

**GULISTAN TEXTILE MILLS LIMITED**

## STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2007

	RESERVES					TOTAL
	Share Capital	CAPITAL	REVENUE			
		Share Premium	General Resrve	Bonus Shares	Unappropriated Profit	
-----Rupees-----						
<b>Balance as at 01 July 2006 restated</b>	132,678,000	379,080,000	203,921,394	-	1,180,043,412	1,895,722,806
Profit for the 1st Quarter ended September.30,2006	-	-	-	-	3,364,509	3,364,509
<b>Balance as at 30 Sep. 2006 restated</b>	132,678,000	379,080,000	203,921,394	-	1,183,407,921	1,899,087,315
Transfer for issue of bonus shares	-	-	-	13,267,800	(13,267,800)	-
Issue of 1,326,780 ordinary shares of Rs. 10 each fully paid as bonus shares	13,267,800	-	-	(13,267,800)	-	-
Profit for the Period (nine months)	-	-	-	-	47,356,352	47,356,352
<b>Balance as at 30 June 2007</b>	145,945,800	379,080,000	203,921,394	-	1,217,496,473	1,946,443,667
Profit for the 1st Quarter ended September.30,2007	-	-	-	-	6,559,163	6,559,163
<b>Balance as at 30 Sep. 2007</b>	<b>145,945,800</b>	<b>379,080,000</b>	<b>203,921,394</b>	<b>-</b>	<b>1,224,055,636</b>	<b>1,953,002,830</b>

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

NASEER AHMAD  
CHIEF EXECUTIVE

MUHAMMAD ABDULLAH  
DIRECTOR