

GULISTAN SPINNING MILLS LIMITED

STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE 1ST QUARTER ENDED SEPTEMBER 30,2006

	Share Capital	Share Premium	Unappropriated profits	Shareholders' Equity	Surplus on revaluation of Property, plant and Equipment
	----- Rupees -----				
Balance as at June 30, 2005 (Restated)	100,000,000	25,000,000	108,276,862	233,276,862	-
Profit/(loss) for the Quarter	-	-	1,337,674	1,337,674	
Balance as at Sept 30,2005		25,000,000	109,614,536	234,614,536	-
Balance as at June 30, 2006	100,000,000	25,000,000	118,613,652	243,613,652	73,001,024
Profit/(loss) for the Quarter	-	-	634,824	634,824	
Balance as at Sept 30,2006		25,000,000	119,248,476	244,248,476	73,001,024

The annexed notes form an integral part of these financial statements