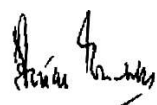


CASH FLOW STATEMENT (UN-AUDITED)

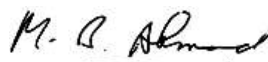
for the quarter ended 30 September 2006

| | Note | 2006 | 2005 |
|--|------|-----------|-----------|
| (Rupees in million) | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit before taxation | | 554.8 | 526.1 |
| Adjustments for non cash items | | | |
| Depreciation | | 443.6 | 499.2 |
| Amortization of intangibles | | 43.4 | - |
| Finance cost | | 348.2 | 226.2 |
| Provision against doubtful debts | | 79.1 | 35.0 |
| Provision for post retirement medical and free gas supply facilities | | 24.3 | 24.3 |
| Recognition of income against deferred credit | | (42.1) | (33.3) |
| Profit / interest on term deposits | | (98.5) | (6.4) |
| Profit on disposal of fixed assets | | (4.0) | (5.0) |
| Net cash generated from operations | | 1,348.8 | 1,266.1 |
| Service charges received from new customers | | 88.2 | 35.7 |
| Security deposits received - net | | 91.0 | 72.9 |
| Long-term loans and advances to staff -net | | 1.6 | (20.5) |
| Long-term deposits | | - | 1.1 |
| Changes in working capital | | | |
| Stores and spares | | (164.0) | (41.1) |
| Stock-in-trade | | (28.9) | (1.5) |
| Customers' installations work-in-progress | | (81.5) | 26.5 |
| Trade debts | | (3,204.4) | (1,541.9) |
| Loans and advances | | (66.3) | 22.6 |
| Trade deposits and prepayments | | (17.8) | (17.3) |
| Other receivables - net | | (795.6) | (402.5) |
| Trade and other payables | | 4,383.6 | 4,364.4 |
| | | 25.1 | 2,409.2 |
| Income tax (paid) / refund received - net | | 447.6 | (390.0) |
| Financial charges paid | | (334.6) | (177.3) |
| Net cash flows from operating activities | | 1,667.7 | 3,197.2 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Fixed capital expenditure | | (2,136.2) | (496.8) |
| Proceeds from sale of fixed assets | | 4.0 | 5.5 |
| Profit / interest received on term deposits | | 95.6 | 6.2 |
| Net cash flows from investing activities | | (2,036.6) | (485.1) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from local currency loans | | 16.8 | 1.1 |
| Repayment of local currency loans | | (4.5) | (0.4) |
| Dividend paid | | (0.2) | - |
| Net cash flows from financing activities | | 12.1 | 0.7 |
| Net increase in cash and cash equivalents | | (356.8) | 2,712.8 |
| Cash and cash equivalents at beginning of the period | | 2,649.8 | 1,049.2 |
| Cash and cash equivalents at end of the period | 13 | 2,293.0 | 3,762.0 |

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



Aitzaz Shahbaz
Chairman



Munawar B. Ahmad. P.E.
Managing Director