

THIRD QUARTERLY FINANCIAL STATEMENT



TREET GROUP OF COMPANIES



JANUARY-MARCH
2010 - 2011

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Company Information

BOARD OF DIRECTORS	Syed Shahid Ali Dr. Mrs. Niloufer Mahdi Mrs. Feriel Ali Mehdi Mr. Jalees Ahmed Siddiqi Mr. Imran Azim Syed Sheharyar Ali Mr. Muhammad Shafique Anjum Mr. Munir K. Bana	Chairman / Chief Executive Officer (Nominee IGI Insurance Limited) (Nominee National Investment Trust Limited) (Nominee Loads Limited)	
BOARD AUDIT COMMITTEE	Mr. Jalees Ahmed Siddiqi Mr. Imran Azim Syed Sheharyar Ali Mr. Munir K. Bana	Chairman Member Member Member	
CHIEF FINANCIAL OFFICER	Mr. Amir Zia		
COMPANY SECRETARY	Mr. Ayaz Ahmed		
EXTERNAL AUDITORS	KPMG Taseer Hadi & Co. Chartered Accountants Lahore.		
INCOME TAX CONSULTANTS	Hyder Bhimji & Co. Chartered Accountants Lahore.		
LEGAL ADVISORS	Salim & Baig, Advocates - Lahore.		
CORPORATE ADVISORS	Cornelius, Lane & Mufti Legal Advisors & Solicitors - Lahore.		
BANKERS	Allied Bank Limited Askari Bank Limited Bank Al-Habib Limited Bank Alfalah Limited Bank Islami Pakistan Limited Barclays Bank PLC, Pakistan Citi Bank N.A.	Faysal Bank Limited IGI Investment Bank Limited JS Bank Limited Habib Metropolitan Bank Limited Habib Bank Limited HSBC Bank Middle East Limited MCB Bank Limited	National Bank of Pakistan NIB Bank Limited SAMBA Bank Limited Standard Chartered Bank (Pakistan) Limited Silk Bank Limited The Royal Bank of Scotland Limited United Bank Limited

REGISTERED OFFICE

72-B, Kot Lakhpat Industrial Area, Lahore.
Phones: 042-35830881, 35156567 Fax: 042-35114127, 35215825
E-mail: info@treetonline.com Home Page: www.treetonline.com

SHARE REGISTRAR

Scarlet I.T. Systems (Private) Limited
24-Ferozepur Road, Lahore Tel: 042-37087113 - 37570202
Fax: 042-37570303 E.mail: treet@scarletsystem.com

TREET GROUP FACTORIES

Hali Road, P.O. Box No. 308, Hyderabad.
Phones : 0223-880846, 883058 & 883174
Fax : 0223-880172

72-B, Kot Lakhpat Industrial Area, Lahore.
Phones: 042-35830881, 35156567 & 35122296
Fax : 042-35114127, 35215825

First Treet Manufacturing Modaraba
(Managed by Global Econo Trade (Private) Limited)
PACKAGING SOLUTIONS - Corrugation
22 - K.M. Ferozepur Road, Kachha Tiba, Rohi Nala,
Lahore. Tel: (042) 8555848
PACKAGING SOLUTIONS - Paper & Board Mill
33 - K.M. Lahore Sheikhpurua Road.

GROUP COMPANIES / OFFICES

Global Econo Trade (Private) Limited
(A wholly owned subsidiary of Treet Corporation Limited)
72-B, Kot Lakhpat Industrial Area, Lahore. Phones: 042-35830881, 35156567 Fax : 042-35114127, 35215825
First Treet Manufacturing Modaraba (Managed by Global Econo Trade (Private) Limited)
Principal Place of Business:
72-B, Kot Lakhpat Industrial Area, Lahore. Phones: 042-35830881, 35156567 Fax : 042-35114127, 35215825
TCL Labor - Hire Company (Private) Limited
(A wholly owned subsidiary of Global Econo Trade (Private) Limited)
72-B, Kot Lakhpat Industrial Area, Lahore. Phones: 042-35830881, 35156567 Fax : 042-35114127, 35215825
Treet Power Limited
(A wholly owned subsidiary of Global Econo Trade (Private) Limited)
72-B, Kot Lakhpat Industrial Area, Lahore. Phones: 042-35830881, 35156567 Fax : 042-35114127, 35215825
Treet Services (Private) Limited
(A wholly owned subsidiary of Global Econo Trade (Private) Limited)
72-B, Kot Lakhpat Industrial Area, Lahore. Phones: 042-35830881, 35156567 Fax : 042-35114127, 35215825

KARACHI OFFICE

17-Abdullah Haroon Road,
Karachi.
Phone: 021-35681576
Fax: 021-35681575

Directors' Review

The Directors of your company are pleased to present un-audited consolidated financial statements for the third quarter and nine months ending on **March 31, 2011** of the financial year 2010-2011.

Financial Performance

Comparative analysis* (in % change) over the corresponding period of the last year is given below:

*More fruitful comparison is between consolidated results of this period with corresponding last period due to following reasons:

- Global Econo Trade (Private) Limited (GET) is wholly owned subsidiary of your Company.
- Your Company and GET virtually hold 100% certificates of FTMM.
- Intra- company sales within Treet Group are Inter- Stock Transfer from Treet Group's perspective.

	Nine Months Ended				% Change	
	31 March 2011		31 March 2010			
	Treet	Consolidated	Treet	Consolidated	(1) over (3)	(2) over (4)
(Rupees in thousand)	(1)	(2)	(3)	(4)		
Sales (net)	1,732,184	3,408,648	1,364,477	2,658,531	26.95%	28.22%
Gross Profit	438,380	728,592	341,580	534,154	28.34%	36.40%
Operating Profit	359,493	472,604	272,366	322,854	31.99%	46.38%
Net Profit	251,142	337,550	247,797	286,003	1.35%	18.02%
EPS (in Rupees)	6.00	8.07	5.93	6.84		

The Company's posted profit after tax at Rs. 337.550 million is increased by 18.02% against Rs. 286.003 million in the corresponding period of the last year. Sales performance (in % change) is described below:

SEGMENT WISE SALES

2010-2011						
Rs. in 000	D/E + Bonded	Soap	Corrugation	Paper & Board	Motor Bike	Total
Sales	1,889,636	628,699	683,947	73,730	132,636	3,408,648
Inter Company/Segment Sales	-	-	46,875	268,353	-	315,228
	1,889,636	628,699	730,822	342,083	132,636	3,723,876
2009-2010						
Rs. in 000	D/E + Bonded	Soap	Corrugation	Paper & Board	Motor Bike	Total
Sales	1,478,523	483,726	687,110	9,139	33	2,658,531
Inter Company/Segment Sales	-	-	28,392	36,671	-	65,063
	1,478,523	483,726	715,502	45,810	33	2,723,594
Sales Growth %	27.81%	29.97%	2.14%	-	-	36.73%

- Blade/disposable business posted good growth both in local and export markets;
- Soaps sales showed excellent growth over last period due to effective marketing mix;
- Corrugation business showed slight increase but would be geared up in the coming months;
- Paper & Board operations have also successfully entered in growth stage;
- Sales from Motor Cycle segment are also geared up;

However, following factors remained major areas of concern:

- General political environment of the Country;
- Increase in raw material prices;
- Increase in power tariffs and in-house power generations;
- General inflationary pressure in the economy;
- Increased financial charges due to borrowing incurred for various projects & increased working capital requirements;

Production

The production of razors/ blades from Lahore and Hyderabad comes to 1,125.626 million blades as compared to 1,031.745 million blades produced in the same period of the last year, registering an increase of 9.10%.

Disposal of Shares

The Management of your Company disposed partially its holding in the shares of ZIL Limited to realize the capital gain in this financial year but has a plan to reinvest in the shares of the same at appropriate time in the future.

Financial Plan

The Management of your Company has decided to raise funds through Participation Term Certificates (PTC), that will be issued after approval of the Securities & Exchange Commission of Pakistan, Stock Exchanges and any other relevant authority. The amount raised through the PTC issue will be utilized to replace existing bank borrowings to that extent. After retirement of the debt of the Company's profitability and earning per share are expected to increase.

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
April 28, 2011



Syed Shahid Ali
Chief Executive Officer

Condensed Interim Consolidated Balance Sheet

As at March 31, 2011 (Un-audited)

	Note	March 2011 Un-audited (Rupees in thousand)	June 2010 Audited
Property, plant and equipment		2,138,816	2,008,580
Investment property		138,861	139,424
Long term investments		97,318	99,287
Long term deposits		31,335	23,168
		2,406,330	2,270,459
CURRENT ASSETS			
Stores and spares		132,135	153,071
Stock in trade		637,801	494,954
Trade debts - unsecured considered good		358,487	255,201
Short term investments		338,446	499,884
Loans, advances, deposits, prepayments and other receivables		663,190	339,259
Cash and bank balances		216,805	217,720
		2,346,864	1,960,089
CURRENT LIABILITIES			
Finance under mark-up-arrangements - secured		1,786,182	1,709,066
Trade and other payables		490,919	395,325
Provision for taxation		49,880	27,820
		2,326,981	2,132,211
NET CURRENT ASSETS		19,883	(172,122)
NET ASSETS		2,426,213	2,098,337
FINANCED BY:			
Issued, subscribed and paid-up capital		418,222	418,222
Reserves		299,606	275,349
Unappropriated profit		885,068	577,793
SHARE HOLDERS' EQUITY		1,602,896	1,271,364
Minority Interest		1,346	881
Surplus on revaluation of fixed assets		759,877	764,358
Long term deposits		2,541	2,491
Deferred liabilities		59,553	59,243
Contingencies and commitments	5		
		2,426,213	2,098,337

The attached notes 1 to 10 form an integral part of this condensed interim financial information.

LAHORE:
April 28, 2011



Syed Shahid Ali
Chief Executive Officer



Muhammad Shafique Anjum
Director

Condensed Interim Consolidated Profit and Loss Account

For the Quarter and 9 Months ended March 31, 2011 (Un-audited)

	Note	Quarter ended		9 Months ended	
		January to March 2011	January to March 2010	July to March 2011	July to March 2010
..... (Rupees in thousand)					
Revenue and Sales -Net	6	1,262,218	905,390	3,408,648	2,658,531
Cost of Goods Sold	7	(954,279)	(718,395)	(2,680,056)	(2,124,377)
Gross Profit		307,939	186,995	728,592	534,154
Operating expenses:					
- Administrative expenses		(20,019)	(14,924)	(59,055)	(50,272)
- Selling & distribution expenses		(70,894)	(56,099)	(196,933)	(161,028)
		(90,913)	(71,023)	(255,988)	(211,300)
Operating Profit		217,026	115,972	472,604	322,854
Other income		(7,035)	51,355	94,004	182,182
		209,991	167,327	566,608	505,036
Financial expenses		(58,900)	(47,280)	(176,611)	(146,509)
Share of profit of associate		(2,230)	784	7,862	4,690
		148,861	120,831	397,859	363,217
Workers' Profit Participation Fund		(4,608)	(4,397)	(15,591)	(15,813)
Workers' Welfare Fund		(1,974)	(1,635)	(6,235)	(5,891)
		(6,582)	(6,032)	(21,826)	(21,704)
Profit before taxation		142,279	114,799	376,033	341,513
Taxation					
- Group		(8,631)	(20,598)	(35,707)	(53,833)
- Associated company		777	(290)	(2,776)	(1,677)
Profit after taxation		134,425	93,911	337,550	286,003
Earnings per share		3.21	2.25	8.07	6.84

The attached notes 1 to 10 form an integral part of this condensed interim financial information.

LAHORE:
April 28, 2011



Syed Shahid Ali
Chief Executive Officer



Muhammad Shafique Anjum
Director

Condensed Interim Consolidated Statement of Comprehensive Income

For the Quarter and 9 Months ended March 31, 2011 (Un-audited)

	Quarter ended		9 Months ended	
	January to March 2011	January to March 2010	July to March 2011	July to March 2010
 (Rupees in thousand)			
Profit after taxation	134,344	93,890	337,400	285,872
Other comprehensive income				
Available for sale financial assets				
Transfer to profit and loss account on disposal	-	(34,975)	-	(34,975)
Impairment loss charged to profit and loss	-	9,952	-	9,952
Fair value adjustment	-	(16,556)	-	(13,084)
Other comprehensive income for the period	-	(41,579)	-	(38,107)
Total comprehensive income for the period	134,344	52,311	337,400	247,765

Appropriations have been reflected in the statement of changes in equity.

The attached notes 1 to 10 form an integral part of this condensed interim financial information.

LAHORE:
April 28, 2011



Syed Shahid Ali
Chief Executive Officer



Muhammad Shafique Anjum
Director

Condensed Interim Consolidated Cash Flow Statement

For the Quarter and 9 Months ended March 31, 2011 (Un-audited)

	July to March 2011 (Rupees in thousand)	July to March 2010
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	376,033	341,513
Adjustments for non cash items:		
Financial charges for the period	176,611	146,509
Depreciation on property, plant and equipment	76,987	54,095
Depreciation on investment property	563	563
Provision for gratuity	7,944	3,339
Provision for superannuation fund scheme	8,166	3,943
Profit on bank deposits	(7,142)	(7,816)
Impairment on available for sale Investment transferred from equity	-	19,683
Share of profit from associated company	(7,862)	(4,690)
Realization of fair value reserve	-	(60,071)
Dividend income	(14,886)	(8,783)
Provision for WPPF and WWF	21,826	21,704
(Gain)/Loss on sale of fixed assets	(6,604)	(4,686)
	255,603	163,790
Operating profit before working capital changes	631,636	505,303
(Increase) / decrease in operating assets:		
Stores and spares	20,936	(21,803)
Stock-in-trade	(142,847)	90,112
Trade debts	(103,286)	(22,846)
Short term investments	161,438	(303,491)
Loans, advances, deposits, prepayments and other receivables	(282,233)	(59,036)
	(345,992)	(317,064)
Increase / (decrease) in operating liabilities		
Trade and other payables	103,207	73,183
Cash generated from operations	388,851	261,422
Financial charges paid	(180,851)	(161,542)
Taxes paid	(53,618)	(39,540)
WPPF and WWF	(10,151)	8,419
Payment to gratuity fund	(13,663)	(6,980)
Payment to superannuation fund	(13,122)	(7,410)
	(271,405)	(207,053)
Net cash from operating activities	117,446	54,369

	July to March 2011 (Rupees in thousand)	July to March 2010 (Rupees in thousand)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(212,925)	(194,462)
Proceeds from sale of fixed assets	12,305	7,486
Long term investments	(3,296)	144,797
Long term deposits	(8,167)	(19,907)
Profit received on bank deposits	7,341	10,612
Dividend received	12,116	7,282
Net cash outflow from investing activities	(192,626)	(44,192)
CASH FLOWS FROM FINANCING ACTIVITIES		
Modaraba Certificates	344	-
Long Term Deposits	50	78
Dividend paid	315	(1,170)
Net cash from financing activities	709	(1,092)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(74,471)	9,085
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	(1,494,906)	(1,482,965)
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	(1,569,377)	(1,473,880)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	216,805	231,179
Finance under mark-up arrangements	(1,786,182)	(1,705,059)
	(1,569,377)	(1,473,880)

The attached notes 1 to 10 form an integral part of this condensed interim financial information.

LAHORE:
April 28, 2011



Syed Shahid Ali
Chief Executive Officer



Muhammad Shafique Anjum
Director

Condensed Interim Consolidated Statement of Changes in Equity For the Quarter and 9 Months ended March 31, 2011 (Un-audited)

	Share Capital	Capital Reserve	Statutory Reserve	General Reserve	Fair Value Reserve	Unappropriated Profit	Total
----- Rupees in '000 -----							
Balance as on June 30, 2009	41,822	8,949	-	266,400	60,281	702,879	1,080,331
Total comprehensive income for the period	-	-	-	-	(38,107)	285,872	247,765
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	-	-	-	3,011	3,011
Balance as on March 31, 2010	41,822	8,949	-	266,400	22,174	991,762	1,331,107
Balance as on June 30, 2010	418,222	8,949	24,258	266,400	-	553,535	1,271,364
Total comprehensive income for the period	-	-	-	-	-	337,400	337,400
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	-	-	-	4,484	4,484
Balance as on March 31, 2011	418,222	8,949	24,258	266,400	-	895,419	1,613,248

The attached notes 1 to 10 form an integral part of this condensed interim financial information.

LAHORE:
April 28, 2011



Syed Shahid Ali
Chief Executive Officer



Muhammad Shafique Anjum
Director

Notes to the Consolidated Condensed Interim Financial Information For the Quarter and 9 Months ended March 31, 2011 (Un-audited)

1. STATUS AND NATURE OF THE BUSINESS

The Group comprises:

Holding Company

Treet Corporation Limited (TCL)

Subsidiary Companies/ Undertakings

Global Econo Trade (Private) Limited (GET)
First Treet Manufacturing Modaraba (FTMM)
TCL Labor Hire (Private) Limited (TCL Labor Hire)
Treet Services (Private) Limited (TSL)
Treet Power Limited (TPL)

- 1.1 The Parent Company was incorporated in Pakistan on 22 January 1977 as a public limited company under the Companies Act, 1913 (now Companies Ordinance, 1984). Its shares are listed on Karachi, Islamabad and Lahore Stock Exchanges. The principal activity of the Parent Company is to manufacture and sell razors and razor blades. The registered office of the Parent Company is situated at 72-B, Industrial Area Kotlakhpat, Lahore.

GET was incorporated in Pakistan on 21 October 2004 as a private limited company under the Companies Ordinance, 1984. The principal activity of GET is marketing and sale of razors and razor blades manufactured by the Parent Company, Soaps manufactured by First Treet Manufacturing Modaraba (FTMM) and manufacturing and sale of Motor Cycles. GET commenced its commercial operations from 01 January 2005. The registered office of GET is situated at 72-B, Industrial Area Kotlakhpat, Lahore.

FTMM is a multi purpose, perpetual and multi dimensional Modaraba formed under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 on 27 July 2005 and Rules framed there under and is managed by GET, incorporated in Pakistan under the Companies Ordinance, 1984 and registered with Registrar of Modaraba Companies. The registered office of the FTMM is situated 72-B, Industrial Area Kotlakhpat, Lahore. FTMM is listed on Lahore Stock Exchange (Guarantee) Limited. FTMM is engaged in the manufacturing and sale of corrugated boxes, paper and soaps.

TCL Labor Hire was incorporated in Pakistan on 18 September 2006 as a private limited company under the Companies Ordinance, 1984. TCL Labor Hire is engaged in the business of rendering professional and technical services and providing related workforce to the host companies / customers, under service agreements. The registered office of TCL Labor Hire is situated at 72-B, Industrial Area Kotlakhpat, Lahore.

TSL was incorporated in Pakistan on 26 October 2007 as a private limited company under the Companies Ordinance, 1984. The Company is engaged in the business of whole range of industrial, administrative, technical and accounting control as well as janitorial and premises maintenance, providing of contractual employment and supply of labour. The registered office of TSL is situated at 72-B, Industrial Area Kotlakhpat, Lahore.

TPL was incorporated on 20 November 2007 in Pakistan as an unquoted public limited company under the Companies Ordinance, 1984. At present the TPL is planning to set up an electric power generation project for generating, distribution and selling of electric power. The registered office of TPL is situated at 72-B, Industrial Area Kotlakhpat, Lahore.

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the approved Accounting Standards as applicable in Pakistan relating to Interim Financial Reporting. This condensed interim financial information does not include all the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2010.

The condensed interim financial information is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these financial statements are the same as those applied in preparation of financial statements for the year ended 30 June 2010. Revised International Accounting Standard (IAS) 1 "Presentation of Financial Statements" which is applicable for accounting years beginning on or after January 01, 2009, requires 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity' are to be shown in performance statement. Companies can choose whether to present one performance statement (the statement of comprehensive income) or two statements (profit and loss account and statement of comprehensive income).

The Company, however, has preferred to present two statements i.e., a Profit and Loss Account and a Statement of Comprehensive Income. This interim financial information has been prepared on the basis of revised disclosure requirements.

4. ESTIMATES

The preparation of condensed Interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of estimates uncertainty were the same as those that applied to the financial statements for the year ended 30 June 2010.

5. CONTINGENCIES AND COMMITMENTS

There is no material change in the position of contingent liabilities since the last audited published financial statements.

	Quarter year ended		9 Months ended	
	January to March 2011 Rs. in 000s	January to March 2010 Rs. in 000s	July to March 2011 Rs. in 000s	July to March 2010 Rs. in 000s
6. Sales - Net				
Blades	689,881	507,211	1,889,636	1,478,523
Soaps	228,164	161,784	628,699	483,726
Packaging products	250,918	227,223	683,947	687,110
Paper and board	51,890	9,139	73,730	9,139
Motor cycle project	41,365	33	132,636	33
	1,262,218	905,390	3,408,648	2,658,531

7. COST OF GOODS SOLD

Blades	(422,496)	(334,776)	(1,236,074)	(999,827)
Soaps	(196,860)	(149,191)	(527,604)	(413,882)
Packaging products	(131,755)	(174,564)	(364,047)	(579,375)
Paper and board	(117,367)	(20,560)	(285,175)	(20,560)
Motor cycle project	(38,903)	(156)	(127,146)	(156)
Labor services	(46,898)	(39,148)	(140,010)	(110,577)
	(954,279)	(718,395)	(2,680,056)	(2,124,377)

8. TRANSACTIONS WITH RELATED PARTIES

The Company enters into transactions with related parties in the normal course of business on an arm's length basis. Prices for transactions with related parties are determined using admissible valuation methods.

	9 Months ended	
	July to March 2011	July to March 2010
Purchases and services received	98,189	118,884
Goods sold and services rendered	182	189

9. Date of authorization

This unaudited condensed interim financial information was authorized for issue by the board of directors on April 28, 2011.

10. General

Amounts have been rounded off to thousand rupees.

LAHORE:
April 28, 2011



Syed Shahid Ali
Chief Executive Officer



Muhammad Shafique Anjum
Director

TREET CORPORATION LIMITED
FINANCIAL STATEMENTS

Condensed Interim Balance Sheet

As at March 31, 2011 (Un-audited)

	Note	March 2011 Un-audited (Rupees in thousand)	June 2010 Audited
Property, plant and equipment		1,779,218	1,668,741
Investment property		138,861	139,424
Long term investments		874,362	565,283
Long term deposits		10,670	7,689
		2,803,111	2,381,137
CURRENT ASSETS			
Stores and spares		103,776	113,511
Stock in trade		302,598	271,940
Trade debts - unsecured considered good		559,395	319,421
Short term investments		296,165	434,663
Loans, advances, deposits, prepayments and other receivables		327,014	171,511
Cash and bank balances		61,926	83,095
		1,650,874	1,394,141
CURRENT LIABILITIES			
Current portion of liability against finance under mark-up-arrangements - secured		1,786,182	1,422,574
Trade and other payables		306,302	278,610
Provision for taxation		42,589	15,979
		2,135,073	1,717,163
NET CURRENT ASSETS		(484,199)	(323,022)
NET ASSETS		2,318,912	2,058,115
FINANCED BY:			
Issued, subscribed and paid-up capital		418,222	418,222
Reserves		317,580	308,300
Unappropriated profit		763,377	507,752
SHARE HOLDERS' EQUITY		1,499,179	1,234,274
Surplus on revaluation of fixed assets		759,877	764,358
Long term deposits		2,391	2,341
Deferred liabilities		57,465	57,142
Contingencies and commitments	6		
		2,318,912	2,058,115

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

LAHORE:
April 28, 2011



Syed Shahid Ali
Chief Executive Officer



Muhammad Shafique Anjum
Director

Condensed Interim Profit and Loss Account

For the Quarter and 9 Months ended March 31, 2011 (Un-audited)

	Note	Quarter ended		9 Months ended	
		January to March 2011	January to March 2010	July to March 2011	July to March 2010
..... (Rupees in thousand)					
Revenue and Sales -Net	7	633,717	466,605	1,732,184	1,364,477
Cost of Goods Sold	8	(450,361)	(347,936)	(1,293,804)	(1,022,897)
Gross Profit		183,356	118,669	438,380	341,580
Operating expenses:					
- Administrative expenses		(16,273)	(15,202)	(48,655)	(43,504)
- Selling & distribution expenses		(9,768)	(8,760)	(30,232)	(25,710)
		(26,041)	(23,962)	(78,887)	(69,214)
Operating Profit		157,315	94,707	359,493	272,366
Other income		(7,629)	29,681	107,306	160,999
		149,686	124,388	466,799	433,365
Financial expenses		(57,700)	(36,378)	(165,861)	(117,101)
		91,986	88,010	300,938	316,264
Workers' Profit Participation Fund		(4,599)	(4,400)	(15,047)	(15,813)
Workers' Welfare Fund		(1,748)	(1,639)	(5,718)	(5,891)
		(6,347)	(6,039)	(20,765)	(21,704)
Profit before taxation		85,639	81,971	280,173	294,560
Taxation		(4,713)	(18,102)	(29,031)	(46,763)
Profit after taxation		80,926	63,869	251,142	247,797
Earnings per share		1.94	1.53	6.00	5.92

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

LAHORE:
April 28, 2011



Syed Shahid Ali
Chief Executive Officer



Muhammad Shafique Anjum
Director

Condensed Interim Statement of Comprehensive Income

For the Quarter and 9 Months ended March 31, 2011 (Un-audited)

	Quarter ended		9 Months ended	
	January to March 2011	January to March 2010	July to March 2011	July to March 2010
 (Rupees in thousand)			
Profit after taxation	80,926	63,869	251,142	247,797
Other comprehensive income				
Available for sale financial assets				
Transfer to profit and loss account on disposal	(7,790)	(49,982)	(7,790)	(34,976)
Impairment loss charged to profit and loss	-	-	-	9,952
Fair value adjustment	(10,095)	-	17,069	(5,459)
Other comprehensive (loss) / income for the period	(17,885)	(49,982)	9,279	(30,483)
Total comprehensive income for the period	63,041	13,887	260,421	217,314

Appropriations have been reflected in the statement of changes in equity.

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

LAHORE:
April 28, 2011



Syed Shahid Ali
Chief Executive Officer



Muhammad Shafique Anjum
Director

Condensed Interim Cash Flow Statement

For the Quarter and 9 Months ended March 31, 2011 (Un-audited)

	July to March 2011 (Rupees in thousand)	July to March 2010
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	280,173	294,560
Adjustments for non cash items:		
Financial charges for the period	165,861	117,101
Depreciation on property, plant and equipment	56,471	45,148
Depreciation on investment property	563	563
Provision for gratuity	7,944	5,009
Provision for superannuation fund scheme	8,166	5,914
Profit on bank deposits	(2,767)	(2,863)
Impairment on available for sale Investment transferred from equity	-	19,683
Realization of fair value reserve	(7,790)	(60,071)
Dividend income	(37,320)	(11,788)
Provision for WPPF and WWF	20,765	21,704
(Gain)/Loss on sale of fixed assets	(6,604)	(4,686)
	205,289	135,714
Operating profit before working capital changes	485,462	430,274
(Increase) / decrease in operating assets:		
Stores and spares	9,735	(4,593)
Stock-in-trade	(30,658)	(25,155)
Trade debts	(239,974)	13,032
Short term investments	138,498	(308,171)
Loans, advances, deposits, prepayments and other receivables	(123,941)	(29,075)
	(246,340)	(353,962)
Increase / (decrease) in operating liabilities		
Trade and other payables	28,531	106,533
Cash generated from operations	267,653	182,845
Financial charges paid	(167,296)	(132,408)
Taxes paid	(30,889)	(23,589)
WPPF and WWF	(9,807)	8,681
Payment to gratuity fund	(13,663)	(8,650)
Payment to superannuation fund	(13,122)	(9,381)
	(234,777)	(165,347)
Net cash from operating activities	32,876	17,498

	July to March 2011 (Rupees in thousand)	July to March 2010 (Rupees in thousand)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(172,649)	(112,864)
Proceeds from sale of fixed assets	12,305	7,486
Long term investments	(292,010)	141,319
Long term deposits	(2,981)	(7,316)
Profit received on bank deposits	2,767	5,495
Dividend received	34,550	10,287
Net cash outflow from investing activities	(418,018)	44,407
CASH FLOWS FROM FINANCING ACTIVITIES		
Long Term Deposits	50	78
Dividend paid	315	(1,170)
Net cash from financing activities	365	(1,092)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(384,777)	60,813
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	(1,339,479)	(1,317,509)
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	(1,724,256)	(1,256,696)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	61,926	71,528
Finance under mark-up arrangements	(1,786,182)	(1,328,224)
	(1,724,256)	(1,256,696)

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

LAHORE:
April 28, 2011



Syed Shahid Ali
Chief Executive Officer



Muhammad Shafique Anjum
Director

Condensed Interim Statement of Changes in Equity

For the Quarter and 9 Months ended March 31, 2011 (Un-audited)

	Share Capital	Capital Reserve	General Reserve	Fair Value Reserve	Unappropriated Profit	Total
----- (Rupees in thousand) -----						
Balance as on June 30, 2009	41,822	8,949	266,400	109,883	696,455	1,123,509
Total comprehensive income for the period	-	-	-	(30,483)	247,797	217,314
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	-	-	3,011	3,011
Balance as on March 31, 2010	41,822	8,949	266,400	79,400	947,263	1,343,834
Balance as on June 30, 2010	418,222	8,949	266,400	32,951	507,752	1,234,274
Total comprehensive income for the period	-	-	-	9,279	251,142	260,421
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	-	-	4,484	4,484
Balance as on March 31, 2011	418,222	8,949	266,400	42,230	763,378	1,499,179

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

LAHORE:
April 28, 2011



Syed Shahid Ali
Chief Executive Officer



Muhammad Shafique Anjum
Director

Notes to the Condensed Interim Financial Information

For the Quarter and 9 Months ended March 31, 2011 (Un-audited)

1. STATUS AND NATURE OF BUSINESS

Treet Corporation Limited (“the Company”) was incorporated in Pakistan on 22 January 1977 as a public limited company under the Company’s Act 1913 (now Companies Ordinance 1984). Its shares are listed on Karachi, Islamabad and Lahore Stock Exchanges. The principal activity of the Company is manufacture and sale of razors and razor blades. The registered office of the Company is situated at 72-B, Industrial Area Kotlakhpat, Lahore.

2. BASIS OF PREPARATION

The condensed interim financial information has been presented in condensed form in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. This condensed interim information is unaudited and is being submitted to shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984. This condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended 30 June 2010.

3. ACCOUNTING POLICIES

Accounting policies adopted for the preparation of these condensed financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended 30 June 2009. Revised International Accounting Standard (IAS) 1 “Presentation of Financial Statements” which is applicable for accounting years beginning on or after January 01, 2009, requires ‘non-owner changes in equity’ to be presented separately from owner changes in equity. All ‘non-owner changes in equity’ are to be shown in performance statement. Companies can choose whether to present one performance statement (the statement of comprehensive income) or two statements (profit and loss account and statement of comprehensive income).

The Company, however, has preferred to present two statements i.e., a Profit and Loss Account and a Statement of Comprehensive Income. This interim financial information has been prepared on the basis of revised disclosure requirements.

4. ESTIMATES

The preparation of condensed Interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the Company’s accounting policies and the key sources of estimates uncertainty were the same as those that applied to the financial statements for the year ended 30 June 2010.

The provision for taxation for the period has been made on an estimated basis.

5. PROPERTY PLANT AND EQUIPMENT

The following acquisitions and disposals have been made during 9 months ended March 31, 2011

	Acquisitions Cost (Rupees in thousand)	Disposals Book value
Building on freehold land	6,244	-
Plant and machinery	111,884	2,242
Furniture and equipment	2,848	542
Vehicles	17,038	12,520
	138,014	15,304

6. CONTINGENCIES AND COMMITMENTS

There are no significant changes in the contingent liabilities and commitments since the last audited published financial statements.

	Quarter year ended		9 months ended	
	January to March 2011	January to March 2010	July to March 2011	July to March 2010
..... (Rupees in thousand)				
7. SALES - Net				
Local	375,874	261,854	958,383	761,186
Export	257,843	204,751	773,801	603,291
	633,717	466,605	1,732,184	1,364,477
8. COST OF GOODS SOLD				
Raw and packing material consumed	(269,786)	(347,936)	(789,213)	(644,662)
Stores and spares consumed	(23,777)	(24,004)	(73,964)	(67,320)
Salaries, wages and other benefits	(79,647)	(72,074)	(246,375)	(208,165)
Fuel and power	(26,160)	(19,198)	(87,086)	(51,376)
Depreciation	(12,697)	(9,770)	(35,663)	(31,667)
Others	(20,824)	100,660	(60,591)	(39,883)
	(432,891)	(372,322)	(1,292,892)	(1,043,073)
Opening stock of work in process	(38,353)	(31,672)	(33,292)	(34,651)
Closing stock of work in process	35,280	29,129	35,280	29,129
Cost of goods manufactured	(435,964)	(374,865)	(1,290,904)	(1,048,595)
Opening stock of finished goods	(41,388)	(15,422)	(29,891)	(16,653)
Closing stock of finished goods	26,991	42,351	26,991	42,351
	(450,361)	(347,936)	(1,293,804)	(1,022,897)

		9 months ended	
		July to	July to
		March	March
		2011	2010
		(Rupees in thousand)	
9.	TRANSACTIONS WITH RELATED PARTIES		
	Subsidiary		
	- Purchases and services received	50,682	41,702
	- Goods sold and services rendered	957,234	760,741
	Associates		
	- Purchases and services received	40,275	18,067
	- Goods sold and services rendered	113	100

The Company enters into transactions with related parties on an arm's length basis. Prices for transactions with related parties are determined using admissible valuation methods.

10. This unaudited condensed interim financial information was authorized for issue by the board of directors on April 28, 2011.
11. Amounts have been rounded off to thousand rupees.

LAHORE:
April 28, 2011



Syed Shahid Ali
Chief Executive Officer



Muhammad Shafique Anjum
Director





TREET GROUP OF COMPANIES



TREET CORPORATION LTD.



GLOBAL ECONO TRADE (Pvt.) LTD.
A wholly owned subsidiary of TREET CORPORATION LTD.



TCL LABOR HIRE COMPANY (Pvt.) LTD
A wholly owned subsidiary of GLOBAL ECONO TRADE (Pvt.) LIMITED



FIRST TREET MANUFACTURING MODARABA
Managed By GLOBAL ECONO TRADE (Pvt.) LIMITED



SOAP DIVISION
(A Project Under FTMM)



PACKAGING SOLUTIONS CORRUGATION
(A Project Under FTMM)



MOTOR BIKE PROJECT



PACKAGING SOLUTIONS PAPER AND BOARD MILL
(A Project Under FTMM)