



Company Information

Board of Directors

Amir Abbassciy, *Chairman*
Hamid Imtiaz Hanfi, *Director*
Muhammad Rashid Zahir, *Director*
Syed Arshad Raza, *Director*

Farooq Ahmed Yamin Zubairi, *Director*
Samia Roomi, *Director*
Uzma Abbassciy, *Director*

Audit Sub Committee of the Board

Muhammad Rashid Zahir, *Chairman*
Hamid Imtiaz Hanfi, *Member*
Syed Arshad Raza, *Member*

Ozair Muhammad, *Secretary*
M. Mazahir Hussain (*by invitation*)

Corporate Secretariat

Hamid Imtiaz Hanfi, *Vice Chairman*
Amir Waheed Ahmed, *GM Corporate Services*
& *Company Secretary*

Ozair Muhammad, *Head Internal Financial Audits*

CEO / President Secretariat

Mohammad Wasi Khan, *President &*
Chief Executive Officer
Derek Lawler, *VP Technical*
Syed Masood Raza, *VP Admin & HR*

Jawed Ahmed, *VP Commercial*
M. Mazahir Hussain, *Chief Financial Officer*

Auditors

Faruq Ali & Co. Chartered Accountants

Legal Advisor

Saleem uz Zaman of Kabraji & Talibuddin

Bankers

Allied Bank Limited
Bank Al-Falah Limited
Bank Islami Pakistan Limited
Habib Bank Limited
Habib Metropolitan Bank Limited

KASB Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
United Bank Limited
The Bank of Khyber

Shares Registrar

THK Associates (Pvt) Limited,
Ground Floor, State Life Building No.3,
Dr. Ziauddin Ahmed Road, Karachi - 75530

Tel # 021-111-000-322
Fax # 021-5655595

Registered Office

2nd Floor, Business Plaza,
Mumtaz Hassan Road,
Karachi-74000

Tel # 021-111-222-081
021-2410099
021-2410909
Fax # 021-2420722
021-111-888-081

Website

www.bosicor.com.pk

Directors' Report

The Directors are pleased to present their report together with the condensed interim financial statements of the company for the first fiscal quarter ended 30 September 2007.

During the quarter under review, the refining margins have improved in comparison to the same period last year.

The project to revamp the crude distillation unit and increase the existing production of around 18,000 bpd to 30,000 bpd is expected to be completed during the second quarter of this fiscal year and for this purpose it is planned to shutdown the refinery for 30 days from the last week of October, 2007. This will help in improving plant's refining capacity consequently reducing per ton operating costs and is expected to contribute towards the profitability of your Company.

After successful entry into the Oil Marketing business, we are targeting to open 50 fuel stations during the fiscal year ending on 30 June 2008.

The additional storage tanks with a combined capacity of 126,000 tons will be operational in the last quarter of this fiscal year. The SBM (Single Buoy Mooring) Sub-Sea Pipeline project is also progressing well and completion is expected by end June 2008. After the completion of these projects, your Company will benefit from freight economics and reduction in transit losses which will contribute in improving the bottom line.

During the quarter under review, your Company was able to generate a profit after taxation amounting to Rs. 75.954 million as compared to loss after taxation amounting to Rs. 199.821 million incurred in the corresponding quarter last year.

FUTURE OUTLOOK

Looking forward, we see Country seeking increased investment, growing middle class, higher consumption and favorable demographics, which we expect will continue to contribute towards enhancing the economic conditions.

At Bosicor, our focus is on environment, health & safety along with achieving operational excellence to promote economic growth. Our people are our strength; we value their efforts, dedication, resourcefulness and sheer ingenuity which drive our success.

In conclusion, the Board prays to almighty Allah for His blessings and would like to extend its gratitude to Shareholders for their continued support, the Financial Institutions for their confidence and trust and the Company's Employees for their dedicated efforts.

For and on behalf of the Board of Directors

AMIR ABBASCIY
Chairman

Karachi: 27 October 2007

Balance Sheet

as at September 30, 2007

Amounts in Rs '000

	Notes	Unaudited Sept 30, 2007	Audited June 30, 2007
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	4	6,915,432	6,387,534
Intangible asset		14,157	14,157
Long term deposits		17,747	17,239
Long term investments		300,000	300,000
CURRENT ASSETS			
Stores and spares		142,835	138,342
Stock in trade		5,180,348	5,177,422
Trade debts - Considered good		1,155,555	1,079,213
Loans and advances - Considered good		103,844	87,005
Trade deposits, prepayments and other receivables		124,475	252,854
Cash and bank balances		1,390,348	1,788,863
		8,097,405	8,523,699
		15,344,741	15,242,629
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 500,000,000 (2006: 360,000,000) Ordinary shares of Rs.10/- each		5,000,000	5,000,000
Issued, subscribed and paid-up capital	5	3,921,044	2,450,652
Accumulated loss		(354,115)	(437,581)
		3,566,929	2,013,071
Surplus on revaluation of property, plant and equipment		1,594,185	1,601,698
NON-CURRENT LIABILITIES			
Contribution towards right issue of shares		-	1,434,028
Loan from sponsor - Unsecured		496,729	-
Term finance certificates - Secured		214,287	321,396
Long term loans - Secured		965,052	984,739
Liabilities against assets subject to finance lease		142,735	145,454
Deferred taxation		268,307	272,353
CURRENT LIABILITIES			
Trade and other payables		7,225,386	7,402,998
Accrued markup		61,578	110,658
Short term borrowings - Secured		102,011	249,000
Current portions of non current liabilities		581,940	610,375
Provision for taxation		125,602	96,859
		8,096,517	8,469,890
CONTINGENCIES AND COMMITMENTS			
	6	-	-
		15,344,741	15,242,629

The annexed notes form an integral part of these financial statements.



Chief Executive



Director

Profit and Loss Account

for the first fiscal quarter ended September 30, 2007

Amounts in Rs '000

	3 months ended	
	July - Sept 2007	July - Sept 2006
Gross sales	6,767,182	5,952,494
Government levies	1,018,754	1,013,638
Net sales	5,748,428	4,938,856
Cost of sales	5,484,785	5,009,037
Gross profit / (loss)	263,643	(70,181)
Operating expenses		
Administrative expenses	50,447	25,222
Selling and distribution expenses	12,990	2,879
	63,437	28,101
Operating profit / (loss)	200,206	(98,282)
Other income	13,978	12,975
	214,184	(85,307)
Financial and other charges	113,533	89,820
Profit / (loss) before taxation	100,651	(175,127)
Taxation		
Current	28,742	24,694
Deferred	(4,045)	-
	24,697	24,694
Profit/ (loss) after taxation	75,954	(199,821)
Earnings / (Loss) per share	0.19	(0.82)
	(Rupees)	

The annexed notes form an integral part of these financial statements.



Chief Executive



Director

Cash Flow Statement

for the first fiscal quarter ended September 30, 2007

Amounts in Rs '000

	3 months ended	
Note	July - Sept 2007	July - Sept 2006
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	100,651	(175,127)
Adjustments for non cash and other items:		
Depreciation	60,313	46,703
Financial and other charges	113,533	89,820
Cash flow before working capital changes	274,497	(38,604)
Movement in working capital		
(Increase) / decrease in current assets		
Stores and spares	(4,493)	(5,532)
Stock in trade	(2,926)	612,734
Trade debts - Considered good	(76,342)	(194,808)
Loans and advances - Considered good	(16,839)	(30,096)
Trade deposits, prepayments and other receivables	144,565	(145,863)
Increase / (decrease) in current liabilities		
Trade and other payables	(177,612)	(1,541,212)
Cash generated from / (used in) operations	140,850	(1,343,381)
Payments for:		
Financial charges	(162,613)	(72,494)
Taxes	(16,186)	(15,295)
Net cash used in operating activities	(37,949)	(1,431,170)
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(588,212)	(34,282)
Long term deposits	(508)	721
Net cash used in investing activities	(588,720)	(33,561)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds against right issue of shares	36,364	-
Proceeds against loan from sponsor	496,729	-
Repayment of term finance certificates	(107,109)	(107,143)
Repayment of long term loans	(49,523)	(4,688)
Liabilities against assets subject to finance lease - Net	(1,318)	(5,906)
Short term borrowings	(230,250)	-
Net cash generated from / (used in) financing activities	144,893	(117,737)
Net decrease in cash and cash equivalents	(481,776)	(1,582,468)
Cash and cash equivalents as at 1st July	1,788,863	2,189,778
Cash and cash equivalents as at 30th Sept	1,307,087	(607,310)

The annexed notes form an integral part of these financial statements.



Chief Executive



Director

Statement of Changes in Equity

for the first fiscal quarter ended September 30, 2007

Amounts in Rs '000

	Issued, subscribed and paid-up capital	Accumulated (loss) / Unappropriated profit	Total
Balance as on July 01, 2006	2,450,652	307,939	2,758,591
Final dividend for the year ended June 30,2006	–	(81,785)	(81,785)
Net loss for the period	–	(199,821)	(199,821)
Balance as on September 30, 2006	<u>2,450,652</u>	<u>26,333</u>	<u>2,476,985</u>
Balance as on July 01,2007	2,450,652	(437,581)	2,013,071
Issuance of shares	1,470,392	–	1,470,392
Net profit for the period	–	75,954	75,954
Transfer from surplus on revaluation of property, plant and equipment - Net of tax	–	7,512	7,512
Balance as on September 30, 2007	<u>3,921,044</u>	<u>(354,115)</u>	<u>3,566,929</u>

The annexed notes form an integral part of these financial statements.

Chief Executive

Director

Notes to the Financial Statements

for the first fiscal quarter ended September 30, 2007

1 THE COMPANY AND ITS OPERATIONS

The Company was incorporated in Pakistan as a public limited company on January 09, 1995 and was granted a certificate of commencement of business on March 13, 1995. The shares of the company are listed on the Karachi, Lahore and Islamabad Stock Exchanges. The company is engaged in the production and sale of the petroleum products.

2 ACCOUNTING POLICIES

The accounting policies and methods of computation followed for the preparation of these financial statements are same as those applied in the preparation of the preceding annual financial statements of the company.

3 BASIS OF PREPARATIONS

These financial statements are unaudited and have been prepared in accordance with the requirements of section 245 of the Companies Ordinance 1984 and International Accounting Standard 34 (IAS 34) "Interim Financial Reporting" as applicable in Pakistan.

Amounts in Rs '000

	Notes	Sept 30, 2007	June 30, 2007
4 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	4.1	5,025,390	5,077,202
Capital work in progress	4.2	1,890,042	1,310,332
		<u>6,915,432</u>	<u>6,387,534</u>

Additions during the quarter:

4.1 Operating fixed assets

	Sept 30, 2007	Sept 30, 2006
Furniture and fixtures	66	132
Computer and allied	764	65
Vehicles	7,670	-
	<u>8,500</u>	<u>197</u>

4.2 Capital work in progress

	Sept 30, 2007	Sept 30, 2006
Plant and machinery	508,917	30,329
Civil and mechanical works	70,792	3,755
	<u>579,709</u>	<u>34,084</u>

5 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

		Sept 30, 2007	June 30, 2007
392,104,397 Ordinary shares of Rs.10/- each fully paid in cash (2007: 245,065,248 of Rs.10/- each)	5.1	<u>3,921,044</u>	<u>2,450,652</u>

5.1 During the period under review, the issued, subscribed and paid up capital of the company is increased by Rs. 1,470.4 million, through right issue of shares @ 60% (i.e. 3 shares for every 5 shares held).

6 CONTINGENCIES AND COMMITMENTS

Commitments in respect of:

- letter of credits other than capital expenditures amount to NIL (June 30, 2007: NIL)
- capital expenditures amount to Rs. 943 million (June 30, 2007: Rs. 915 million).

	Sept 30, 2007	Sept 30, 2006
7 CASH AND CASH EQUIVALENTS		
Cash and bank balances	1,390,348	1,034,857
Running finances under mark up arrangements	(83,261)	(427,547)
	<u>1,307,087</u>	<u>607,310</u>
8 TRANSACTIONS WITH RELATED PARTIES		
Holding company:		
Receipt of loan	496,729	-
Associated companies:		
Purchase of assets and services	590	210
Rent	87	87
Repayment of loan and lease liabilities	38,816	5,178
Payment against services (freight for crude oil)	85,783	79,264
Markup on borrowings and leases	7,384	2,137
Staff provident fund		
Payment of employees and company's contribution	4,600	2,262

9 DATE OF AUTHORIZATION FOR ISSUE

The financial statements were authorized for issue on October 27, 2007 in accordance with the resolution of the Board of Directors of the company.

10 GENERAL

These financial statements are presented in Rupees and Figures have been rounded off to nearest thousand rupees.

The annexed notes form an integral part of these financial statements.

Chief Executive

Director