

Decrease in operational profitability is due to following factors:

- FTMM sustained loss due to its initial set-up cost/running costs in the early period of its operations.
- Increase in cost of imports due to appreciation in GB£ and Euro (€).
- Change in Mix (of Raw Material).
- Increased depreciation due to addition in Fixed Assets.

Production

The production of razors/ blades from Lahore and Hyderabad comes to **274.47** million blades as compared to 245.430 million blades produced in the same period of the last year, registering an increase of 11.83%

Acknowledgements

We place on record our gratitude to our valued customers for their confidence in our products and pledge to provide them the best quality in continually improving our products. We would also like to thank all our colleagues, management and factory staff who are strongly committed to their work as the success of your Company is built around their efforts. We also thank our shareholders for their confidence in our Company and assure them that we are committed to do our best to ensure best rewards for their investment in the Company.

LAHORE
October 27, 2007

Shamshad Ahmed
Director

Muhammad Shafique Anjum
Director