



2015

1ST QUARTER REPORT



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Company Information

BOARD OF DIRECTORS	Dr. Mrs. Niloufer Qasim Mahdi Syed Shahid Ali Syed Sheharyar Ali Mr. Imran Azim Mr. Munir K. Bana Mr. Saulat Said Mr. Muhammad Shafique Anjum Dr. Salman Faridi	Chairperson Chief Executive Officer (Nominee National Investment Trust) (Nominee Loads Limited)
BOARD AUDIT COMMITTEE	Dr. Salman Faridi Mr. Munir K. Bana Mr. Imran Azim	Chairman Member Member
HUMAN RESOURCE & REMUNERATION COMMITTEE	Mr. Imran Azim Mr. Munir K. Bana Syed Sheharyar Ali Mr. Muhammad Shafique Anjum Dr. Salman Faridi Mr. Amir Zia Mr. Jahangir Bashir	Chairman Member Member Member Member Member Member
CHIEF FINANCIAL OFFICER	Mr. Amir Zia	
COMPANY SECRETARY	Rana Shakeel Shaukat	
HEAD OF INTERNAL AUDIT	Mr. Muhammad Ali	
EXTERNAL AUDITORS	KPMG Taseer Hadi & Co. Chartered Accountants Lahore.	
INCOME TAX CONSULTANTS	Kreston Hyder Bhimji & Co. Chartered Accountants Lahore.	
LEGAL ADVISORS	Salim & Baig, Advocates - Lahore.	
CORPORATE ADVISORS	Cornelius, Lane & Mufti Legal Advisors & Solicitors - Lahore.	
SHARIAH ADVISOR	Mufti Muhammad Iftikhar Baig (Only for First Treet Manufacturing Modaraba)	

BANKERS	<p>AL-Baraka Bank Limited Askari Bank Limited BankIslami Pakistan Limited Dubai Islamic Bank Pakistan Limited Habib Bank Limited JS Bank Limited Meezan Bank Limited NIB Bank Limited SILK Bank Limited Soneri Bank Limited Summit Bank Limited United Bank Limited</p>	<p>Allied Bank Limited Bank Alfalah Limited Burj Bank Limited Faysal Bank Limited Habib Metropolitan Bank Limited MCB Bank Limited National Bank of Pakistan SAMBA Bank Limited SINDH Bank Limited Standard Chartered Bank (Pakistan) Limited The Bank of Punjab</p>
REGISTERED OFFICE	<p>72-B, Industrial Area, Kot Lakhpat, Lahore. Tel: 042-35830881, 35156567 & 35122296 Fax: 042-35114127 & 35215825 E-mail: info@treetonline.com Home Page: www.treetonline.com</p>	
SHARE REGISTRAR	<p>Corplink (Private) Limited Wing Arcade, 1-K Commercial, Model Town, Lahore. Tel: 042-35916714 Fax: 042-35839182</p>	
TREET GROUP FACTORIES	<p>72-B, Industrial Area, Kot Lakhpat, Lahore. Tel: 042-35830881, 35156567 & 35122296 Fax: 042-35114127 & 35215825</p> <p>Hali Road: P.O. Box No. 308, Hyderabad. Tel : 0223-880846, 883058 & 883174 Fax: 0223-880172</p> <p>First Treet Manufacturing Modaraba (Managed by Treet Holdings Limited)</p> <p>Packaging Solutions - Corrugation 22- K.M. Ferozepur Road, Kachha Tiba, Rohi Nala, Lahore. Tel: (042) 8555848</p> <p>Soap Division 80-K.M. G.T. Road, Gujranwala.</p>	

GROUP COMPANIES / OFFICES Treet Holdings Limited (formerly Global Econo Trade Limited)
(A wholly owned subsidiary of Treet Corporation Limited)
72-B, Industrial Area, Kot Lakhpat, Lahore.
Tel: 042-35830881, 35156567 & 35122296
Fax: 042-35114127 & 35215825

First Treet Manufacturing Modaraba
(Managed by Treet Holdings Limited)
Principal Place of Business:
72-B, Industrial Area, Kot Lakhpat, Lahore.
Tel: 042-35830881, 35156567 & 35122296
Fax: 042-35114127 & 35215825

Treet HR Management (Private) Limited
(formerly TCL-Labor Hire Company (Private) Limited)
(A wholly owned subsidiary of Treet Holdings Limited)
72-B, Industrial Area, Kot Lakhpat, Lahore.
Tel: 042-35830881, 35156567 & 35122296
Fax: 042-35114127 & 35215825

Treet Power Limited
(A wholly owned subsidiary of Treet Holdings Limited)
72-B, Industrial Area, Kot Lakhpat, Lahore.
Tel: 042-35830881, 35156567 & 35122296
Fax: 042-35114127 & 35215825

Global Arts Limited
(A wholly owned subsidiary of Treet Corporation Limited)
72-B, Industrial Area, Kot Lakhpat, Lahore.
Tel: 042-35830881, 35156567 & 35122296
Fax: 042-35114127 & 35215825

KARACHI OFFICE 6-B (A-1) Saaed Hai Road, Muhammad Ali Co-operative Society, Karachi.
Tel: 021-34372270-1
Fax: 021-34372272

Directors' Review

The directors of your company are pleased to present un-audited consolidated financial statements for the 1st Quarter ending on September 30, 2015.

Financial Performance

Following is the summary of comparative financial results*

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

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

Three Month Ended-						
(Rupees in thousand)	September 30, 2015		September 30, 2014		% Change	
	Treet (1)	Consolidated (2)	Treet (3)	Consolidated (4)	(1) over (3)	(2) over (4)
Sales (net)	1,158,448	1,938,196	1,021,186	1,757,159	13.44%	10.30%
Gross Profit	298,669	387,303	300,495	391,111	-0.61%	-0.97%
Operating Profit	31,212	88,907	110,976	154,201	-71.88%	-42.34%
Profit before taxation	93,103	176,508	69,176	78,668	34.59%	124.37%
Provision for taxation	(9,518)	(16,959)	(10,062)	(11,032)	-5.41%	53.73%
Profit after taxation	83,585	159,549	59,114	67,636	41.40%	135.89%
EPS (in Rupees)	0.62	1.18	1.16	1.33		

The Company's posted **profit** after tax (consolidated) at Rs. **159,549** million is increased by 135.89% against Rs. **67,636** million in the corresponding period of the last year. Sales performance is described below:

SEGMENT WISE SALES

Rs. in 000	2015-2016						
	D/E+ Bonded	Soap	Corrugation	Paper & Board	Motorbike	Battery	Total
Sales	1,136,116	257,455	468,166	-	54,127	22,332	1,938,196
Inter-Company / Segment Sales	-	-	9,442	-	-	-	9,442
	1,136,116	257,455	477,608	-	54,127	22,332	1,947,638
Rs. in 000	2014-2015						
	D/E+ Bonded	Soap	Corrugation	Paper & Board	Motorbike	Battery	Total
Sales	1,021,309	211,349	446,604	17,347	77,897	-	1,774,506
Inter-Company / Segment Sales	-	-	18,285	78,375	-	-	96,660
	1,021,309	211,349	464,889	95,722	77,897	-	1,871,166
Sales Growth %	11.24%	21.82%	2.74%	-100.00%	-30.51%		4.09%

- Blade/disposable business maintained its volumes in local and export markets;
- Soaps sales showed excellent growth and improved margins;
- Corrugation maintained its volumes during the period;
- Paper & Board operations discontinued its operation in September 2014 last;
- Your Company has started import and trade of lead acid batteries. Volumes will get momentums in the coming months;
- Motor Bike segment showed decline in volumes. However, efforts are being made to restore the volumes;

Production

The production of razor/ blades from Lahore and Hyderabad comes to **383.02** million blades as compared to **426.89** million blades produced in the same period of the last year, registering a decrease of 10.28%.

Accrual of Profit on Participation Term Certificates (TCLTC) based on 1st quarterly consolidated results:

The following accrual of profit is being made on TCLTC on the basis of half yearly results:

PAY-OFF MATRIX :		Calculation of Category "B" Payment	
Profit * from	Profit* to	Payoff % on Excess Amount of profit	
-	179,500,000	NIL	
179,500,001	250,000,000	72% of amount exceeding Rs. 179,500,000.00	
250,000,001	350,000,000	Rs.50,760,000.00 and 25% of amount exceeding Rs. 250,000,000.00	
350,000,001	450,000,000	Rs.75,760,000.00 and 20% of amount exceeding Rs. 350,000,000.00	
450,000,001	550,000,000	Rs.95,760,000.00 and 15% of amount exceeding Rs. 450,000,000.00	
550,000,001	650,000,000	Rs.110,760,000.00 and 10% amount exceeding Rs. 550,000,000.00	
650,000,001	and above	Rs.120,760,000.00 and 5 % of amount exceeding Rs. 650,000,000.00	

	Rs.in 000		Rs.in 000
Consolidate Profit*	260,197	Extrapolated Profit for the full Year	1,040,788

*Profit means Consolidate Profit before Tax, WPPF/ WWF and Financial Charges on account of any payment or accrual made for TCLTCs

	Rs. In 000	Rs. Per TCLTC
Category "B" Payment (Additional Profit in Cash)	140,299	3.35
Minimum Profit Payment in Cash	173,145	4.14
Financial Charges i.e. Total Profit in Cash	313,444	7.49
Financial Charges accrued for the period i.e. 3 months	78,361	1.87

PAY-OFF MATRIX (PER TCLTC):		Based on Extrapolated Profit for the full year			
Principal Redemption in Cash	Minimum Profit Payment in Cash	Minimum Payment in Cash	Category "B" Payment (Additional Profit in Cash)	Total Profit in Cash	Total Payment in Cash
(1)	(2)	(3) = (1) + (2)	(4)	(5) = (2) + (4)	(6) = (1) + (5)
0.15	4.14	4.29	3.35	7.49	7.64

However, this is accrual based on quarterly consolidated results *extrapolated* for full year; actual payment will be made on following dates according to *actual* full year results ending on June 30, 2016.

Respective Date(s) of Entitlements and Date(s) of Payment under Category "A" and Category "B" Payment for the first year* will be as follows:

Year	Book Closure Dates (both days inclusive)		Entitlement Date	Minimum Payment in Cash Date under Category "A" Payment	Allotment Date for Conversion	Category "B" Payment (in Cash) Date
	From	To				
2016	11-10-2016	17-10-2016	09-10-2016	02-11-2016	02-11-2016	02-11-2016

*[as mentioned in the Prospectus of Participation Term Certificate (TCLTC) and extract from it [pertaining to forth year] is reproduced here]

Apart from the "Total Payment in Cash", TCLTC holders [who will be entitled on October 09, 2016] will also get Ordinary Shares of the Company on the following basis:

PRINCIPAL REDEMPTION THROUGH CONVERSION			
Principal Redemption Through Conversion	No. of Share Through Conversion	Conversion Price Per Share	The Conversion price per share is for information/ accounting / taxation purpose. No further amount will be paid by the PTC holders. <i>This is the opportunity cost of the principal value of PTC forgone to get One additional Ordinary Share of the Company</i>
4.14	0.07	59.14	

Example: Thus holder of 1,000 TCLTCs will get 70 Ordinary Shares of the Company on or before November 02, 2016 vis-à-vis principal value of Rs. 4,140/- forgone.

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 28, 2015


Syed Shahid Ali
Chief Executive Officer


Muhammad Shafique Anjum
Director

Consolidated Financial Statements

For the Period ended September 30, 2015

Condensed Interim Consolidated Balance Sheet (Un-Audited)

As At September 30, 2015

	September 2015 Un-audited (Rupees in thousand)	(Restated) June 2015 Audited
Note		
Property, plant and equipment	4,475,896	4,146,695
Investment property	28,100	28,100
Long term investments	271,261	260,765
Long term deposits	44,433	46,344
Deferred tax asset	18,647	18,647
	4,838,337	4,500,551
Current assets		
Stores and spares	245,973	221,794
Stock-in-trade	1,091,860	1,286,839
Trade debts - unsecured considered good	632,812	483,958
Short term investments	1,179,881	844,102
Loans, advances, deposits, prepayments and other receivables	803,719	877,031
Cash and bank balances	3,105,006	2,790,286
	7,059,251	6,504,010
Current liabilities		
Current portion of non-current liabilities	179,417	179,417
Finance under mark-up-arrangements - secured	829,021	1,806,375
Loan from director	-	-
Trade and other payables	969,246	880,858
Provision for taxation	73,018	61,011
	2,050,702	2,927,661
Net current assets	5,008,549	3,576,349
Net Assets	9,846,886	8,076,900
FINANCED BY:		
Issued, subscribed and paid-up capital	1,348,768	539,507
Advances against issue of share capital	-	2,421,612
Reserves	4,551,514	1,314,473
Unappropriated profit	1,534,898	1,371,939
SHARE HOLDERS' EQUITY	7,435,180	5,647,531
Minority Interest	2,517	2,388
Participation term finance certificates	716,417	716,417
Surplus on revaluation of fixed assets	1,326,945	1,330,484
Long term deposits	212,267	226,445
Deferred liabilities	153,560	153,635
Contingencies and commitments	5	-
	9,846,886	8,076,900

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

LAHORE
October 28, 2015


Syed Shahid Ali
Chief Executive Officer


Muhammad Shafique Anjum
Director

Condensed Interim Consolidated Profit And Loss Account (Un-Audited)


For the period ended September 30, 2015

	Note	3 Months ended	
		July to September 2015	July to September 2014
		Rupees in '000	
Revenue and Sales -Net	6	1,938,196	1,757,159
Cost of Goods Sold	7	(1,550,893)	(1,366,048)
Gross Profit		387,303	391,111
Operating expenses :			
- Administrative expenses		(70,818)	(44,652)
- Selling & distribution expenses		(227,578)	(192,258)
		(298,396)	(236,910)
Operating Profit		88,907	154,201
Other income		168,438	57,721
		257,345	211,922
Financial expenses		(12,598)	(19,453)
Financial charges Treet-PTC		(78,361)	(72,896)
Share of profit of associate		15,450	-
		181,836	119,573
Workers' Profit Participation Fund		(5,201)	(3,724)
Workers' Welfare Fund		(127)	(1,412)
		(5,328)	(5,136)
Profit before taxation		176,508	114,437
Taxation			
- Group		(12,005)	(11,032)
- Associated company		(4,954)	-
Profit / (Loss) from continuing operation		159,549	103,405
Profit / (Loss) from discontinued operation	10	-	(35,769)
Profit after taxation		159,549	67,636
Earnings per share from continued operation		1.18	2.03
Earnings per share from discontinued operation		-	(0.70)

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

LAHORE
October 28, 2015


Syed Shahid Ali
Chief Executive Officer


Muhammad Shafique Anjum
Director

Condensed Interim Consolidated Statement of Comprehensive Income (Un-audited)

For the period ended September 30, 2015

	3 Months ended	
	July to September 2015	July to September 2014
	Rupees in '000'	
Profit after taxation	159,419	67,599
Other comprehensive income		
Available -for -sale financial assets		
Fair value adjustment	-	-
	-	-
Total comprehensive income for the period	159,419	67,599
Attributable to:		
-Continuing operations		
-Discontinued operation	159,419	103,369
	-	(35,769)
	159,419	67,600

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
October 28, 2015


Syed Shahid Ali
Chief Executive Officer


Muhammad Shafique Anjum
Director

Condensed Interim Consolidated Cash Flow Statement (Un-Audited)

For the period ended September 30, 2015

	July to September 2015	July to September 2014
Rupees in '000'		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	176,508	78,668
Adjustments for non-cash items :		
Financial charges for the period	12,598	19,455
Financial charges Treet-PTC	78,361	72,896
Depreciation on property, plant and equipment	52,633	53,189
Provision for gratuity	5,979	3,705
Provision for superannuation fund scheme	3,215	3,395
Profit on bank deposits	(39,667)	(5,044)
Profit on disposal of investment held for trading	(129,566)	-
Profit on disposal of available-for-sale investment	9,716	-
Unrealized (gain) / loss on short term investments	(13,552)	-
Share of profit from associated company	(15,450)	-
Dividend income	-	(216)
Provision for WPPF and WWF	5,328	5,136
(Gain)/Loss on sale of fixed assets	(4,135)	32,602
	(34,540)	185,118
Operating profit before working capital changes	141,968	263,786
(Increase) / decrease in operating assets :		
Stores and spares	(24,179)	(11,709)
Stock-in-trade	194,979	(132,172)
Trade debts	(148,854)	36,876
Short term investments	(192,661)	(78,806)
Loans, advances, deposits, prepayments and other receivables	97,725	(118,903)
	(72,990)	(304,714)
Increase / (decrease) in operating liabilities		
Trade and other payables	32,000	(115,674)
Cash generated from operations	100,978	(156,602)
Financial charges paid	(34,621)	(26,190)
Taxes paid	(29,809)	(2,041)
WPPF and WWF	198	-
Payment to gratuity fund	(5,614)	(21,493)
Payment to superannuation fund	(3,655)	(11,239)
	(73,501)	(60,963)
Net cash from operating activities	27,477	(217,565)

	July to September 2015	July to September 2014
Rupees in '000'		
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(383,704)	(54,662)
Proceeds from sale of fixed assets	6,005	133,784
Long term investments	(9,716)	-
Long term deposits	1,911	7,203
Profit received on bank deposits	39,667	5,044
Net cash outflow from investing activities	(345,837)	91,369
CASH FLOWS FROM FINANCING ACTIVITIES		
Share capital	1,624,690	-
Long Term Deposits	(14,178)	(4)
Dividend paid	(79)	(20)
Net cash from financing activities	1,610,433	(24)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,292,073	(126,220)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	983,912	(134,605)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	2,275,985	(260,825)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	3,105,006	715,346
Finance under mark-up arrangements	(829,021)	(976,171)
	2,275,985	(260,825)

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

Condensed Interim Consolidated Statement Of Changes In Shareholders Equity (Un-Audited)

For the period ended September 30, 2015

	Share Capital	Advance against issue of share capital	Capital Reserve	Statutory Reserve	General Reserve	Fair Value Reserve	Unappropriated Profit	Total
Rupees in '000'								
Balance as on June 30, 2014	510,231	-	591,952	252,091	266,400	(1,658)	1,275,337	2,894,353
Total comprehensive income for the period	-	-	-	-	-	-	67,599	67,599
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	-	-	-	-	14,972	14,972
Balance as on September 30, 2014	510,231	-	591,952	252,091	266,400	(1,658)	1,357,908	2,976,924
Balance as on June 30, 2015	539,507	2,421,612	735,821	313,436	266,400	(1,184)	1,371,939	5,647,531
Issuance of of shares by way of right	809,261	(2,421,612)	3,237,041	-	-	-	-	1,624,690
Total comprehensive income for the period	-	-	-	-	-	-	159,419	159,419
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	-	-	-	-	3,540	3,540
Balance as on September 30, 2015	1,348,768	-	3,972,862	313,436	266,400	(1,184)	1,534,898	7,435,180

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

LAHORE
October 28, 2015


Syed Shahid Ali
Chief Executive Officer


Muhammad Shafique Anjum
Director

Notes To The Consolidated Condensed Interim Financial Information (Un-Audited)

For the period ended September 30, 2015

1. STATUS AND NATURE OF THE BUSINESS

The Group comprises:

Holding Company

Treet Corporation Limited (TCL)

Subsidiary Companies / Undertakings

Treet Holdings Limited (formerly Global Econo Trade Limited)

First Treet Manufacturing Modaraba (FTMM)

Treet HR Management (Private) Limited (THRM) (Formerly TCL Labor-Hire Company (Private) Limited)

Global Arts Limited (GAL)

Treet Power Limited (TPL)

- 1.1 Treet Corporation Limited (the Holding Company) was incorporated in Pakistan on 22 January 1977 as a Public Limited Company under the Companies Act, 1913. Its shares are listed on Karachi, Lahore and Islamabad Stock Exchanges. The principal activity of the holding company is to manufacture and sell razors and razor blades along with other trading activities. The registered office of the holding company is situated at 72-B, Industrial Area, Kot Lakhpat, Lahore.

Treet Holdings Limited (formerly Global Econo Trade Limited) was incorporated in Pakistan on 21 October 2004 as a Private Limited Company under the Companies Ordinance, 1984. Global Econo Trade Limited commenced its commercial operations from 01 January 2005. The principal activity of the company is the business of manufacturing and sale of bikes. The company was converted into Public Limited Company (unlisted), and the name and objects of the Company have also been changed from that of Global Econo Trade (Private) Limited to Treet Holdings Limited w.e.f June 03, 2015 after complying with the legal formalities. Its registered office is situated at 72 - B, Industrial Area Kot Lakhpat, Lahore.

First Treet Manufacturing Modaraba 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 Global Econo Trade Limited, incorporated in Pakistan under the Companies Ordinance, 1984 and registered with registrar of Modaraba Companies. Its registered office is situated at 72-B, Industrial Area, Kot Lakhpat, Lahore. First Treet Manufacturing Modaraba is listed on Lahore Stock Exchange and is engaged in the manufacture and sale of corrugated boxes and soaps.

Treet HR Management (Private) Limited (THRM) (Formerly TCL Labor-Hire Company (Private) Limited) was incorporated in Pakistan on September 18, 2006 as a private company limited by shares under the Companies Ordinance, 1984. The company is engaged in the business of rendering professional & technical services and providing related workforce to the host companies / customers under service agreements. The name of the company has been changed from TCL Labor Hire Company (Private) Limited to Treet HR Management (Private) Limited with effect from December 31, 2014 after complying with the legal formalities. The registered office of the Company is situated at 72-B, Industrial Area, Kot lakh pat, Lahore. The company is a wholly owned subsidiary of Treet Holdings Limited (Formerly Global Econo Trade Limited), which is also a wholly owned subsidiary of Treet Corporation Limited - an ultimate parent, a listed company.

Global Art Limited was incorporated in Pakistan on October 26, 2007 as a private company limited by shares under the Companies Ordinance, 1984. The Company was engaged in the business of whole range of industrial, administrative, technical and accounting controls as well as janitorial and premises maintenance, providing of contractual employment and supply of labor. The company was converted into public limited company (unlisted), and the name and the objects of the company had also been changed from that of Treet Services (Private) Limited to Global Arts Limited with effect from July 23, 2014 after complying with the legal formalities. The Company is now engaged to promote, establish, run, manage, and maintain educational institutions, colleges of arts, research, sciences, information technology and business administration. The company is a subsidiary of Treet Corporation Limited - an ultimate parent company. The registered office of the company is situated at 72-B, Industrial Area, Kot Lakhpat, Lahore.

Treet Power Limited was incorporated on 20 November 2007 in Pakistan as an unquoted Public Limited Company under the Companies Ordinance, 1984. At present Treet Power Limited is planning to set up an electric power generation project for generating, distribution and selling of electric power. Its registered office is situated at 72-B, Industrial Area, Kot Lakhpat, 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 2015.

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 the methods of computation adopted in the preparation of this condensed interim consolidated financial information are the same as those applied in preparation of the financial statements for the year ended 30 June 2015.

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 2015.

5. CONTINGENCIES AND COMMITMENTS

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

	3 Months ended	
	July to September 2015	July to September 2014
	Rupees in '000'	
6. SALES - Net		
Blades	1,136,116	1,021,309
Soaps	257,455	211,349
Packaging products	468,166	446,604
Paper and board	-	-
Motor bike project	54,127	77,897
Battery trading	22,332	-
	1,938,196	1,757,159
7. COST OF GOODS SOLD		
Blades	(835,822)	(715,567)
Soaps	(198,939)	(178,887)
Packaging products	(417,517)	(324,501)
Paper and board	-	(67,242)
Battery	(16,810)	-
Motor bike project	(81,805)	(79,851)
	(1,550,893)	(1,366,048)

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.

	3 Months ended	
	July to September 2015	July to September 2014
	Rupees in '000'	
Purchases and services received	33,229	56,012
Goods sold and services rendered	62	7

9. This un-audited condensed interim financial information was authorized for issue by the board of directors on October 28, 2015.

10. DISCONTINUED OPERATIONS

The profit and loss account of the discontinued paper business is as follows;

Revenue and Sales -Net	-	17,347
Cost of Goods Sold	-	(23,081)
Gross Profit	-	(5,734)
Operating expenses :		
- Administrative expenses	-	521
- Selling & distribution expenses	-	3,507
	-	4,028
Operating Profit	-	(1,706)
Other operating expenses	-	(34,063)
Loss before taxation	-	(35,769)
Taxation	-	-
Loss after taxation	-	(35,769)

11. GENERAL

11.1 Amounts have been rounded off to thousand rupees.

LAHORE
October 28, 2015


Syed Shahid Ali
Chief Executive Officer


Muhammad Shafique Anjum
Director

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Financial Statements

For the Period ended September 30, 2015

Condensed Interim Balance Sheet (Un-Audited)

As At September 30, 2015

	September 2015 Un-audited (Rupees in thousand)	June 2015 Audited
	Note	
Property, plant and equipment	2,760,535	2,738,936
Investment property	28,100	28,100
Long term investments	2,323,499	2,323,499
Long term deposits	13,728	15,640
Deferred tax asset	30,734	30,734
	5,156,596	5,136,909
Current assets		
Stores and spares	200,014	172,249
Stock-in-trade	635,758	732,745
Trade debts - unsecured considered good	173,412	69,075
Short term investments	1,124,888	633,301
Loans, advances, deposits, prepayments and other receivables	710,655	803,045
Cash and bank balances	2,844,971	2,568,077
	5,689,698	4,978,492
Current liabilities		
Current portion of non-current liabilities	179,417	179,417
Finance under mark-up-arrangements - secured	829,021	1,806,375
Trade and other payables	724,889	734,293
Provision for taxation	46,586	37,068
	1,779,913	2,757,153
Net current assets	3,909,785	2,221,339
Net Assets	9,066,381	7,358,248
FINANCED BY:		
Issued, subscribed and paid-up capital	1,348,768	539,507
Advances against issue of share capital	-	2,421,612
Reserves	4,239,262	1,002,220
Unappropriated profit	1,321,937	1,235,295
SHARE HOLDERS' EQUITY	6,909,967	5,198,634
Participation term finance certificates	716,417	716,417
Surplus on revaluation of fixed assets	1,285,909	1,288,962
Long term deposits	528	600
Deferred liabilities	153,560	153,635
Contingencies and commitments	6	-
	9,066,381	7,358,248

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

LAHORE
October 28, 2015


Syed Shahid Ali
Chief Executive Officer


Muhammad Shafique Anjum
Director

Condensed Interim Profit and Loss Account (Un-Audited)

For the period ended September 30, 2015

	Note	3 Months ended	
		July to September 2015	July to September 2014
		Rupees in '000	
Revenue and Sales -Net	7	1,158,448	1,021,186
Cost of Goods Sold	8	(859,779)	(720,691)
Gross Profit		298,669	300,495
Operating expenses			
- Administrative expenses		(67,636)	(36,429)
- Selling & distribution expenses		(199,821)	(153,090)
		(267,457)	(189,519)
Operating Profit		31,212	110,976
Other income		157,676	55,677
		188,888	166,653
Financial expenses		(12,524)	(19,454)
Financial charges Treet-PTC		(78,361)	(72,896)
		98,003	74,303
Workers' Profit Participation Fund		(4,900)	(3,715)
Workers' Welfare Fund		-	(1,412)
		(4,900)	(5,127)
Profit before taxation		93,103	69,176
Taxation		(9,518)	(10,062)
Profit / (Loss) from continuing operation		83,585	59,114
Earnings per share from continued operation		0.62	1.16

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

LAHORE
October 28, 2015


Syed Shahid Ali
Chief Executive Officer


Muhammad Shafique Anjum
Director

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the period ended September 30, 2015

	3 Months ended	
	July to September 2015	July to September 2014
	Rupees in '000'	
Profit after taxation	83,585	59,114
Other comprehensive income		
Available -for -sale financial assets		
Fair value adjustment	-	-
	-	-
Total comprehensive income for the period	83,585	59,114

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
October 28, 2015



Syed Shahid Ali
Chief Executive Officer



Muhammad Shafique Anjum
Director

Condensed Interim Cash Flow Statement (Un-Audited)

For the period ended September 30, 2015

	July to September 2015	July to September 2014
Rupees in '000'		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	93,103	69,176
Adjustments for non-cash items:		
Financial charges for the period	12,524	19,454
Financial charges Treet-PTC	78,361	72,896
Depreciation on property, plant and equipment	44,285	42,356
Provision for gratuity	5,979	3,705
Provision for superannuation fund scheme	3,215	3,395
Profit on bank deposits	(34,991)	(2,671)
Profit on disposal of investment held for trading	(124,462)	-
Profit on disposal of available-for-sale investment	9,716	-
Unrealized (gain) / loss on short term investments	(14,912)	-
Dividend income	-	(216)
Provision for WPPF and WWF	4,900	5,127
(Gain)/Loss on sale of fixed assets	(4,135)	(1,023)
	(19,520)	143,023
Operating profit before working capital changes	73,583	212,199
(Increase) / decrease in operating assets:		
Stores and spares	(27,765)	(51,517)
Stock-in-trade	96,987	(61,855)
Trade debts	(104,337)	234,112
Short term investments	(352,213)	(80,494)
Loans, advances, deposits, prepayments and other receivables	107,588	(60,088)
	(279,740)	(19,842)
Increase / (decrease) in operating liabilities		
Trade and other payables	(65,663)	(181,026)
Cash generated from operations	(271,820)	11,331
Financial charges paid	(34,547)	(26,189)
Taxes paid	(20,292)	(17,422)
WPPF and WWF	198	-
Payment to gratuity fund	(5,614)	(21,493)
Payment to superannuation fund	(3,655)	(11,239)
	(63,910)	(76,343)
Net cash from operating activities	(335,730)	(65,012)

	July to September 2015	July to September 2014
	Rupees in '000'	
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(67,754)	(38,923)
Proceeds from sale of fixed assets	6,005	2,051
Long term investments	(9,716)	(300,000)
Long term deposits	1,912	(2,187)
Profit received on bank deposits	34,991	2,671
Net cash outflow from investing activities	(34,562)	(336,388)
CASH FLOWS FROM FINANCING ACTIVITIES		
Share capital	1,624,690	-
Long Term Deposits	(72)	(5)
Dividend paid	(79)	(20)
Net cash from financing activities	1,624,539	(25)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,254,247	(401,425)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	761,703	(350,218)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	2,015,950	(751,643)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	2,844,971	224,528
Finance under mark-up arrangements	(829,021)	(976,171)
	2,015,950	(751,643)

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

LAHORE
October 28, 2015


Syed Shahid Ali
Chief Executive Officer


Muhammad Shafique Anjum
Director

Condensed Interim Statement of Changes In Equity (Un-Audited)

For the period ended September 30, 2015

	Share Capital	Advance against issue of share capital	Capital Reserve	General Reserve	Fair Value Reserve	Unappropriated Profit	Total
Rupees in '000'							
Balance as on June 30, 2014	510,231	-	591,952	266,400	48	1,227,609	2,596,240
Total comprehensive income for the period	-	-	-	-	-	59,114	59,114
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	-	-	-	3,053	3,053
Balance as on September 30, 2014	510,231	-	591,952	266,400	48	1,289,776	2,658,407
Balance as on June 30, 2015	539,507	2,421,612	735,821	266,400	-	1,235,295	5,198,635
Issuance of shares by way of right	809,261	(2,421,612)	3,237,041	-	-	-	1,624,690
Total comprehensive income for the period	-	-	-	-	-	83,585	83,585
Incremental depreciation transferred from surplus on revaluation of property, plant and equipment	-	-	-	-	-	3,057	3,057
Balance as on September 30, 2015	1,348,768	-	3,972,862	266,400	-	1,321,937	6,909,967

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

LAHORE
October 28, 2015


Syed Shahid Ali
Chief Executive Officer


Muhammad Shafique Anjum
Director

Notes To The Condensed Interim Financial Information (Un-Audited)

For the period ended September 30, 2015

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 to manufacture and sale of razors and razor blades. The registered office of the Company is situated at 72-B, Industrial Area, Kot Lakhpat, Lahore.

2. BASIS OF PREPARATION

The condensed interim financial information has been presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and provisions of and directives issued under the Companies Ordinance, 1984 has been followed. 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 2015.

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 2015.

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 2015.

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 3 months ended September 30, 2015:

	Acquisitions Cost	Disposals Book value
Furniture and equipment	2,587	269
Vehicles	8,710	1,601
	11,297	1,870

6. CONTINGENCIES AND COMMITMENTS

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

	3 Months ended	
	July to September 2015	July to September 2014
	Rupees in '000	
7. SALES - Net		
Blades - local	617,869	544,784
Blades - export	518,247	476,402
	1,136,116	1,021,186
Battery trading	22,332	-
	1,158,448	1,021,186
8. COST OF GOODS SOLD		
Blades operation		
Raw and packing material consumed	(358,304)	(396,538)
Stores and spares consumed	(33,743)	(26,045)
Salaries, wages and other benefits	(184,987)	(158,621)
Fuel and power	(74,102)	(78,741)
Depreciation	(33,818)	(32,138)
Others	(28,886)	(30,681)
	(713,840)	(722,764)
Opening stock of work-in-process	(49,925)	(51,711)
Closing stock of work-in-process	40,322	45,826
Cost of goods manufactured	(723,443)	(728,649)
Opening stock of finished goods	(195,815)	(71,200)
Closing stock of finished goods	76,290	79,158
	(842,968)	(720,691)
Battery trading		
Purchase of batteries	(16,811)	-
	(859,779)	(720,691)

9. TRANSACTIONS WITH RELATED PARTIES

	3 Months ended	
	July to September 2015	July to September 2014
	Rupees in '000	
Subsidiary		
-Purchases and services received	7,146	68,335
Associated		
-Purchases and services received	14,458	40,696
-Goods sold and services rendered	62	7

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. Date of authorization

This un-audited condensed interim financial information was authorized for issue by the Board Of Directors on October 28, 2015.

11. General

11.1 Amounts have been rounded off to thousand rupees.

11.2 The Board of Directors in their meeting held on 06 October 2015 has proposed a final cash dividend of Re. 1 per share (2014: Rs. 2 per share) for the year ended 30 June 2015 amounting to Rs. 134.877 million (2014: Rs. 102.046 million) for the approval of the members at the annual general meeting to be held on 31 October 2015. These condensed interim financial statements do not reflect this proposed dividend payable.

LAHORE
October 28, 2015


Syed Shahid Ali
Chief Executive Officer


Muhammad Shafique Anjum
Director



Treet Corporation Limited

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