

DIRECTORS' REVIEW

On behalf of the Board of Directors of your Company, I have pleasure to present the financial statement for the third quarter ended March 31, 2010.

Operating and Financial Performance:

Sales performance

During the period under review, sales revenue are recorded at Rs.2,618 million for the period under review as compared to Rs.1,898 million during the same period last year. That means your Company achieved a growth of 38% in sales revenue as compared to same period last year.

Gross profit

Gross profit of the Company is Rs.241 million as compared to Rs.172 million in corresponding period last year. Hence, there is 40% increase in gross profit as compared to same period last year. However gross profit margin in relation to net sales revenue is 9.2% for the period under review as tax exemptions is no more available after month June 2009. Therefore the Company has taken 28 million provisions for taxation for the period under review.

Net results

Due to positive and upward move of stock market the Company has also booked 36 million profit on account of revaluation of investment in stock market during the period under review as compared to losses of Rs.101 million in the corresponding period last year.

The bottom line and net results are good which showed net profit after taxation of Rs.83.5 million during the period under review as compared to net loss of Rs.74.1 million in the corresponding period. It means that there is 213% increase in net profit after taxation as compared to the same period last year.

Future Outlooks

Your Company has started canning while printing line has also been erected at B-26 S.I.T.E., which is going passing a testing period and hope to be operating full fledge within a fortnight time which will give us an edge in local sales with added value as well as exports for which potentials are great. We hope to give good results to our shareholders in the next quarter.

We are confident that your Company has the potential to remain market leader and would be able to sustain all external and internal pressures by maintaining its history of achieving good results even in the most challenging circumstances.

Acknowledgement

The Board of Directors of the Company would like to place on record its gratitude to its shareholders, partners, customers, Government authorities, financial institutions whose co-operation & continued support has always been there. Board also acknowledges untiring efforts of the staff in keeping this Company in good shape despite all the odds.

On behalf of the Board of Directors

ABDULLAH RAFI
Chairman

Karachi: April 24, 2010

