86,716
Finished goods			
- in hand		290,839	209,419
- in transit		-	3,034
		290,839	212,453
		<u>414,676</u>	<u>299,169</u>

8.1 Raw and packing materials and finished goods include inventories with a value of Rs. 39,001 thousand (31 December 2015: Rs. 13,276 thousand) which were held by third parties for manufacturing purposes.

8.2 The cost of raw and packaging materials and finished goods has been adjusted net of provision for slow moving and obsolete stock by Rs. 34,393 thousand (31 December 2015: Rs. 24,128 thousand).

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

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 September 2016 amounted to Rs. 42,448 thousand (31 December 2015: Rs.40,724 thousand).

9.2 Commitments

Capital commitments outstanding as at 30 September 2016 amounted to Rs. 116,148 thousand (31 December 2015: Rs. 30,316 thousand).

10. CASH GENERATED FROM OPERATIONS

<i>Rupees in '000</i>	Note	For the nine months ended	
		30 Sep.2016	30 Sep.2015
Profit before taxation		200,579	128,444
<i>Adjustments for :</i>			
Depreciation		253,125	240,405
Amortisation		3,440	3,441
Gain on disposal of property, plant and equipment		(3,134)	(2,951)
Mark-up income from savings and deposit accounts		-	(1,397)
Finance cost		83,147	96,784
Reorganisation / restructuring cost		-	38,500
Post retirement medical benefits		444	487
Working capital changes	10.1	53,518	(250,905)
		<u>591,119</u>	<u>252,808</u>

10.1 Working capital changes

Decrease / (increase) in current assets:

Stores and spares	10,836	(25,841)
Stock-in-trade	(115,507)	(93,645)
Trade debts	(79,580)	(215,172)
Loans and advances	(13,020)	(3,715)
Deposit and prepayments	(26,345)	(27,616)
Other receivables	20,201	7,720
	<u>(203,415)</u>	<u>(358,269)</u>

Increase in current liabilities:

Trade and other payables	256,933	107,364
	<u>53,518</u>	<u>(250,905)</u>

11. CASH AND CASH EQUIVALENTS

Cash and bank balances	106,233	76,680
Short term borrowings - running finance under mark-up arrangement	-	(314,247)
	<u>106,233</u>	<u>(237,567)</u>

12. 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:

12.1 Transactions with related parties are summarised as follows:

<i>Rupees in '000</i>		For the nine months ended	
		30 Sep.2016	30 Sep.2015
Nature of relationship	Nature of transactions		
The BOC Group Limited (Parent)	Technical assistance fee	31,491	33,555
	Dividends	78,872	67,605
Linde AG (Ultimate parent)	Information systems support / maintenance and development	29,989	30,241
Associated Companies	Purchase of goods and receipt of services	32,675	35,925
	Staff related cost in respect of services claimed by the Company from associated companies	26,318	20,708
Related entities by virtue of common directorship	Sale of goods	44,196	42,663
Staff retirement benefits	Contributions to staff retirement funds	23,623	25,014
Key management personnel	Remuneration for the period	158,847	167,351
Meeting fee to Directors and remuneration to Non-Executive Directors		4,019	4,173
Re-measurement: Actuarial gain / (Loss) recognised in other comprehensive income on account of Staff Retirement Benefits		4,450	(8,773)

12.2 Balances with related parties are summarised as follows:

<i>Rupees in '000</i>	30 Sep. 2016 (Unaudited)	31 Dec. 2015 (Audited)
Receivable from associates in respect of trade debts	12,795	11,076
Receivable from Staff Retirement Funds	5,931	19,128
Payable to holding company / associates in respect of trade and other payables	202,223	208,484

12.3 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.

13. **CORRESPONDING FIGURES**

The condensed interim balance sheet has been compared with the preceding balance sheet as at 31 December 2015, 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.

14. **ALL SHARES ISLAMIC INDEX SCREENING**

14.1 **Bank balances**

- Bank balances represent Rs. 39,823 thousand in current accounts and Rs.65,266 thousand in saving accounts under conventional banking arrangements.
- Short term borrowings carries mark-up under conventional banking arrangements.

14.2 **Advances, deposits and borrowings**

- Deposits and Loans and advances do not carry any mark-up.
- The long term financing represents Diminishing Musharika financing under Islamic mode of financing.

14.3 **Other income**

Other income includes gain on disposal of fixed assets, Liabilities written off, exchange gain arising on spot foreign currency transactions and others amounting to Rs. 3,134 thousand, Rs. 6,789, thousand, Rs. 1,486 thousand and Rs. 1,073 thousands respectively.

14.4 **Finance costs**

Finance cost includes mark-up on short term running finance amounting to Rs.13,226 thousand under conventional banking arrangements and mark-up on long term financing amounting to Rs. 69,348 thousand under Islamic mode of financing.

15. **DATE OF AUTHORISATION**

This condensed interim financial information was authorised for issue on 26th October 2016 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
- Mild steel welding electrodes – Spark® E6013
- Stainless steel electrodes - Matador®E308-16 and E308L
- 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, Mughalpora 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. 51.4902469	Acetylene plant
	Taxila	Adjacent to HMC No.2 Phones +92.51.4560701(5 lines) 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 +92.51.4515104	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