BALANCE SHEET

AS AT MARCH 31, 2006 (UN-AUDITED)

		MARCH 31 2 0 0 6	JUNE 2 0 0 5
EQUITY AND LIABILITIES	Note	RUPEES	RUPEES
SHARE CAPITAL Authorized 20,000,000 ordinary shares of Rs.10/- each Issued, subscribed and paid up	_	200,000,000	200,000,000
12,601,160 ordinary shares of Rs. 10/- each, fully paid in cash Accumulated loss	4	126,011,600 (235,607,397) (109,595,797) 73,463,711	126,011,600 (252,715,132) (126,703,532) 77,111,186
NON CURRENT LIABILITIES Long term loans DEFERRED LIABILITIES	·	216,220,750	206,670,750
Custom levies		5,591,401	5,591,401
Taxation		33,856,452	32,422,602
Staff retirement gratuity		6,756,441	6,477,205
		46,204,294	44,491,208
CURRENT LIABILITIES	ı—		
Trade and other payables		55,960,839	50,991,478
Mark up/interest on long term loans		16,585,933	14,770,614
Provision for taxation		2,451,883	2,451,883
		74,998,655	68,213,975
CONTINGENCIES AND COMMITMENTS	5	-	-
		301,291,613	269,783,587
АЅЅЕТЅ			
Property, plant and equipment		195,885,113	205,549,469
Capital work in progress		876,679	308,175
Long term investments		50,118	50,118
Long term deposits CURRENT ASSETS		7,117,125	943,672
Stores and spares		5,003,937	4,079,401
Stock in trade		59,983,622	29,907,970
Trade debts		9,399,395	1,732,781
Loans and advances		12,801,468	16,275,658
Prepayments		872,661	159,289
Other receivables		8,384,164	1,338,024
Cash and bank balances		917,331	9,439,030
		97,362,578	62,932,153
		301,291,613	269,783,587

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

CHIEF EXECUTIVE

J A TEXTILE MILLS LTD CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2006

	MARCH 31, 2006	MARCH 31, 2005
a) CASH FLOW FROM OPERATING ACTIVITIES	RUPEES	RUPEES
Profit/(loss) for the period before taxation	16,206,692	(21,015,709)
Depreciation	14,832,759	6,851,344
Gain on restatement of long term investment	-	(901)
Profit on deposit	-	(6,180)
Dividend income	(1,596)	-
Provision for gratuity	1,146,278	1,770,032
Financial charges	2,184,610	2,140,646
	34,368,743	(10,260,768)
CHANGES IN WORKING CAPITAL		
(Increase)/decrease in current assets		
Stores and spares	(924,536)	171,616
Stock in trade	(30,075,652)	(13,809,989)
Trade debts Loans and advances	(7,666,614)	(6,504,001)
	3,474,190	10,185,395
Prepayments Other receivables	(713,372)	75,152
(Decrease)/Increase in current liabilities	(7,046,140)	5,391,544
Creditors, accrued and other liabilities	3,656,779	28,654,965
	(39,295,345)	24,164,682
Cash (used in)/generated from operations	(4,926,602)	13,903,914
Financial charges paid	(369,291)	325,327
Gratuity paid	(867,042)	(1,115,065)
Dividend paid	-	(10,743)
Net cash flows from/(used in) operating activities	(6,162,935)	13,103,433
b) CASH FLOW FROM INVESTING ACTIVITIES	(0,102,733)	13,103,433
,		
Fixed capital expenditure	(5,736,907)	(18,066,014)
Dividend	1,596	-
Profit on deposit	-	6,180
Long term deposits	(6,173,453)	-
Net cash used in investing activities	(11,908,764)	(18,059,834)
c) CASH FLOW FROM FINANCING ACTIVITIES		
Long term loans obtained	9,550,000	-
Repayment of long term loans	-	(220,782)
Net cash from/(used in) financing activities	9,550,000	(220,782)
Net increase/(decrease) in cash and bank balances (a+b+c)		
	(8,521,699)	(5,177,183)
Cash and bank balances at the beginning of the period	9,439,030	7,589,913
Cash and bank balances at the end of the period	917,331	2,412,730

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

J A TEXTILE MILLS LTD STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2006

	Share Capital	Accumulated	Total
		Loss	
	RUPEES	RUPEES	RUPEES
Balance as at June 30, 2004	126,011,600	(222,022,623)	(96,011,023)
Loss for the period (July 04-March 05)	-	(33,899,551)	(33,899,551)
Incremental depreciation on revalued assets for the period-net of deferred tax	-	1,955,375	1,955,375
Balance as at March 31, 2005	126,011,600	(253,966,799)	(127,955,199)
Profit for the quarter ended June 30, 2005	-	656,070	656,070
Incremental depreciation on revalued assets			
for the period-net of deferred tax	-	595,597	595,597
Balance as at June 30, 2005	126,011,600	(252,715,132)	(126,703,532)
Incremental depreciation on revalued assets for the period-net of deferred tax		3,647,475	3,647,475
Profit for the period (July 05-March 06)	-	13,460,260	13,460,260
Balance as at March 31, 2006	126,011,600	(235,607,397)	(109,595,797)

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

CHIEF EXECUTIVE

DIRECTOR

J A TEXTILE MILLS LTD NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2006

- 1 The Company is limited by shares incorporated in Pakistan under the Companies Ordinance, 1984 and listed on Stock Exchanges in Pakistan. The principal business of the Company is manufacture and sale of yarn. The mills is located at Tehsil Jaranwala, District Faisalabad, in the Province of Punjab.
- The Company has accumulated losses of Rs. 235.607 million as at March 31, 2006 as against issued, subscribed and paid up capital of the Rs. 126.012 million. The management has increased the production capacity of the unit to improve the production efficiencies for consequent improvement in the profitability of the future years. In view of future expected improvements in financial results and continuing financial support from directors and associates, these accounts have been prepared on a going concern basis.
- ³ These financial statements have been prepared under "historical cost convention" except that certain fixed assets have been included at revalued amount. These financial statements are prepared in compliance with the International Accounting Standard (IAS) 34, Interim Financial Reporting and section 245 of the Companies Ordinance, 1984.

		MAR 31, 2006 RUPEES	JUN 30, 2005 RUPEES
4	SURPLUS ON REVALUATION OF FIXED ASSETS	NOT EES	NOT EES
	Opening balance	77,111,186	79,138,865
	Incremental depreciation arising out of revaluation of fixed assets for the period transferred to accumulated loss-net of deferred tax	(3,647,475) 73,463,711	(2,027,679) 77,111,186

5 CONTINGENCIES AND COMMITMENTS CONTINGENCIES

There is no change in contingent liabilities since the last annual balance sheet date. COMMITMENTS

Outstanding letter of credit

		<u> </u>	250,000
Quarter	For the period	Quarter	For the period
Jan06-Mar06	Jul05-Mar06	Jan05-Mar05	Jul04-Mar05
RUPEES	RUPEES	RUPEES	RUPEES
106,601,883	345,796,942	79,663,710	200,711,578
		(5,088,216)	(15,996,213)
106,601,883	345,796,942	74,575,494	184,715,365
	Jan06-Mar06 RUPEES 106,601,883	Jan06-Mar06 Jul05-Mar06 RUPEES RUPEES 106,601,883 345,796,942	Quarter For the period Quarter Jan06-Mar06 Jul05-Mar06 Jan05-Mar05 RUPEES RUPEES RUPEES 106.601.883 345,796,942 79,663,710 - - (5,088,216)

7 COST OF GOODS SOLD

Cost of goods manufactured (7.1) Finished goods	101,758,976	310,141,191	70,312,898	190,719,322
Opening stock	11,585,943	11,263,872	5,632,857	9,869,028
Closing stock	(8,856,514)	(8,856,514)	(6,984,995)	(6,984,995)
	2,729,429	2,407,358	(1,352,138)	2,884,033
	104,488,405	312,548,549	68,960,760	193,603,355

7.1 COST OF GOODS MANUFACTURED

Raw material consumed (7.1.1)	71,966,453	224,263,029	46,896,097	130,222,546
Stores and spares	2,853,934	5,552,088	1,680,459	4,604,135
Packing material	1,200,639	3,147,476	1,338,321	3,296,433
Salaries and wages	8,978,612	24,831,343	5,716,961	16,332,189
Retirement benefits	300,000	888,620	415,911	1,131,852
Fuel and power	11,736,880	36,130,897	9,577,643	25,682,801
Repairs and maintenance	78,313	256,876	352,256	499,397
Postage and telecommunication	64,765	118,097	30,735	89,367
Vehicle running and maintenance	38,275	80,207	43,845	76,759
Insurance	335,502	1,009,241	509,132	783,669
Depreciation	4,441,705	14,323,817	2,823,407	6,588,189
Other	60,682	519,264	66,422	547,494
	102,055,760	311,120,955	69,451,189	189,854,831
Work in process				
Opening stock	2,416,791	1,733,811	2,857,946	2,860,728
Closing stock	(2,713,575)	(2,713,575)	(1,996,237)	(1,996,237)
	(296,784)	(979,764)	861,709	864,491
	101,758,976	310,141,191	70,312,898	190,719,322

7.1.1 RAW MATERIAL CONSUMED

Opening stock		27.011.249	16.910.287	24.531.721	13.664.175
Purchases		93,368,737	255,766,275	51,922,306	146,116,301
	=	120,379,986	272,676,562	76,454,027	159,780,476
Closing stock	_	(48,413,533)	(48,413,533)	(29,557,930)	(29,557,930)
		71,966,453	224,263,029	46,896,097	130,222,546
WITH UNDERTAKINGS Purchases	ASSOCIATED			MAR 31, 2006 RUPEES	MAR 31, 2005 RUPEES
Energy			-	36,130,897	27,144,338

9 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 28/04/06 by the Board of Directors of the Company.

10 FIGURES

8

- have been rounded off to the nearest Rupee.

- of prior period have been re-arranged and regrouped wherever necessary for the purpose of comparison.

CHIEF EXECUTIVE

J A TEXTILE MILLS LTD PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2006

	Note	Quarter Jan06-Mar06 RUPEES	For the period Jul05-Mar06 RUPEES	Quarter Jan05-Mar05 RUPEES	For the period Jul04-Mar05 RUPEES
Sales	6	106,601,883	345,796,942	74,575,494	184,715,365
Cost of goods sold	7	104,488,405	312,548,549	68,960,760	193,603,355
Gross profit/ (loss)		2,113,478	33,248,393	5,614,734	(8,887,990)
Operating expenses					
Selling		3,522,728	9,023,519	1,702,024	4,694,333
Administrative		1,253,983	4,982,184	1,751,096	5,298,920
		4,776,711	14,005,703	3,453,120	9,993,253
Operating profit/(loss)	.—	(2,663,233)	19,242,690	2,161,614	(18,881,243)
Financial		731,738	2,184,610	788,414	2,140,646
WPPF		(169,669)	852,984	-	-
		562,069	3,037,594	788,414	2,140,646
		(3,225,302)	16,205,096	1,373,200	(21,021,889)
Other income		1,596	1,596	6,180	6,180
Profit/(Loss) for the period before taxation	า	(3,223,706)	16,206,692	1,379,380	(21,015,709)
Taxation	.—				
Current		(6,647,402)	1,312,582	(372,135)	1,402,404
Deferred		-	1,433,850	(14,356,716)	(14,286,246)
		(6,647,402)	2,746,432	(14,728,851)	(12,883,842)
Profit/(Loss) for the period after taxation		3,423,696	13,460,260	(13,349,471)	(33,899,551)
Accumulated loss brought forward		(239,873,041)	(252,715,132)	(241,472,011)	(222,022,623)
Incremental depreciation on revalued					
assets during the period		841,948	3,647,475	854,683	1,955,375
Accumulated loss carried forward		(235,607,397)	(235,607,397)	(253,966,799)	(253,966,799)
Earning per share - Basic	=	0.27	1.07	(1.06)	(2.69)

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

CHIEF EXECUTIVE

DIRECTOR