



TREET GROUP OF COMPANIES

Treet Corporation Limited

Interim Financial Statements for the period ended March 31, 2015



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TREET GROUP OF COMPANIES

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Company Information

BOARD OF DIRECTORS

Dr. Mrs. Niloufer Qasim Mahdi	Chairperson
Syed Shahid Ali Shah	Chief Executive Officer
Syed Sheharyar Ali	
Mr. Imran Azim	(Nominee National Investment Trust)
Mr. Munir Karim Bana	(Nominee Loads Limited)
Mr. Saulat Said	
Mr. Muhammad Shafique Anjum	
Mr. Khurram Raza Bakhtayari	(Nominee IGI Insurance Limited)

BOARD AUDIT COMMITTEE

Mr. Imran Azim	Chairman
Syed Sheharyar Ali	Member
Mr. Munir Karim Bana	Member
Mr. Khurram Raza Bakhtayari	Member

HUMAN RESOURCE &
REMUNERATION COMMITTEE

Syed Sheharyar Ali	Chairman
Mr. Munir Karim Bana	Member
Mr. Imran Azim	Member
Mr. Khurram Raza Bakhtayari	Member
Mr. Muhammad Shafique Anjum	Member
Mr. Amir Zia	Member
Mr. Jahangir Bashir	Member

CHIEF FINANCIAL OFFICER

Mr. Amir Zia

COMPANY SECRETARY

Rana Shakeel Shaukat

HEAD OF INTERNAL AUDIT

Mr. Muhammad Ali

EXTERNAL AUDITOR

KPMG Taseer Hadi & Co.
Chartered Accountants
Lahore.

INCOME TAX CONSULTANT

Kreston Hyder Bhimji & Co.
Chartered Accountants
Lahore.

LEGAL ADVISOR

Salim & Baig, Advocates - Lahore.

CORPORATE ADVISOR

Cornelius, Lane & Mufti Legal Advisors & Solicitors - Lahore.

SHARIAH ADVISOR

Mufti Iftikhar Baig (Only for First Treet Manufacturing Modaraba)

BANKERS

Al Baraka Bank (Pakistan) Limited
 Allied Bank Limited
 Askari Bank Limited
 Bank Alfalah Limited
 Bank Al-Habib Limited
 BankIslami Pakistan Limited
 Barclays Bank PLC, Pakistan
 Faysal Bank Limited
 Habib Bank Limited
 HSBC Bank Middle East Limited
 Habib Metropolitan Bank Limited
 IGI Investment Bank Limited
 JS Bank Limited
 MCB Bank Limited
 National Bank of Pakistan
 NIB Bank Limited
 SAMBA Bank Limited
 Soneri Bank Limited
 Standard Chartered Bank (Pakistan) Limited
 SilkBank Limited
 United Bank Limited

REGISTERED OFFICE

72-B, Industrial Area, Kot Lakhpat, Lahore.
 Phones: 042-35830881, 35156567
 Fax: 042-35114127, 35215825
 E-mail: info@treetonline.com
 Website: www.treetonline.com

SHARE REGISTRAR

Corplink (Private) Limited
 Wing Arcade, 1-K Commercial,
 Model Town, Lahore.
 Ph: 042-35916714
 Fax: 042-35839182

TREET GROUP FACTORIES

72-B, Industrial Area, Kot Lakhpat, Lahore.
 Phones: 042-35830881, 35156567 & 35122296
 Fax: 042-35114127, 35215825

Hali Road: P.O. Box No. 308, Hyderabad.
 Phones : 0223-880846, 883058 & 883174
 Fax: 0223-880172

First Treet Manufacturing Modaraba
 (Managed by Global Econo Trade (Private) Limited)

Packaging Solution - Corrugation
 22- K.M. Ferozepur Road, Kachha Tiba, Rohi Nala,
 Lahore. Tel: (042) 8555848

GROUP COMPANIES / OFFICES**Global Econo Trade (Private) Limited**

(A wholly owned subsidiary of Treet Corporation Limited)

72-B, Industrial Area, Kot Lakhpat, Lahore.

Phones: 042-35830881, 35156567

Fax: 042-35114127, 35215825

First Treet Manufacturing Modaraba

(Managed by Global Econo Trade (Private) Limited)

Principal Place of Business:

72-B, Industrial Area, Kot Lakhpat, Lahore.

Phones: 042-35830881, 35156567

Fax: 042-35114127, 35215825

Treet HR Management (Private) Limited (THRM)**(Formerly TCL Labor-Hire Company (Private) Limited)**

(A wholly owned subsidiary of Global Econo Trade (Private) Limited)

72-B, Industrial Area, Kot Lakhpat, Lahore.

Phones: 042-35830881, 35156567

Fax: 042-35114127, 35215825

Treet Power Limited

(A wholly owned subsidiary of Global Econo Trade (Private) Limited)

72-B, Industrial Area, Kot Lakhpat, Lahore.

Phones: 042-35830881, 35156567

Fax: 042-35114127, 35215825

Global Arts Limited (Formerly Treet Services Limited)

(A wholly owned subsidiary of Treet Corporation Limited)

72-B, Industrial Area, Kot Lakhpat, Lahore.

Phones: 042-35830881, 35156567

Fax: 042-35114127, 35215825

KARACHI OFFICE

Suite # 502, 5th Floor Beaumont Plaza, Plot # 6-CL-10,
Beaumont Road, Civil lines, Karachi.

Phones: 021-35694395, 35683155, 35681576

Fax: 021-35681575

Directors' Review

The directors of your company are pleased to present un-audited consolidated financial statements for the third quarter and nine months ending on March 31, 2015 of the financial year 2014-2015.

Financial Performance

Comparative analysis* (in % change) over the corresponding period of the last year is given below:

Nine Months Ended						
	March 31, 2015		March 31, 2014		% Change	
(Rupees in thousand)	Treet	Consolidated	Treet	Consolidated	(1) over (3)	(2) over (4)
	(1)	(2)	(3)	(4)		
Sales (net)	3,078,148	5,256,402	3,034,468	4,744,209	1.44%	10.80%
Gross Profit	930,672	1,187,656	950,958	1,051,553	-2.13%	12.94%
Operating Profit	223,957	358,796	270,045	262,445	-17.07%	36.71%
Net Profit	47,605	150,784	351,536	339,500	-86.46%	-55.59%
EPS (in Rupees)	0.90	2.85	6.02	6.75		

The Company's posted **profit** after tax at Rs. **150.784** million is decreased by 55.59% against Rs. **339.500** million in the corresponding period of the last year. However, operating profits are increased by **36.71%**. Sales performance (in % change) is described below:

SEGMENT-WISE SALES

2014-2015						
Rs. in 000	D/E+ Bonded	Soap	Corrugation	Paper & Board	Motorbike	Total
Sales	3,076,837	598,260	1,357,125	17,347	224,180	5,273,749
Inter-Company / Segment Sales	-	-	34,122	78,375	-	112,497
	3,076,837	598,260	1,391,247	95,722	224,180	5,386,246
2013-2014						
Rs. in 000	D/E+ Bonded	Soap	Corrugation	Paper & Board	Motorbike	Total
Sales	3,034,468	611,077	1,178,551	54,330	275,038	5,153,464
Inter-Company / Segment Sales	-	-	47,288	354,925	-	402,213
	3,034,468	611,077	1,225,839	409,255	275,038	5,555,677
Sales Growth %	1.40%	-2.10%	13.49%	-76.61%	-18.49%	-3.05%

- Blade/disposable business maintained its foothold both in local and export markets;
- Soaps sales showed recovery and will be restored to its normal volumes;
- Corrugation showed good sales growth during the period;
- Paper & Board operations discontinued its operation in September 2014;
- Motor Bike operations showed decline;

Overall reason for decrease in net profitability is due to the following factors:

- Healthy gains on investment in shares in the last period and its impact is Rs. 267.061 million;
- Loss on disposal of Paper & Board Plant (including plant, machinery, land, building and allied) and its impact is Rs. 35.769 million;
- Legal & Professional Charges and other administrative expenses are increased as your Company is diversifying in other areas as well and its impact is Rs. 30.00 million;

Accrual of Profit on Participation Term Certificates (TCLTC) based on half yearly consolidated results:

The following accrual of profit is being made on TCLTC on the basis of half yearly results:

PAY-OFF MATRIX :		Calculation of Category "B" Payment
Profit * from	Profit* to	Payoff % on Excess Amount of profit
-	179,500,000	NIL
179,500,001	250,000,000	72% of amount exceeding Rs. 179,500,000.00
250,000,001	350,000,000	Rs.50,760,000.00 and 25% of amount exceeding Rs. 250,000,000.00
350,000,001	450,000,000	Rs.75,760,000.00 and 20% of amount exceeding Rs. 350,000,000.00
450,000,001	550,000,000	Rs.95,760,000.00 and 15% of amount exceeding Rs. 450,000,000.00
550,000,001	650,000,000	Rs.110,760,000.00 and 10% amount exceeding Rs. 550,000,000.00
650,000,001	and above	Rs.120,760,000.00 and 5 % of amount exceeding Rs. 650,000,000.00

	Rs.in 000		Rs.in 000
Consolidate Profit*	428,471	Extrapolated Profit for the full Year	571,295

*Profit means Consolidate Profit before Tax, WPPF/ WWF and Financial Charges on account of any payment or accrual made for TCLTCs

	Rs. In 000	Rs. Per TCLTC
Category "B" Payment (Additional Profit in Cash)	112,889	2.70
Minimum Profit Payment in Cash	173,144	4.14
Financial Charges i.e. Total Profit in Cash	286,033	6.84
Financial Charges accrued for the period i.e. 9 months	214,525	5.13

PAY-OFF MATRIX (PER TCLTC):		Based on Extrapolated Profit for the Full Year			
Principal Redemption in Cash	Minimum Profit Payment in Cash	Minimum Payment in Cash	Category "B" * Payment (Additional Profit in Cash)	Total Profit in Cash	Total Payment in Cash
(1)	(2)	(3) = (1) + (2)	(4)	(5) = (2) + (4)	(6) = (1) + (5)
0.15	4.14	4.29	2.70	6.84	6.99

However, this is accrual based on three quarterly consolidated results *extrapolated* for full year, actual payment will be made on following dates according to *actual* full year results ending on June 30, 2015.

Respective Date(s) of Entitlements and Date(s) of Payment under Category "A" and Category "B" Payment for the first year* will be as follows:

Year	Book Closure Dates (both days inclusive)		Entitlement Date	Minimum Payment in Cash Date	Allotment Date for Conversion	Category "B" Payment (in Cash) Date
	From	To		under Category "A" Payment		
2015	10-10-2015	16-10-2015	09-10-2015	02-11-2015	02-11-2015	02-11-2015

*[as mentioned in the Prospectus of Participation Term Certificate (TCLTC) and extract from it [pertaining to third year] is reproduced here]

Apart from the "Total Payment in Cash", PTC holders [who are entitled on October 09, 2015] will also get Ordinary Shares of the Company on the following basis:

PRINCIPAL REDEMPTION THROUGH CONVERSION			
Principal Redemption Through Conversion	No. of Share Through Conversion	Conversion Price Per Share	The Conversion price per share is for information/ accounting / taxation purpose. No further amount will be paid by the PTC holders. <i>This is the opportunity cost of the principal value of PTC forgone to get One additional Ordinary Share of the Company</i>
4.14	0.07	59.14	

Example: Thus, holder of 1,000 PTCs will get 70 Ordinary Shares of the Company on or before November 02, 2015 vis-à-vis principal value of Rs. 4,140/- forgone.

Right Issue

Your Company has announced 150% right shares offered at Rs. 50/- (including premium of Rs. 40/- per share) to the existing Shareholders. Purpose of the issue is to build, construct, commission, procure, erect and run/manage "lead acid battery" plant of the state of the art technology being capable of producing various sizes of batteries and amperes for motor vehicles/ UPS.

Circular along with the notice under Section 86(3) of the Companies Ordinance, 1984 will be sent to the shareholders in due course of time.

Issuance of Treet Perpetual Sukuk (SUKUK)

Company is planning to issue 13,487,675 Sukuk @Rs. 40.00 (Premium: Nil). Issue size is Rs.539,507,000 and Sukuk are being offered to all the existing shareholders of the Company through SOL in the ratio of **one** Sukuk against **four** Ordinary shares held on the date of entitlement. Subscription Offer Letter (SOL) and resultant Sukuk will be listed at all the three Stock Exchanges. Clearance from Stock Exchanges and approval from SECP are under process.

Acknowledgements

We place on record our gratitude to our valued customers for their confidence in our products and pledge to provide them the best quality in continually improving our products. We would also like to thank all our colleagues, management and factory staff who are strongly committed to their work as the success of your Company is built around their efforts. We also thank our shareholders for their confidence in our Company and assure them that we are committed to do our best to ensure best rewards for their investment in the Company.

LAHORE
April 24, 2015


Syed Shahid Ali Shah
Chief Executive Officer


Muhammad Shafique Anjum
Director

Consolidated
Financial Statements
For the period ended March 31, 2015

Condensed Interim Consolidated Balance Sheet (Un-Audited)

As at March 31, 2015

	Note	March 2015 Un-audited (Rupees in thousand)	(Restated) June 2014 Audited
Property, plant and equipment		3,510,518	3,081,461
Long term investments		252,634	234,646
Long term deposits		51,243	50,822
		3,814,395	3,366,929
Current assets			
Stores and spares		254,149	235,011
Stock-in-trade		1,237,647	968,903
Trade debts - unsecured considered good		594,216	613,934
Short term investments		653,092	632,327
Loans, advances, deposits, prepayments and other receivables		794,805	765,519
Cash and bank balances		685,232	662,752
		4,219,141	3,878,446
Current liabilities			
Current portion of non-current liabilities		179,417	179,417
Finance under mark-up-arrangements - secured		1,623,811	797,357
Trade and other payables		923,984	1,019,763
Provision for taxation		49,333	43,656
		2,776,545	2,040,193
Net current assets		1,442,596	1,838,253
Net Assets		5,256,991	5,205,182
Financed By:			
Issued, subscribed and paid-up capital		539,507	510,231
Reserves		1,252,606	1,108,785
Unappropriated profit		1,345,733	1,275,337
Share Holders' Equity		3,137,846	2,894,353
Minority Interest		2,505	2,262
Participation term finance certificates		716,417	895,834
Surplus on revaluation of fixed assets		1,333,985	1,355,959
Long term deposits		2,698	467
Deferred liabilities		63,540	56,307
Contingencies and commitments	5	-	-
		5,256,991	5,205,182

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

LAHORE
April 24, 2015


Syed Shahid Ali Shah
Chief Executive Officer


Muhammad Shafique Anjum
Director

Condensed Interim Consolidated Profit And Loss Account (Un-Audited)

For the period ended March 31, 2015

	Note	Quarter ended		9 Months ended	
		January to March 2015	January to March 2014	July to March 2015	July to March 2014
		Rupees in '000'		Rupees in '000'	
Revenue and Sales -Net	6	1,762,841	1,721,027	5,256,402	5,099,134
Cost of Goods Sold	7	(1,310,505)	(1,316,279)	(4,068,746)	(4,014,068)
Gross Profit		452,336	404,748	1,187,656	1,085,066
Operating expenses :					
- Administrative expenses		(63,514)	(32,479)	(153,173)	(113,744)
- Selling & distribution expenses		(234,678)	(222,230)	(675,687)	(675,364)
		(298,192)	(254,709)	(828,860)	(789,108)
Operating Profit		154,144	150,039	358,796	295,958
Other income		11,552	12,838	116,178	394,342
		165,696	162,877	474,974	690,300
Financial expenses		(29,219)	(28,654)	(82,057)	(70,207)
Financial charges Treet-PTC		(78,247)	(72,427)	(214,525)	(227,325)
Share of profit of associate		19,054	9,037	35,554	9,037
		77,284	70,833	213,946	401,805
Workers' Profit Participation Fund		178	(2,125)	(3,725)	(20,240)
Workers' Welfare Fund		80	(807)	(1,399)	(7,691)
		258	(2,932)	(5,124)	(27,931)
Profit before taxation		77,542	67,901	208,822	373,874
Taxation					
- Group		(11,981)	(11,443)	(18,152)	(28,136)
- Associated company		(838)	(2,543)	(4,117)	(2,543)
Profit/(Loss) from continuing operation		64,723	53,915	186,553	343,195
Profit/(Loss) from discontinued operation	10	-	(1,742)	(35,769)	(3,695)
Profit after taxation		64,723	52,173	150,784	339,500
Earnings per share from continuing operation		1.20	2.79	3.54	6.82
Earnings per share from discontinued operation		-	(0.09)	(0.69)	(0.07)

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

LAHORE
April 24, 2015


Syed Shahid Ali Shah
Chief Executive Officer


Muhammad Shafique Anjum
Director

Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited)

For the period ended March 31, 2015

	Quarter year ended		9 Months ended	
	January to March 2015	January to March 2014	July to March 2015	July to March 2014
	Rupees in '000'		Rupees in '000'	
Profit after taxation	64,567	52,127	150,534	339,384
Other comprehensive income				
Available -for -sale financial assets				
Fair value adjustment	-	-	-	-
Total comprehensive income for the period	64,567	52,127	150,534	339,384
Attributable to:				
-Continuing operations	64,567	53,869	186,303	343,079
-Discontinued operation	-	(1,742)	(35,769)	(3,695)
Total comprehensive income for the period	64,567	52,127	150,534	339,384

Appropriations have been reflected in the statement of changes in equity.

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

LAHORE
April 24, 2015


Syed Shahid Ali Shah
Chief Executive Officer


Muhammad Shafique Anjum
Director

Condensed Interim Consolidated Cash Flow Statement (Un-Audited)

For the period ended March 31, 2015

	July to March 2015	July to March 2014
	Rupees in '000'	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	173,053	370,179
Adjustments for non-cash items :		
Financial charges for the period	82,057	70,237
Financial charges Treet-PTC	214,525	227,325
Depreciation on property, plant and equipment	148,338	112,394
Provision for gratuity	7,411	10,120
Provision for superannuation fund scheme	6,789	9,645
Profit on bank deposits	(24,068)	(8,333)
Profit on disposal of investment held for trading	6,467	(319,465)
Profit on disposal of available for sale investment	(58,822)	49
Unrealized (gain)/loss on short term investment	(13,552)	(8,711)
Share of profit from associated company	(35,554)	(9,037)
Realization of fair value reserve	(48)	(1,687)
Deferred income	-	(9,863)
Dividend income	(5,676)	-
Provision for WPPF and WWF	5,124	27,931
Gain/Loss on sale of fixed assets	27,543	(19,088)
	360,534	81,517
Operating profit before working capital changes	533,587	451,696
(Increase) / decrease in operating assets :		
Stores and spares	(19,138)	(130,261)
Stock-in-trade	(268,744)	(200,776)
Trade debts	19,718	(56,607)
Short term investments	(13,680)	25,267
Loans, advances, deposits, prepayments and other receivables	(23,452)	(132,988)
	(305,296)	(495,365)
Increase / (decrease) in operating liabilities		
Trade and other payables	(13,930)	118,681
Cash generated from operations	214,361	75,012
Financial charges paid	(359,865)	(349,838)
Taxes paid	(19,260)	(100,727)
WPPF and WWF	3,100	2,710
Payment to gratuity fund	(21,896)	(17,547)
Payment to superannuation fund	(10,473)	(15,419)
	(408,394)	(480,821)
Net cash from operating activities	(194,033)	(405,809)

	July to March 2015	July to March 2014
	Rupees in '000'	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(747,389)	(120,333)
Proceeds from sale of fixed assets	142,450	28,512
Long term investments	72,271	12,363
Long term deposits	(421)	(3,654)
Profit received on bank deposits	24,068	8,333
Dividend received	5,275	5,027
Net cash outflow from investing activities	(503,746)	(69,752)
CASH FLOWS FROM FINANCING ACTIVITIES		
Share capital	-	501,867
Participation term finance certificates	(6,272)	(6,274)
Long Term Deposits	2,231	(2,116)
Dividend paid	(102,154)	(83,805)
Net cash from financing activities	(106,195)	409,672
NET INCREASE IN CASH AND CASH EQUIVALENTS	(803,974)	(65,889)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	(134,605)	(238,153)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	(938,579)	(304,042)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	685,232	504,444
Finance under mark-up arrangements	(1,623,811)	(808,486)
	(938,579)	(304,042)

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

Condensed Interim Consolidated Statement Of Changes In Shareholders Equity (Un-Audited)

For the period ended March 31, 2015

	Share Capital	Capital Reserve	Statutory Reserve	General Reserve Rupees in '000'	Fair Value Reserve	Unappropriated Profit	Total
Balance as on June 30, 2013 as previously	418,222	8,949	212,091	266,400	1,687	1,241,334	2,148,683
Effect of retrospective application of change in an accounting policy	-	-	-	-	-	(55,177)	(55,177)
Balance as on June 30, 2013 as restated	418,222	8,949	212,091	266,400	1,687	1,186,157	2,093,506
Shares issued against Treet PTC by way of conversion	29,276	143,869	-	-	-	-	173,145
Issuance of shares by way of right	62,733	439,134	-	-	-	-	501,867
Realized gain on disposal of available for sale investments transferred to profit and loss	-	-	-	-	(1,687)	-	(1,687)
Total comprehensive income for the period	-	-	-	-	-	339,384	339,384
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	-	-	-	3,869	3,869
Final dividend for the year ended June 30, 2013 @ Rs 2 per share	-	-	-	-	-	(83,715)	(83,715)
Balance as on March 31, 2014	510,231	591,952	212,091	266,400	-	1,445,695	3,026,369
Balance as on June 30, 2014	510,231	591,952	252,091	266,400	(1,658)	1,275,337	2,894,353
Shares issued against Treet PTC by way of conversion	29,276	143,869	-	-	-	-	173,145
Realized gain on disposal of available for sale investments transferred to profit and loss	-	-	-	-	(48)	-	(48)
Total comprehensive income for the period	-	-	-	-	-	150,534	150,534
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	-	-	-	21,974	21,974
Final dividend for the year ended June 30, 2014 @ Rs. 2 per share	-	-	-	-	-	(102,112)	(102,112)
Balance as on March 31, 2015	539,507	735,821	252,091	266,400	(1,706)	1,345,733	3,137,846

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

LAHORE
April 24, 2015


Syed Shahid Ali Shah
Chief Executive Officer


Muhammad Shafique Anjum
Director

Notes To The Consolidated Condensed Interim Financial Information (Un-Audited)

For the period ended March 31, 2015

1. STATUS AND NATURE OF THE BUSINESS

The Group comprises:

Holding Company

Treet Corporation Limited (TCL)

Subsidiary Companies / Undertakings

Global Econo Trade (Private) Limited (GET)

First Treet Manufacturing Modaraba (FTMM)

Treet HR Management (Private) Limited (THRM) (Formerly TCL Labor-Hire Company (Private) Limited)

Global Arts Limited (GAL) (Formerly Treet Services Limited)

Treet Power Limited (TPL)

- 1.1** The Parent Company was incorporated in Pakistan on 22 January 1977 as a Public Limited Company under the Companies Act, 1913 (now Companies Ordinance, 1984). Its shares are listed on Karachi, Islamabad and Lahore Stock Exchanges. The principal activity of the Parent Company is to manufacture and sell razors and razor blades. The registered office of the Parent Company is situated at 72-B, Industrial Area, Kot Lakhpat, Lahore.

GET was incorporated in Pakistan on 21 October 2004 as a Private Limited Company under the Companies Ordinance, 1984. The principal activity of GET is marketing and sale of razors and razor blades manufactured by the Parent Company, Soaps manufactured by First Treet Manufacturing Modaraba (FTMM) and manufacturing and sale of Motor Bikes. GET commenced its commercial operations from 01 January 2005. The registered office of GET is situated at 72-B, Industrial Area, Kot Lakhpat, Lahore.

FTMM is a multi-purpose, perpetual and multi-dimensional Modaraba formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 on 27 July 2005 and Rules framed there under and is managed by GET, incorporated in Pakistan under the Companies Ordinance, 1984 and registered with Registrar of Modaraba Companies. The registered office of the FTMM is situated 72-B, Industrial Area, Kot Lakhpat, Lahore. FTMM is listed on Lahore Stock Exchange (Guarantee) Limited. FTMM was previously engaged in the manufacturing and sale of corrugated boxes, paper and soaps. However, the Board of Directors of Modaraba Management Company on 01 September 2014 approved the sale of assets of Paper and Board Mill segment of the Modaraba. In line with the decision taken by the Board, the Modaraba entered into a sale agreement dated 03 September 2014 to sell off assets of Paper and Board mill segment including land, building, plant and machinery, computer and equipment, security deposit for electricity supply and related store and spares against the gross consideration including sales tax amounting to Rs. 162 million. Assets and liabilities other than mentioned above have been retained by the Modaraba and allocated to corrugation segment. The Paper and Board mill segment was not previously classified as held for sale or as discontinued operation. The comparative statement of profit and loss and other comprehensive income has been represented to show the discontinued operation separately from continuing operations.

THRM (Formerly TCL Labor-Hire Company (Private) Limited) was incorporated in Pakistan on 18 September 2006 as a Private Limited Company under the Companies Ordinance, 1984. THRM is engaged in the business of rendering professional and technical services and providing related workforce to the host companies/customers, under service agreements. The registered office of THRM is situated at 72-B, Industrial Area, Kot Lakhpat, Lahore.

Global Arts Limited (GAL), previously, Treet Services (Private) Limited was incorporated in Pakistan on 26th October 2007 as a Private Limited Company under the Companies Ordinance, 1984. Subsequently, on 23 July 2014, the Company was converted into a public limited company. Initially Company was envisaged to cater technical services but Company did not operate as such and thereafter has changed the name of the Company to "Global Arts Limited". Objects clauses are also changed to promote, establish, run manage and maintain, educational institutions, colleges of arts, research, sciences, information technology and business administration; higher level schools, academics, technical training centers and such other educational institutions as may be considered appropriate for the promotion and advancement of education in the country with national and international affiliations to acquire the services of professors, associate professors, lecturers, teachers, managements skills and other professional from within the country and abroad as would be needed to run and promote educational institutions set up by the Company subject however, to the permission of competent authority but not to operate itself as a university and not to act as a degree awarding institution. Its registered office is situated at 72-B, Industrial Area Kot Lakhpat, Lahore.

TPL was incorporated on 20 November 2007 in Pakistan as an unquoted Public Limited Company under the Companies Ordinance, 1984. At present the TPL is planning to set up an electric power generation project for generating, distribution and selling of electric power. The registered office of TPL is situated at 72-B, Industrial Area, Kot Lakhpat, Lahore.

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the approved Accounting Standards as applicable in Pakistan relating to Interim Financial Reporting. This condensed interim financial information does not include all the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2014.

The condensed interim financial information is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984.

3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim consolidated financial information are the same as those applied in preparation of the financial statements for the year ended 30 June 2014.

4. ESTIMATES

The preparation of condensed Interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimates uncertainty were the same as those that applied to the financial statements for the year ended 30 June 2014.

5. CONTINGENCIES AND COMMITMENTS

There is no material change in the position of contingent liabilities since the last audited published financial statements.

	Quarter year ended		9 Months ended	
	January to March 2015	January to March 2014	July to March 2015	July to March 2014
	Rupees in '000'		Rupees in '000'	
6. SALES - Net				
Blades	1,037,218	1,036,138	3,076,837	3,034,468
Soaps	185,673	180,687	598,260	611,077
Packaging products	467,545	400,150	1,357,125	1,178,551
Paper and board	-	-	-	-
Motor bike project	72,405	104,052	224,180	275,038
	1,762,841	1,721,027	5,256,402	5,099,134
7. COST OF GOODS SOLD				
Blades	(666,747)	(683,240)	(2,129,180)	(2,081,738)
Soaps	(155,579)	(181,204)	(504,449)	(584,171)
Packaging products	(410,630)	(241,845)	(1,138,683)	(743,243)
Paper and board	103	(103,654)	(67,684)	(310,780)
Motor bike project	(77,652)	(106,336)	(228,750)	(294,136)
Labor services	-	-	-	-
	(1,310,505)	(1,316,279)	(4,068,746)	(4,014,068)

8. TRANSACTIONS WITH RELATED PARTIES

The Company enters into transactions with related parties in the normal course of business on an arm's length basis. Prices for transactions with related parties are determined using admissible valuation methods.

	9 Months ended	
	July to March 2015	July to March 2014
	Rupees in '000'	
Purchases and services received	140,801	153,091
Goods sold and services rendered	88	282

9. This unaudited condensed interim financial information was authorized for issue by the board of directors on April 24, 2015.

10. DISCONTINUED OPERATIONS

The profit and loss account of the discontinued paper business is as follows;

	Quarter year ended		9 Months ended	
	January to March 2015	January to March 2014	July to March 2015	July to March 2014
	Rupees in '000'		Rupees in '000'	
Revenue and Sales -Net	-	23,008	17,347	54,330
Cost of Goods Sold	-	(23,592)	(23,081)	(55,709)
Gross Profit	-	(584)	(5,734)	(1,379)
Operating expenses :				
- Administrative expenses	-	(106)	521	(767)
- Selling & distribution expenses	-	(1,188)	3,507	(2,066)
	-	(1,294)	4,028	(2,833)
Operating Profit	-	(1,878)	(1,706)	(4,212)
Other operating expenses	-	136	(34,063)	517
Loss before taxation	-	(1,742)	(35,769)	(3,695)
Taxation	-	-	-	-
Loss after taxation	-	(1,742)	(35,769)	(3,695)

11. GENERAL

Amounts have been rounded off to thousand rupees.

LAHORE
April 24, 2015


Syed Shahid Ali Shah
Chief Executive Officer


Muhammad Shafique Anjum
Director

Unconsolidated
Financial Statements
For the period ended March 31, 2015

Condensed Interim Unconsolidated Balance Sheet (Un-Audited)

As at March 31, 2015

	March 2015 Un-audited (Rupees in thousand)	June 2014 Audited
Property, plant and equipment	2,623,861	2,591,422
Long term investments	2,285,583	1,399,032
Long term deposits	16,606	11,806
	4,926,050	4,002,260
Current assets		
Stores and spares	200,217	145,866
Stock-in-trade	629,235	467,011
Trade debts – unsecured considered good	169,837	427,585
Short term investments	640,388	630,639
Loans, advances, deposits, prepayments and other receivables	624,197	613,964
Cash and bank balances	171,077	447,139
	2,434,951	2,732,204
Current liabilities		
Current portion of non-current liabilities	179,417	179,417
Finance under mark-up-arrangements – secured	1,623,811	797,357
Trade and other payables	751,678	907,906
Provision for taxation	30,719	21,287
	2,585,625	1,905,967
Net current assets	(150,674)	826,237
Net Assets	4,775,376	4,828,497
Financed By:		
Issued, subscribed and paid-up capital	539,507	510,231
Reserves	1,002,220	858,400
Unappropriated profit	1,182,262	1,227,609
Share Holders' Equity	2,723,989	2,596,240
Participation term finance certificates	716,417	895,834
Surplus on revaluation of fixed assets	1,291,982	1,301,075
Long term deposits	725	318
Deferred liabilities	42,263	35,030
	4,775,376	4,828,497

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

LAHORE
April 24, 2015


Syed Shahid Ali Shah
Chief Executive Officer


Muhammad Shafique Anjum
Director

Condensed Interim Unconsolidated Profit and Loss Account (Un-Audited)

For the period ended March 31, 2015

	Note	Quarter ended		9 Months ended	
		January to March 2015	January to March 2014	July to March 2015	July to March 2014
		Rupees in '000'		Rupees in '000'	
Revenue and Sales -Net	7	1,038,529	1,036,138	3,078,148	3,034,468
Cost of Goods Sold	8	(672,386)	(684,437)	(2,147,476)	(2,083,510)
Gross Profit		366,143	351,701	930,672	950,958
Operating expenses:					
- Administrative expenses		(58,808)	(25,411)	(133,278)	(95,794)
- Selling & distribution expenses		(206,275)	(192,588)	(573,437)	(585,119)
		(265,083)	(217,999)	(706,715)	(680,913)
Operating Profit		101,060	133,702	223,957	270,045
Other income		(4,280)	9,588	139,658	431,748
		96,780	143,290	363,615	701,793
Finance cost		(28,596)	(28,374)	(81,327)	(69,677)
Financial charges - PTCs		(78,247)	(72,427)	(214,525)	(227,325)
		(10,063)	42,489	67,763	404,791
Workers' Profit Participation Fund		503	(2,125)	(3,388)	(20,240)
Workers' Welfare Fund		191	(807)	(1,288)	(7,691)
		694	(2,932)	(4,676)	(27,931)
Profit before taxation		(9,369)	39,557	63,087	376,860
Taxation		(10,271)	(10,537)	(15,482)	(25,324)
Profit/Loss from continuing operations		(19,640)	29,020	47,605	351,536
Earnings per share from continuing operations		(0.36)	2.50	0.90	6.02

The annexed notes 1 to 11 form an integral part of this condensed interim unconsolidated financial information.

LAHORE
April 24, 2015


Syed Shahid Ali Shah
Chief Executive Officer


Muhammad Shafique Anjum
Director

Condensed Interim Unconsolidated Statement of Comprehensive Income (Un-audited)

For the period ended March 31, 2015

	Quarter year ended		9 Months ended	
	January to March 2015	January to March 2014	July to March 2015	July to March 2014
	Rupees in '000'		Rupees in '000'	
Profit after taxation	(19,640)	29,020	47,605	351,536
Other comprehensive income				
Available -for -sale financial assets				
Fair value adjustment	-	-	-	-
Total comprehensive income for the period	(19,640)	29,020	47,605	351,536

Appropriations have been reflected in the statement of changes in equity.

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

LAHORE
April 24, 2015


Syed Shahid Ali Shah
Chief Executive Officer


Muhammad Shafique Anjum
Director

Condensed Interim Unconsolidated Cash Flow Statement (Un-Audited)

For the period ended March 31, 2015

	July to March 2015	July to March 2014
	Rupees in '000'	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	63,087	376,860
Adjustments for non-cash items :		
Financial charges for the period	81,327	69,677
Financial charges Treet-PTC	214,525	227,325
Depreciation on property, plant and equipment	122,146	82,109
Provision for gratuity	7,411	10,120
Provision for superannuation fund scheme	6,789	9,645
Profit on bank deposits	(5,864)	(2,809)
Profit on disposal of investment held for trading	5,240	(318,276)
Profit on disposal of available for sale investment	(58,822)	49
Unrealized (gain) / loss on short term investments	(14,912)	(15,623)
Realization of fair value reserve	(48)	(1,687)
Dividend income	(45,986)	(53,208)
Provision for WPPF and WWF	4,676	27,931
(Gain)/Loss on sale of fixed assets	(6,082)	(19,088)
	310,400	16,165
Operating profit before working capital changes	373,487	393,025
(Increase) / decrease in operating assets :		
Stores and spares	(54,351)	(87,146)
Stock-in-trade	(162,224)	(14,091)
Trade debts	257,748	(33,101)
Short term investments	(77)	12,551
Loans, advances, deposits, prepayments and other receivables	17,416	(253,159)
	58,512	(374,946)
Increase / (decrease) in operating liabilities		
Trade and other payables	(75,438)	82,679
Cash generated from operations	356,561	100,758
Financial charges paid	(359,135)	(349,278)
Taxes paid	(35,591)	(73,282)
WPPF and WWF	5,551	4,392
Payment to gratuity fund	(21,896)	(17,547)
Payment to superannuation fund	(10,473)	(15,419)
	(421,544)	(451,134)
Net cash from operating activities	(64,983)	(350,376)

	July to March 2015	July to March 2014
	Rupees in '000'	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(160,183)	(107,342)
Proceeds from sale of fixed assets	11,679	28,512
Long term investments	(827,729)	12,448
Long term deposits	(4,800)	(1,181)
Profit received on bank deposits	5,864	2,809
Dividend received	45,585	48,372
Net cash outflow from investing activities	(929,584)	(16,382)
CASH FLOWS FROM FINANCING ACTIVITIES		
Share capital	-	501,867
Participation term finance certificates	(6,272)	(6,274)
Long Term Deposits	407	(2,045)
Dividend paid	(102,084)	(83,746)
Net cash from financing activities	(107,949)	409,802
NET INCREASE IN CASH AND CASH EQUIVALENTS	(1,102,516)	43,044
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	(350,218)	(510,196)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	(1,452,734)	(467,152)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	171,077	341,334
Finance under mark-up arrangements	(1,623,811)	(808,486)
	(1,452,734)	(467,152)

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

Condensed Interim Unconsolidated Statement of Changes In Equity (Un-Audited)

For the period ended March 31, 2015

	Share Capital	Capital Reserve	General Reserve	Fair Value Reserve	Unappropriated Profit	Total
	Rupees in '000'					
Balance as on June 30, 2013 as previously reported	418,222	8,949	266,400	1,687	1,157,296	1,852,554
Effect of retrospective application of change in an accounting policy	-	-	-	-	(41,710)	(41,710)
Balance as on June 30, 2013 as restated	418,222	8,949	266,400	1,687	1,115,586	1,810,844
Shares issued against Treet PTC by way of conversion	29,276	143,868	-	-	-	173,144
Issuance of shares by way of right	62,733	439,134	-	-	-	501,867
Realized gain on disposal of available for sale investments transferred to profit and loss	-	-	-	(1,687)	-	(1,687)
Total comprehensive income for the period	-	-	-	-	351,536	351,536
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	-	-	3,869	3,869
Final dividend for the year ended June 30, 2013 @ Rs 2 per share	-	-	-	-	(83,645)	(83,645)
Balance as on March 31, 2014	510,231	591,951	266,400	-	1,387,346	2,755,928
Balance as on June 30, 2014	510,231	591,952	266,400	48	1,227,609	2,596,240
Shares issued against Treet PTC by way of conversion	29,276	143,868	-	-	-	173,144
Realized gain on disposal of available for sale investments transferred to profit and loss	-	-	-	(48)	-	(48)
Total comprehensive income for the period	-	-	-	-	47,605	47,605
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	-	-	9,094	9,094
Final dividend for the year ended June 30, 2014 @ Rs. 2 per share	-	-	-	-	(102,046)	(102,046)
Balance as on March 31, 2015	539,507	735,820	266,400	-	1,182,262	2,723,989

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

LAHORE
April 24, 2015


Syed Shahid Ali Shah
Chief Executive Officer


Muhammad Shafique Anjum
Director

Notes To The Unconsolidated Condensed Interim Financial Information (Un-Audited)

For the period ended March 31, 2015

1 STATUS AND NATURE OF BUSINESS

Treet Corporation Limited ("the Company") was incorporated in Pakistan on 22 January 1977 as a Public Limited Company under the Company's Act 1913 (now Companies Ordinance 1984). Its shares are listed on Karachi, Islamabad and Lahore Stock Exchanges. The principal activity of the Company is to manufacture and sale of razors and razor blades. The registered office of the Company is situated at 72-B, Industrial Area Kotlakhpat, Lahore.

2 BASIS OF PREPARATION

The condensed interim financial information has been presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and provisions of and directives issued under the Companies Ordinance, 1984 has been followed. This condensed interim information is unaudited and is being submitted to shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984. This condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended 30 June 2014.

3 ACCOUNTING POLICIES

Accounting policies adopted for the preparation of these condensed financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended 30 June 2014.

4 ESTIMATES

The preparation of condensed Interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimates uncertainty were the same as those that applied to the financial statements for the year ended 30 June 2014.

The provision for taxation for the period has been made on an estimated basis.

5 PROPERTY, PLANT AND EQUIPMENT

The following acquisitions and disposals have been made during 9 months ended March 31, 2015.

	Acquisitions (Cost)	Disposals (Book Value)
Plant and machinery	47,855	-
Furniture and equipment	11,939	343
Vehicles	30,488	5,210
	90,282	5,553

6. CONTINGENCIES AND COMMITMENTS

There are no significant changes in the contingent liabilities and commitments since the last audited published financial statements.

	Quarter year ended		9 Months ended	
	January to	January to	July to	July to
	March	March	March	March
	2015	2014	2015	2014
	Rupees in '000'		Rupees in '000'	
7. SALES - Net				
Local sales	557,956	526,977	1,686,166	1,585,899
Export sales	480,573	509,161	1,391,982	1,448,569
	1,038,529	1,036,138	3,078,148	3,034,468
8. COST OF GOODS SOLD				
Raw and packing material consumed	(386,737)	(414,181)	(1,173,736)	(1,225,180)
Stores and spares consumed	(38,292)	(33,975)	(106,153)	(103,987)
Salaries, wages and other benefits	(130,221)	(137,669)	(476,088)	(416,015)
Fuel and power	(45,179)	(49,041)	(200,380)	(208,205)
Depreciation	(30,830)	(18,960)	(92,403)	(56,563)
Others	(35,219)	(28,840)	(101,451)	(87,766)
	(666,478)	(682,666)	(2,150,211)	(2,097,716)
Opening stock of work-in-process	-	-	(51,711)	(47,273)
Closing stock of work-in-process	1,439	2,647	38,317	51,508
Cost of goods manufactured	(665,039)	(680,019)	(2,163,605)	(2,093,481)
Opening stock of finished goods	-	-	(71,200)	(87,478)
Purchases	-	-	(1,077)	(74)
Closing stock of finished goods	(7,347)	(4,418)	88,406	97,523
	(672,386)	(684,437)	(2,147,476)	(2,083,510)

9. TRANSACTIONS WITH RELATED PARTIES

	9 Months ended	
	July to	July to
	March	March
	2015	2014
	Rupees in '000'	
Subsidiary		
- Purchases and services received	193,529	138,980
Associates		
- Purchases and services received	76,546	79,234
- Goods sold and services rendered	88	-

The Company enters into transactions with related parties on an arm's length basis. Prices for transactions with related parties are determined using admissible valuation methods.

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10. This unaudited condensed interim financial information was authorized for issue by the board of directors on April 24, 2015.

11. **GENERAL**

Amounts have been rounded off to thousand rupees.

LAHORE
April 24, 2015



Syed Shahid Ali Shah
Chief Executive Officer



Muhammad Shafique Anjum
Director



To thrive in today's economy, we
must challenge the status quo
and get the necessary
skills/know-how to succeed and
revisit our paradigms



Treet Corporation Limited

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