

**ACI Limited**

**1st Quarter Ended Report 2010**

ADVANCED CHEMICAL INDUSTRIES LIMITED

Balance Sheet as at 31 March 2010

Unaudited

Figures in '000'

	31-Mar-2010 Taka	31-Dec-2009 Taka
<b>Assets</b>		
<b>Property, plant and equipment:</b>		
At Cost / Revaluation	1,848,232	1,829,791
Accumulated depreciation	(683,823)	(654,030)
	<b>1,164,409</b>	<b>1,175,761</b>
<b>Capital work-in-progress</b>	171,828	106,131
<b>Intangible assets</b>	2,595	-
<b>Investment</b>	892,213	877,288
<b>Total non-current assets</b>	<b>2,231,045</b>	<b>2,159,180</b>
<b>Current assets:</b>		
Inventories	1,464,366	1,596,525
Trade receivables	1,328,815	1,161,296
Other receivables	110,895	69,510
Advance, deposits & prepayments	554,460	368,144
Advance income tax	298,207	283,104
Inter-company receivable	1,874,351	1,169,264
Cash and bank balances	118,745	717,864
	<b>5,749,839</b>	<b>5,365,707</b>
<b>Total assets</b>	<b>7,980,884</b>	<b>7,524,887</b>
<b>Equity and liabilities</b>		
<b>Shareowners' equity:</b>		
Share capital	194,040	194,040
Share premium	250,022	250,022
Capital reserve	1,671	1,671
Revaluation surplus	300,272	300,272
Retained earnings	2,424,975	2,284,195
	<b>3,170,980</b>	<b>3,030,200</b>
<b>Current liabilities:</b>		
Bank overdraft	280,578	319,341
Bank term loan	2,110,443	1,917,691
Trade payables	368,963	377,165
Other payables	582,551	1,149,121
Inter company payables	11,950	57,749
Current portion of lease obligation	1,581	1,840
Provision for taxation	409,316	353,967
	<b>3,765,382</b>	<b>4,176,874</b>
<b>Long term liabilities</b>	<b>1,044,522</b>	<b>317,813</b>
<b>Total equity and liabilities</b>	<b>7,980,884</b>	<b>7,524,887</b>



Dr. Arif Dowla  
Managing Director



Muallem A Choudhury  
Chief Financial Officer

Advanced Chemical Industries Limited

Consolidated Balance Sheet as at 31 March 2010  
Unaudited

Figures in '000'

	31-Mar-2010 Taka	31-Dec-2009 Taka
<b>Non- current assets:</b>		
Property, plant and equipment At Cost / revaluation	4,517,952	4,393,880
Accumulated depreciation	(1,166,295)	(1,092,721)
	<u>3,351,657</u>	<u>3,301,159</u>
Capital work-in-progress	540,288	453,323
Investment	213,411	186,353
Intangible assets	118,593	116,314
	<u>872,292</u>	<u>755,990</u>
<b>Current assets:</b>		
Inventories	2,586,476	2,773,719
Trade receivables	3,095,566	2,635,023
Other receivables	115,977	76,803
Advance, deposits & prepayments	1,037,901	901,792
Advance income tax	428,080	387,575
Inter-company receivables	13,974	13,298
Cash and bank balance	191,780	847,873
	<u>7,469,754</u>	<u>7,636,083</u>
<b>Total assets</b>	<u><u>11,693,703</u></u>	<u><u>11,693,232</u></u>
<b>Equity and liabilities:</b>		
<b>Share holders' equity</b>		
Share capital	194,040	194,040
Share premium	250,022	250,022
Capital reserve	1,671	1,671
Revaluation surplus	589,529	589,529
Retained profit	1,973,118	1,906,693
	<u>3,008,380</u>	<u>2,941,956</u>
Minority interest	412,901	401,295
	<u>3,421,281</u>	<u>3,343,251</u>
<b>Current liabilities</b>		
Bank overdraft	456,831	709,319
Short term bank loan	3,372,578	3,506,617
Trade payables	657,104	780,935
Other payables	1,151,470	1,639,824
Current portion of lease obligation	1,581	1,840
Provision for tax	621,211	523,699
	<u>6,260,775</u>	<u>7,162,234</u>
<b>Long term liabilities</b>	<u>2,011,647</u>	<u>1,187,747</u>
<b>Total equity and liabilities</b>	<u><u>11,693,703</u></u>	<u><u>11,693,232</u></u>



Dr. Arif Dowla  
Managing Director



Muallem A Choudhury  
Chief Financial Officer

**Advanced Chemical Industries Limited**  
**Income statement**  
**for the 1st Quarter ended 31 March 2010**  
**Unaudited**

	Figures in '000'	
	1st Quarter ended on	
	31 March 10	31 March 09
	Taka	Taka
Sales	2,201,563	1,726,167
Cost of goods sold	<u>(1,484,693)</u>	<u>(1,259,687)</u>
Gross profit	716,870	466,480
Administrative, selling & distribution expenses.	<u>(460,386)</u>	<u>(415,824)</u>
	256,484	50,655
Other income	<u>1,216</u>	<u>3,557</u>
	257,700	54,213
Financing cost	<u>(56,796)</u>	<u>(82,715)</u>
	200,904	(28,503)
Provision for contribution to WPPF	<u>(10,045)</u>	<u>1,425</u>
Profit before tax	190,859	(27,078)
Tax (expenses)/ income	<u>(50,079)</u>	<u>7,228</u>
Profit after tax	<u><b>140,780</b></u>	<u><b>(19,849)</b></u>
Earnings per share	<u>7.26</u>	<u>(1.02)</u>



**Dr. Arif Dowla**  
**Managing Director**



**Muallem A Choudhury**  
**Chief Financial Officer**

**Advanced Chemical Industries Limited**  
**Consolidated Income Statement**  
**for the 1st Quarter ended 31 March 2010**  
**Unaudited**

	Figures in '000'	
	1st quarter ended on	
	31- March-10	31- March-09
	Taka	Taka
Sales	3,886,099	3,191,248
Cost of goods sold	(2,748,935)	(2,307,676)
Gross profit	1,137,164	883,572
Other income	6,821	4,634
	1,143,985	888,206
Administration, selling & distribution expenses	(816,643)	(628,903)
	327,342	259,303
Profit/ (loss) from Associates and Joint Ventures	10,421	10,068
	337,763	269,371
Financing cost	(159,094)	(166,100)
	178,669	103,271
Provision for contribution to WPPF	(17,720)	(5,320)
Profit before tax	160,949	97,951
Tax expenses	(84,516)	(29,463)
Profit after tax	76,433	68,488
Minority interest	(10,009)	(25,917)
Profit after tax and minority interest	66,424	42,571
<b>Basic earnings per share (EPS)</b>	<b>3.42</b>	<b>2.19</b>



**Dr. Arif Dowla**  
**Managing Director**



**Muallem A Choudhury**  
**Chief Financial Officer**

**ADVANCED CHEMICAL INDUSTRIES LIMITED**  
**Cash flow statement**  
**for the 1st Quarter ended 31 March 2010**  
**Unaudited**

	Figures in '000'	
	1st Quarter ended on	
	31 March 10	31 March 09
	Taka	Taka
<b>A. Cash flows from operating activities</b>		
Cash receipts from customers	2,034,044	1,621,358
Cash receipts from other income	1,216	3,557
Receipts from / (paid) to others	39,541	38,236
	<b>2,074,801</b>	<b>1,663,151</b>
Cash paid for:		
Purchase of inventory	(1,338,236)	(1,079,555)
Operating expenses	(455,473)	(460,853)
Payments to other payables	23,893	(1,581)
Financing cost	(56,796)	(51,796)
Payments for advances, deposits and prepayments	(246,227)	(35,346)
Income tax	(15,103)	(18,348)
Paid to WPPF	2,342	1,228
	<b>(2,085,600)</b>	<b>(1,646,251)</b>
	<b>(10,799)</b>	<b>16,900</b>
<b>B. Cash flows from investing activities</b>		
Purchases of fixed assets	(18,441)	(3,296)
Purchases of intangible assets	(2,595)	-
Payments for capital work-in-progress	(65,697)	(6,023)
Investments in joint ventures and associates	(14,925)	-
	<b>(101,658)</b>	<b>(9,319)</b>
<b>C. Cash flows from financing activities</b>		
Inter-company receivables/ payables (paid)/ received	(745,616)	32,488
Dividend paid	(460)	(43)
Short term bank loan (paid)/ received	192,752	(105,752)
Long term bank loan (paid)/received	105,425	(20,248)
	<b>(447,899)</b>	<b>(93,555)</b>
<b>D. Net cash inflows/(outflows) from total activities (A+B+C)</b>	<b>(560,356)</b>	<b>(85,974)</b>
<b>E. Opening cash and bank balances</b>	<b>398,523</b>	<b>(520,264)</b>
<b>F. Closing cash and bank balances (D+E)</b>	<b>(161,833)</b>	<b>(606,238)</b>
<b>Closing balance represents:</b>		
Cash and bank	118,745	315,106
Bank overdraft	(280,578)	(921,344)
	<b>(161,833)</b>	<b>(606,238)</b>



**Dr. Arif Dowla**  
**Managing Director**



**Muallem A Choudhury**  
**Chief Financial Officer**

Advanced Chemical Industries Limited

Consolidated Cash Flow Statement  
for the 1st Quarter ended 31 March 2010  
Unaudited

Figures in '000'

	1st Quarter ended on	
	31 March 10	31 March 09
	Taka	Taka
<b>A Cash flows from operating activities:</b>		
Cash received from customers	3,438,369	3,031,815
Cash received as other income	9,376	4,634
Receipts from / (payments to) others	38,899	36,863
	<u>3,486,644</u>	<u>3,073,312</u>
Cash paid for:		
Inventories	(2,628,531)	(2,012,617)
Operating expenses	(722,898)	(593,293)
Payments to other payables	19,285	(104,709)
Financing cost	(157,907)	(131,521)
Payments for advances, deposits and prepayments	(256,711)	(81,139)
Tax paid	(40,385)	(25,392)
Paid to workers from WPPF	2,342	1,228
	<u>(3,784,805)</u>	<u>(2,947,443)</u>
<b>Net cash provided by operating activities</b>	<u>(298,161)</u>	<u>125,869</u>
<b>B Cash flows from investing activities :</b>		
Purchase of fixed assets	(128,775)	(77,154)
Purchase of intangible assets	(2,595)	-
Payments for capital work-in-progress	(73,484)	(81,376)
Proceeds from sale of fixed assets	6,200	-
Investments in shares/FDR	(16,638)	-
	<u>(215,292)</u>	<u>(158,530)</u>
<b>Net cash used in investing activities</b>	<u>(215,292)</u>	<u>(158,530)</u>
<b>C Cash flows from financing activities :</b>		
Issue of shares	-	32,000
Inter-company receivables / payables- received/(paid)	8,679	(967)
Dividend paid	(498)	(43)
Short term bank loan received/(paid)	108,712	(147,572)
Long term bank loan (paid)/received	(7,007)	131,931
	<u>109,886</u>	<u>15,349</u>
<b>Net cash flows from financing activities</b>	<u>109,886</u>	<u>15,349</u>
<b>D Net cash inflow/(outflow) from total activities (A+B+C)</b>	<u>(403,567)</u>	<u>(17,312)</u>
<b>E Opening balance</b>	<u>138,516</u>	<u>(975,803)</u>
<b>F Closing balance (D+E)</b>	<u><u>(265,051)</u></u>	<u><u>(993,115)</u></u>
Cash in hand and at bank	191,780	443,938
Bank overdraft	(456,831)	(1,437,053)
	<u>(265,051)</u>	<u>(993,115)</u>



Dr. Arif Dowla  
Managing Director



Muallem A Choudhury  
Chief Financial Officer

**Statement of changes in equity  
for the 1st Quarter ended 31 March 2010**

Figures in '000'

<u>Particulars</u>	Share capital	Share premium	Capital reserve	Revaluation surplus	Retained earnings	Total
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
<b><u>Balance at 31 December 2009</u></b>	194,040	250,022	1,671	300,272	2,284,195	3,030,200
Net profit after tax for the period ended 31 March 2010	-	-	-	-	140,780	140,780
<b>Balance at 31 March 2010</b>	<b>194,040</b>	<b>250,022</b>	<b>1,671</b>	<b>300,272</b>	<b>2,424,975</b>	<b>3,170,980</b>
<b>Balance at 31 March 2009</b>	<b>161,700</b>	<b>250,022</b>	<b>1,671</b>	<b>303,147</b>	<b>1,468,265</b>	<b>2,184,805</b>



Dr. Arif Dowla  
Managing Director



Muallem A Choudhury  
Chief Financial Officer



Advanced Chemical Industries Limited

Consolidated Statement of Changes in Equity  
for the 1st Quarter ended 31 March 2010  
Unaudited

Particulars	Figures in '000'						
	Share capital Taka	Share premium Taka	Capital reserve Taka	Revaluation surplus Taka	Retained earnings Taka	Non-controlling interest Taka	Total Taka
Balance at 31 December 2009	194,040	250,022	1,671	589,529	1,906,694	401,295	3,343,251
Net profit after tax for the period ended 31 March 2010	-	-	-	-	66,424	10,009	76,433
Adjustment for sale of share of ACI Motors Limited	-	-	-	-	-	1,597	1,597
<b>Balance at 31 March 2010</b>	<b>194,040</b>	<b>250,022</b>	<b>1,671</b>	<b>589,529</b>	<b>1,973,118</b>	<b>412,901</b>	<b>3,421,281</b>
Balance at 31 March 2009	161,700	250,022	1,671	597,276	1,535,883	365,963	2,912,515



Dr. Arif Dowla  
Managing Director



Muallem A Choudhury  
Chief Financial Officer