

**GULISTAN TEXTILE MILLS LIMITED**  
**PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE 1st QUARTER ENDED SEPTEMBER 30, 2006**

1st Quarter ended	1st Quarter ended
September 30, 2006	September 30, 2005
Rupees	Rupees

<b>SALES - Net</b>		985,927,848	694,439,325
<b>COST OF SALES</b>	<b>8</b>	837,413,954	584,929,306
<b>GROSS PROFIT</b>		148,513,894	109,510,019
<b>OPERATING EXPENSES / (INCOME)</b>			
OTHER OPERATING (INCOME)/LOSS		324,403	1,232,968
DISTRIBUTION COST		20,315,802	21,117,068
ADMINISTRATIVE EXPENSES		12,591,077	11,719,398
OTHER OPERATING EXPENSES		392,587	995,184
FINANCE COST		107,430,862	64,597,583
		141,054,731	99,662,201
PROFIT BEFORE TAXATION		7,459,163	9,847,819
<b>PROVISION FOR TAXATION - CURRENT</b>		4,094,654	3,798,449
<b>PROFIT FOR THE QUARTER ENDED AFTER TAXATION</b>		3,364,509	6,049,370
<b>Earning Per Share- Basic &amp; Diluted</b>		0.25	0.46

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

NASEER AHMAD  
 CHIEF EXECUTIVE

MUHAMMAD ABDULLAH  
 DIRECTOR