

GULSHAN SPINNING MILLS LIMITED
PROFIT AND LOSS ACCOUNT (UN-AUDITED)
AS AT 31 DECEMBER 2006

	NOTE	QUARTER ENDED		HALF YEAR ENDED	
		OCTOBER TO DECEMBER		JULY TO DECEMBER	
		2006	2005	2006	2005
RUPEES					
SALES		449,843,888	499,397,521	845,028,742	1,001,076,540
COST OF SALES	7	378,183,152	428,114,354	711,714,442	860,587,386
GROSS PROFIT		71,660,736	71,283,167	133,314,300	140,489,154
Distribution Cost		9,510,708	9,797,391	18,431,039	20,755,384
Administrative Expenses		9,921,624	10,388,269	17,995,611	19,313,915
OPERATING PROFIT		52,228,404	51,097,507	96,887,650	100,419,855
OTHER OPERATING EXPENSES		15,523	714,895	190,344	1,010,347
FINANCE COST		53,730,143	38,776,469	99,233,495	82,014,315
		53,745,666	39,491,364	99,423,839	83,024,662
OTHER OPERATING INCOME		1,812,192	1,184,711	6,152,719	1,793,524
SHARE OF PROFIT FROM ASSOCIATES		341,714	821,450	341,714	944,960
PROFIT BEFORE TAXATION		636,644	13,612,304	3,958,244	20,133,677
PROVISION FOR TAXATION					
CURRENT		5,698,344	2,875,080	8,267,046	6,469,252
DEFERRED		(16,000,000)	15,000,000	(16,000,000)	15,000,000
		(10,301,656)	17,875,080	(7,732,954)	21,469,252
NET PROFIT/ (LOSS) AFTER TAXATION		10,938,300	(4,262,776)	11,691,198	(1,335,575)
BASIC AND DILUTED EARNING PER SHARE		0.79	(0.31)	0.84	(0.10)

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

CHIEF EXECUTIVE

DIRECTOR