



Directors' Review

The un-audited financial statements of the Company for the third quarter ended March 31, 2009 together with results for the nine months to that date are presented along-with an update on the Company's performance.

Gross sales for the nine months were Rs.551.628 million as compared to Rs. 648.443 million registering a decrease of 15% over the last nine months. Net sales decreased from Rs. 511.197 million last year to Rs.426.085 million registering a decrease of 17%.

The gross profit decreased by 40% from Rs.155.153 million to Rs.92.342 million. The operating profit of Rs.66.86 million in 2008 turned into a loss of Rs.41.2 million for the period under review.

The milder weather, the weak rupee, rising inflation, economic instability, political uncertainty and increase in competitors have all taken their toll and expected sales have not materialized, despite our aggressive marketing strategy. Costs have however been continually increasing, thereby putting pressure on margins. In April the new Lemon & Pepper flavour of Tang was launched in Sind and every effort is being made to improve results.

We are thankful to all our customers, distributors, suppliers, shareholders, bankers and insurance companies for their continuing support.

On behalf of the Board of Directors

A handwritten signature in black ink, appearing to read "Iqbal Ali Lakhani".

IQBAL ALI LAKHANI
Chairman

Karachi: April 24, 2009