

**GULSHAN SPINNING MILLS LIMITED**  
**PROFIT AND LOSS ACCOUNT (Un-Audited)**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30,2007.**

	NOTES	First Quarter Ended	
		2007	2006
		Rupees	
<b>SALES</b>	7	460,050,081	395,184,854
<b>COST OF SALES</b>	8	<u>391,561,215</u>	<u>333,531,290</u>
<b>GROSS PROFIT</b>		68,488,867	61,653,564
<b>OPERATING EXPENSES</b>			
Distribution Cost		<u>9,210,484</u>	<u>8,920,331</u>
Administrative Expenses		<u>7,907,090</u>	<u>8,073,987</u>
		<u>17,117,574</u>	<u>16,994,318</u>
<b>OPERATING PROFIT</b>		51,371,293	44,659,246
<b>OTHER CHARGES</b>	9	<u>848,051</u>	<u>174,821</u>
		50,523,242	44,484,425
<b>OTHER OPERATING INCOME</b>		<u>16,896,986</u>	<u>4,340,527</u>
		67,420,228	48,824,952
<b>FINANCE COST</b>		<u>51,307,259</u>	<u>45,503,352</u>
<b>PROFIT / (LOSS) BEFORE TAXATION</b>		<u>16,112,969</u>	<u>3,321,600</u>
<b>TAXATION</b>			
Current Year		<u>2,916,718</u>	<u>2,568,702</u>
<b>PROFIT / (LOSS) AFTER TAXATION</b>		<u>13,196,252</u>	<u>752,898</u>
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<b>BASIC / DILUTED EARNING PER SHARE</b>		<u>0.95</u>	<u>0.06</u>