

OLYMPIA SPINNING & WEAVING MILLS LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS

CHAIRMAN AND CHIEF EXECUTIVE : **M. WAQAR MONNOO**

DIRECTORS : MRS. GHAZALA WAQAR
MR. SIRAJ SADIQ MONNOO
MR. SYED EJAZUDDIN
MR IMRAN MONNOO
MR. SYED AYAZUDDIN
MR. MUHAMMAD ANWAR SAIGAL

AUDIT COMMITTEE MEMBERS

CHAIRMAN (EXECUTIVE) : M. WAQAR MONNOO
MEMBER (NON-EXECUTIVE) MR IMRAN MONNOO
MEMBER (NON-EXECUTIVE) MRS.GHAZALA WAQAR

CHIEF FINANCIAL OFFICER : MR. ASIM JAFFERY

COMPANY SECRETARY : MR. MUHAMMAD ANWAR SAIGAL

LEGAL ADVISOR : M/S. A.K. BROHI & CO. ADVOCATE

AUDITORS : MUSHTAQ & COMPANY
CHARTERED ACCOUNTANTS
407-408, COMMERCE CENTRE,
HASRAT MOHANI ROAD, KARACHI.

BANKERS : UNITED BANK LTD
ASKARI BANK LTD
SONERI BANK LTD
HABIB BANK LTD
ALLIED BANK OF PAKISTAN
BANK AL-FALAH LTD.

PRINCIPAL/REGISTERED OFFICE : E/3, FARZANA BUILDING, 1ST FLOOR,
BLOCK 7 & 8, K.C.H.S. UNION LTD.,
SHAHEED-E-MILLAT ROAD,
KARACHI-75350

MILLS AT : PLOT NO. H/23/3, LANDHI INDUSTRIAL AREA,
LANDHI, KARACHI.

OLYMPIA SPINNING & WEAVING MILLS LIMITED
DIRECTORS REPORT

The Directors have pleasure in presenting their un-audited accounts of the Company for three months ended September 30, 2010. During the period under review the amount of sales (net) were Rs.910,882,779/- as compared to previous corresponding period sales of Rs.522,762,873/- which shows an increase of 64.78 % over previous periods sales.

Financial results for three months period ended September 30th 2010 are as under:

	September-2010	September-2009
	Rupees	Rupees
Sales (net)	910,882,779	552,762,873
Cost of goods sold	879,472,949	532,507,101
Gross profit	31,409,831	20,255,772
Distribution cost	(8,222,643)	(6,913,964)
Administrative expenses	(9,520,320)	(9,872,642)
Other income	2,225,326	502,833
	(15,517,637)	(16,283,773)
Operating profit	15,892,194	3,971,999
Finance cost	(35,135,733)	(42,721,382)
Net loss before taxation	(19,243,539)	(38,749,383)
Taxation:	(7,453,030)	(4,015,787)
Net loss for the period after taxation	(26,696,569)	(42,765,170)
Earning per share	(2.22)	(3.56)

FINANCIAL RESULTS:

The financial results for three months period ended September 30, 2010 have resulted in net loss after tax of Rs. 26,696,569/-. Gross profit percentage has decreased from 3.66% to 3.44% as compared with the previous corresponding period. In the period under review the loss is mainly attributable to unavailability of working capital, continuous rising prices of cotton, increasing dollar rate, continuous increase in markup rates since last year and also due to double digit general inflation which increases cost of other inputs.

FUTURE PROSPECTS:

To overcome the negative financial effects of these incidents and liquidity crunch due to expansion and continuous increase in the financial cost and input prices, the management is in the process of rescheduling of financing facilities with our Bankers. There is no change in contingencies since the date of last balance sheet date.

The Company at present exporting approximately more than 60% of our total sale to Hong Kong, Korea, Bangladesh, Colombia and USA and hope to reach the level of more than 80% exports of our total sales. We also have been awarded FPCCI's Export Award named Best Export Performance award in cotton yarn

I would like to place on record the Co-operation shown by our Bankers for their support and without their co-operation, the present results could not have been achieved. The loyalty and devotion of the Staff members and the workers towards the Company is also one of the major factors for achieving the present results.

For and on behalf of the Board

Karachi: 30th October, 2010

M.WAQAR MONNOO
Chief Executive/Director

OLYMPIA SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM BALANCE SHEET (UNAUDITED)
AS AT SEPTEMBER 30, 2010

EQUITY AND LIABILITIES	Unaudited September 2010 RUPEES	Audited June 2010 RUPEES
SHARE CAPITAL AND RESERVES		
Authorized capital 13,000,000 Ordinary shares of Rs.10 each.	130,000,000	130,000,000
Issued, subscribed and paid up capital	120,000,000	120,000,000
General reserve	3,580,053	3,580,053
Capital reserve	44,665,822	44,665,822
Unappropriated loss	(637,940,417)	(613,636,211)
	(469,694,542)	(445,390,336)
Surplus on revaluation of property, plant and equipment	1,104,410,515	1,106,802,878
NON CURRENT LIABILITIES		
Long term financing	551,844,900	564,544,972
Liability against assets subject to finance lease	34,859,528	16,330,212
Deferred liabilities	2,277,892	3,534,537
CURRENT LIABILITIES		
Trade and other payables	625,497,915	553,170,353
Interest / Mark-up accrued on loans	56,859,858	54,642,731
Short-term borrowings	745,032,914	669,752,731
Current portion of		
- long term financing	31,232,089	26,925,275
- liabilities against asset subject to finance lease	39,122,218	66,418,245
	1,497,744,995	1,370,909,335
CONTINGENCIES AND COMMITMENTS		
	2,721,443,288	2,616,731,598
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	1,938,302,297	1,951,755,104
Long term deposit	13,603,559	8,613,372
Long term investment in subsidiary	44,665,822	44,665,822
CURRENT ASSETS		
Stores, spare parts and loose tools	11,758,820	14,513,066
Stock in trade	265,401,410	203,057,017
Trade debts - considered good	170,951,561	110,579,134
Other financial assets	74,000,000	74,000,000
Loans and advances	162,912,248	169,082,742
Income tax and Sales tax	30,648,135	31,617,870
Other receivables	5,642,385	5,090,470
Cash and bank balances	3,557,052	3,757,001
	724,871,611	611,697,300
	2,721,443,288	2,616,731,598

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

Karachi: 30 October 2010

OLYMPIA SPINNING & WEAVING MILLS LIMITED
CONDENSED PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	September 2010	September 2009
	RUPEES	RUPEES
Sales (net)	910,882,779	552,762,873
Cost of sales	(879,472,949)	(532,507,101)
Gross Profit	<u>31,409,831</u>	<u>20,255,772</u>
Distribution cost	(8,222,643)	(6,913,964)
Administrative expenses	(9,520,320)	(9,872,642)
Other operating income	2,225,326	502,833
Operating Profit	<u>(15,517,637)</u>	<u>(16,283,773)</u>
Finance cost	(35,135,733)	(42,721,382)
Net loss before taxation	<u>(19,243,539)</u>	<u>(38,749,383)</u>
Taxation	(7,453,030)	(4,015,787)
Net loss for the period after taxation	<u><u>(26,696,569)</u></u>	<u><u>(42,765,170)</u></u>
Earning per share - Basic and diluted	<u><u>(2.22)</u></u>	<u><u>(3.56)</u></u>

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

Karachi: 30 October 2010

OLYMPIA SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	<u>September 2010</u> <u>RUPEES</u>	<u>September 2009</u> <u>RUPEES</u>
Loss for the period after taxation	(26,696,569)	(42,765,170)
Other Comprehensive Income:		
Actuarial (Loss) recognised	-	-
Total comprehensive loss for the period	<u><u>(26,696,569)</u></u>	<u><u>(42,765,170)</u></u>

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

CHIEF EXECUTIVE
Karachi: 30 October 2010

DIRECTOR

OLYMPIA SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	PAID UP CAPITAL	REVENUE RESERVE	CAPITAL RESERVE	UN- APPROPRIATED LOSS	TOTAL
	← RUPEES →				
Balance as at 30-06-2009	120,000,000	3,580,053	44,665,822	(517,189,343)	(348,943,468)
Total comprehensive income for the quarter ended 30th September, 2009				(42,765,170)	(42,765,170)
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation				2,507,287	2,507,287
Balance as at 30-09-2009	<u>120,000,000</u>	<u>3,580,053</u>	<u>44,665,822</u>	<u>(557,447,226)</u>	<u>(389,201,351)</u>
Total comprehensive income for the Period from 01-10-2009 to 30-06-2010				(66,218,132)	(66,218,132)
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation				10,029,147	10,029,147
Balance as at 30-06-2010	<u>120,000,000</u>	<u>3,580,053</u>	<u>44,665,822</u>	<u>(613,636,211)</u>	<u>(445,390,336)</u>
Total comprehensive income for the quarter ended September 30, 2010	-	-	-	(26,696,569)	(26,696,569)
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation	-	-	-	2,392,363	2,392,363
Balance as at 30-09-2010	<u>120,000,000</u>	<u>3,580,053</u>	<u>44,665,822</u>	<u>(637,940,417)</u>	<u>(469,694,542)</u>

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

CHIEF EXECUTIVE
Karachi: 30 October 2010

DIRECTOR

OLYMPIA SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT CASH FLOW (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	Sptember-2010 RUPEES	September-2009 RUPEES
CASH GENERATED FROM OPERATION		
Loss before taxation	(19,243,539)	(38,749,383)
Adjustment for non cash charges and other items:		
Depreciation	15,339,824	15,301,903
Finance cost	35,135,733	42,721,382
Gain on disposal of property, plant and equipment	-	(110,885)
Provision for gratuity	1,596,255	270,110
	<u>52,071,811</u>	<u>58,182,510</u>
Operating Profit before working capital changes	32,828,273	19,433,127
(Increase)/Decrease in current assets:		
Stocks, stores and spares	(59,590,147)	181,473,638
Trade debts	(60,372,427)	12,909,205
Loan and advances	6,170,494	(100,222,563)
Income tax and Sales tax	1,812,393	-
Other Receivables	(551,915)	687,948
	<u>(112,531,601)</u>	<u>94,848,228</u>
Increase/(Decrease) in current liabilities:		
Trade and other payables	72,327,562	41,922,433
Cash generated from operations	<u>(7,375,766)</u>	<u>156,203,788</u>
Taxes paid	(8,295,689)	(7,090,320)
Finance cost paid	(32,918,605)	(16,626,140)
Gratuity-net	(2,852,900)	(1,928,247)
Long term deposits	(4,990,187)	-
	<u>(49,057,381)</u>	<u>(25,644,707)</u>
Net cash from operating activities	(56,433,147)	130,559,082
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	-	2,354,308
Fixed capital expenditure	(1,887,017)	(188,500)
Capital work in progress	-	-
Net cash (used in)/from investing activities	(1,887,017)	2,165,808
CASH FLOW FROM FINANCING ACTIVITIES		
Long term finance	(8,393,258)	(1,711,308)
Short Term Finance	75,280,184	(125,724,791)
Repayment of lease liabilities	(8,766,711)	(3,510,949)
Net cash used in financing activities	58,120,215	(130,947,048)
Net increase / decrease in cash and cash equivalents	(199,949)	1,777,842
Cash and cash equivalents at the beginning of the year	3,757,001	1,706,341
Cash and cash equivalents at the end of the year	<u>3,557,051</u>	<u>3,484,182</u>

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

CHIEF EXECUTIVE
Karachi: October 30, 2010

DIRECTOR

OLYMPIA SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM NOTES TO THE ACCOUNTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2010

1 STATUS AND NATURE OF BUSINESS

The Company was incorporated in Pakistan as a public limited company on October 28, 1960 and its shares are quoted on the Karachi stock exchange. The main business of the company is manufacturing and sale of cotton yarn.

- 1.1** The accumulated loss of the company stands at Rs. 637.940 million. The current liabilities exceed current assets by Rs. 772.873 million. The directors have given their commitment that in case the decision of the courts is decided against the company, they will meet the obligation through their own sources. The company is currently negotiating with its lenders for the restructuring of its entire debt based on various proposals submitted by the company. Based on above, these financial statements have been prepared on a going concern assumption.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the International Finance Reporting Standard (IFRS) IAS 34 Interim Financial Reporting as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended 30th June, 2010.

This condensed interim financial information is being submitted to the shareholders as required by the Listing regulations of Karachi, Lahore and Islamabad Stock Exchanges and section 245 of the Companies Ordinance, 1984.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of the financial statements for the 1st quarter ended September 30, 2010 are the same as those applied in the preparation of the annual audited statement for the year ended June 30, 2010.

4 CONTINGENCY AND COMMITMENT

There have been no significant change in the contingencies and commitments since the last audited financial statements.

5 ACQUISITION AND DISPOSAL OF FIXED ASSETS

FIXED ASSETS	UN-AUDITED		AUDITED	
	September 30, 2010		June 30, 2010	
	Additions	Disposal	Additions	Disposal
Factory building (on leasehold land)	-	-	-	-
Plant and machinery	1,803,017	-	14,331,634	-
Office equipment	84,000	-	297,840	-
Factory tools and equipment	-	-	7,500	-
Furniture and fixture	-	-	77,700	-
Motor Vehicle	-	-	-	2,704,135
Electric and pipe fitting	-	-	-	-
Total	1,887,017	-	14,714,674	2,704,135

6 TRANSACTION WITH SUBSIDIARY ;

	UN-AUDITED September-2010 RUPEES	AUDITED June-2010 RUPEES
Electric Purchased	48,251,440	201,816,751

Transactions with subsidiary are made under normal commercial terms and conditions.

7 EVENTS AFTER THE BALANCE SHEET DATE :

There were no significant event since the balance sheet date.

8 DATE OF AUTHORISATION FOR ISSUE :

This condensed financial statement was authorised for issue on October 30, 2010 by the board of directors of the company.

9 GENERAL:

Figure have been rounded off to the nearest rupees.

CHIEF EXECUTIVE
Karachi: 30th October, 2010

DIRECTOR

OLYMPIA SPINNING & WEAVING MILLS LIMITED
DIRECTORS REPORT ON CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Directors have pleasure in presenting their Unaudited Condensed Consolidated Interim Report of the Group for three months ended September 30, 2010 for your consideration and approval. The Olympia Group comprises financial statement of Olympia Spinning & Weaving Mills Limited and Olympia Power Generation (Pvt) Limited.

The Directors report on the performance of Olympia Spinning & Weaving for the period ended 30 September, 2010 has been presented separately.

GROUP RESULTS

The operating results of the period under review has resulted in net loss before taxation of Rs.17,136,217/- with net sales of Rs.910,882,779/-

	For period ended September 30, 2010 Rupees	For period ended September 30, 2009 Rupees
Gross Sales	910,882,779	552,762,873
Gross Profit	35,783,224	30,030,025
Profit from Operation	18,711,064	12,321,202
EPS	(2.05)	(2.98)

OLYMPIA POWER GENERATION (PVT) LIMITED

Olympia Power Generation (Pvt) Limited, groups subsidiary earns nominal profit of Rs 2.107 million with sales of Rs 48.251 million and remain successful in achieving its target. The company is expecting continued inflationary pressure during the next year & plans to cope with it by considering alternative source of revenue and internal cost savings.

ACKNOWLEDGEMENT:

I would like to place on record the Co-operation shown by our Bankers for their support and without their co-operation, the present results could not have been achieved. The loyalty and devotion of the Staff members and the workers towards the Company is also one of the major factor for achieving the present results.

For and on behalf of the Board

Karachi: 30th October, 2010

M.WAQAR MONNOO
Chief Executive/Director

OLYMPIA SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM CONSOLIDATED BALANCE SHEET (UNAUDITED)
AS AT SEPTEMBER 30, 2010

	Unaudited September 2010 RUPEES	Audited June 2010 RUPEES
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized capital		
13,000,000 Ordinary shares of Rs.10 each.	<u>130,000,000</u>	<u>130,000,000</u>
Issued, subscribed and paid up capital	120,000,000	120,000,000
General reserve	3,580,053	3,580,053
Capital reserve	44,665,822	44,665,822
Unappropriated loss	<u>(617,968,355)</u>	<u>(590,886,048)</u>
	(449,722,480)	(422,640,173)
Non-Controlling Interest	43,091,923	42,248,994
Surplus on revaluation of property, plant and equipment	1,104,410,515	1,106,802,878
NON CURRENT LIABILITIES		
Long term financing	562,308,840	584,665,404
Liability against assets subject to finance lease	34,859,528	16,330,212
Deferred liabilities	2,599,016	3,855,661
CURRENT LIABILITIES		
Trade and other payables	627,144,174	549,648,551
Interest / Mark-up accrued on loans	56,859,858	54,642,731
Short-term borrowings	745,206,708	669,812,943
Current portion of		
- long term financing	52,139,966	47,967,127
- liabilities against asset subject to finance lease	39,122,218	66,768,245
	1,520,472,925	1,388,839,597
CONTINGENCIES AND COMMITMENTS		
	<u>2,818,020,266</u>	<u>2,720,102,573</u>
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	2,072,506,533	2,087,613,691
Long term deposit	13,603,559	8,613,372
CURRENT ASSETS		
Stores, spare parts and loose tools	17,695,338	20,224,182
Stock in trade	265,401,410	203,057,017
Trade debts - considered good	170,951,561	110,579,134
Other financial assets	74,000,000	74,000,000
Loans and advances	163,645,502	170,162,488
Income tax and Sales tax	30,793,737	36,831,028
Other receivables	5,642,385	5,090,470
Cash and bank balances	3,780,241	3,931,191
	731,910,174	623,875,510
	<u>2,818,020,266</u>	<u>2,720,102,573</u>

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

Karachi: 30 October 2010

OLYMPIA SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	September 2010	September 2009
	RUPEES	RUPEES
Sales (net)	910,882,779	552,762,873
Cost of sales	(875,099,556)	(522,732,848)
Gross Profit	<u>35,783,224</u>	<u>30,030,025</u>
Distribution cost	(8,222,643)	(6,913,964)
Administrative expenses	(11,074,843)	(11,297,692)
Other operating income	2,225,326	502,833
	<u>(17,072,160)</u>	<u>(17,708,823)</u>
Operating Profit	18,711,064	12,321,202
Finance cost	(35,847,281)	(44,111,611)
Net loss before taxation	<u>(17,136,217)</u>	<u>(31,790,409)</u>
Taxation	(7,453,030)	(4,015,787)
Net loss for the period after taxation	<u>(24,589,247)</u>	<u>(35,806,196)</u>
Attributable to:		
Equity holders of the parent	(25,432,176)	(38,589,785)
Non Controlling Interest	842,929	2,783,589
	<u>(24,589,247)</u>	<u>(35,806,196)</u>
Earning per share - Basic and diluted	<u>(2.05)</u>	<u>(2.98)</u>

The annexed notes form an integral part of these financial statements

CHIEF EXECUTIVE

DIRECTOR

Karachi: 30 October 2010

OLYMPIA SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	<u>September 2010</u> <u>RUPEES</u>	<u>September 2009</u> <u>RUPEES</u>
Loss for the period after taxation	(25,432,176)	(38,589,785)
Other Comprehensive Income:		
Actuarial (Loss) recognised	-	-
Total comprehensive loss for the period	<u><u>(25,432,176)</u></u>	<u><u>(38,589,785)</u></u>

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

CHIEF EXECUTIVE
Karachi: 30 October 2010

DIRECTOR

OLYMPIA SPINNING & WEAVING MILLS LIMITED
 CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
 FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	PAID UP CAPITAL	REVENUE RESERVE	CAPITAL RESERVE	UN- APPROPRIATED LOSS	TOTAL	NON- CONTROLLING INTEREST	TOTAL EQUITY
	RUPEES						
Balance as at 30-06-2009	120,000,000	3,580,053	44,665,822	(505,335,008)	(337,089,133)	37,680,106	(299,409,026)
Total comprehensive income for the quarter ended 30th September, 2009				(38,589,785)	(38,589,785)	2,783,589	(35,806,196)
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation				2,507,287	2,507,287	-	2,507,287
Balance as at 30-09-2009	120,000,000	3,580,053	44,665,822	(541,417,506)	(373,171,631)	40,463,695	(332,707,936)
Total comprehensive income for the Period from 01-10-2009 to 30-06-2010				(61,032,896)	(61,032,896)	1,785,299	(59,247,597)
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation				7,521,860	7,521,860	-	7,521,860
Balance as at 30-06-2010	120,000,000	3,580,053	44,665,822	(594,928,542)	(426,682,667)	42,248,994	(384,433,673)
Total comprehensive income for the quarter ended September 30, 2010	-	-	-	(25,432,176)	(25,432,176)	842,929	(24,589,247)
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation	-	-	-	2,392,363	2,392,363	-	2,392,363
Balance as at 30-09-2010	120,000,000	3,580,053	44,665,822	(617,968,355)	(449,722,480)	43,091,923	(406,630,557)

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

CHIEF EXECUTIVE
 Karachi: 30 October 2010

DIRECTOR

OLYMPIA SPINNING & WEAVING MILLS LIMITED
CONDENSED CONSOLIDATED INTERIM STATEMENT CASH FLOW (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2010

	Sptember-2010 RUPEES	September-2009 RUPEES
CASH GENERATED FROM OPERATION		
Loss before taxation	(17,136,217)	(31,790,409)
Adjustment for non cash charges and other items:		
Depreciation	16,994,175	17,095,967
Finance cost	35,847,281	44,111,611
Gain on disposal of property, plant and equipment	-	(110,885)
Provision for gratuity	1,596,255	270,110
	<u>54,437,710</u>	<u>61,366,803</u>
Operating Profit before working capital changes	37,301,493	29,576,394
(Increase)/Decrease in current assets:		
Stocks, stores and spares	(59,815,549)	181,731,941
Trade debts	(60,372,427)	12,909,205
Loan and advances	6,516,986	(100,219,232)
Income tax and Sales tax	2,840,221	-
Other Receivables	(551,915)	1,544,044
	<u>(111,382,683)</u>	<u>95,965,958</u>
Increase/(Decrease) in current liabilities:		
Trade and other payables	77,495,623	33,235,066
Cash generated from operations	<u>3,414,434</u>	<u>158,777,418</u>
Taxes paid	(8,298,455)	(7,090,320)
Finance cost paid	(33,630,153)	(18,016,369)
Gratuity-net	(2,852,900)	(1,995,747)
Long term deposits	(4,990,187)	-
	<u>(49,771,696)</u>	<u>(27,102,436)</u>
Net cash from operating activities	(46,357,262)	131,674,983
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	-	2,354,308
Fixed capital expenditure	(1,887,017)	(237,862)
Capital work in progress	-	-
Net cash (used in)/from investing activities	(1,887,017)	2,116,446
CASH FLOW FROM FINANCING ACTIVITIES		
Long term finance	(18,183,725)	(2,247,093)
Short Term Finance	75,393,765	(126,435,112)
Repayment of lease liabilities	(9,116,711)	(3,508,942)
Net cash used in financing activities	48,093,330	(132,191,147)
Net increase / decrease in cash and cash equivalents	(150,950)	1,600,282
Cash and cash equivalents at the beginning of the year	3,931,191	2,177,251
Cash and cash equivalents at the end of the year	<u>3,780,241</u>	<u>3,777,532</u>

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

CHIEF EXECUTIVE
Karachi: October 30, 2010

DIRECTOR

OLYMPIA SPINNING & WEAVING MILLS LIMITED
CONDENSED INTERIM CONSOLIDATED NOTES TO THE ACCOUNTS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2010

1 STATUS AND NATURE OF BUSINESS

The Company was incorporated in Pakistan as a public limited company on October 28, 1960 and its shares are quoted on the Karachi stock exchange. The main business of the company is manufacturing and sale of cotton yarn.

- 1.1** The accumulated loss of the company stands at Rs. 617.968 million. The current liabilities exceed current assets by Rs. 788.562 million. The directors have given their commitment that in case the decision of the courts is decided against the company, they will meet the obligation through their own sources. The company is currently negotiating with its lenders for the restructuring of its entire debt based on various proposals submitted by the company. Based on above, these financial statements have been prepared on a going concern assumption.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the International Finance Reporting Standard (IFRS) IAS 34 Interim Financial Reporting as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended 30th June, 2010.

This condensed interim financial information is being submitted to the shareholders as required by the Listing regulations of Karachi, Lahore and Islamabad Stock Exchanges and section 245 of the Companies Ordinance, 1984.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of the financial statements for the 1st quarter ended September 30, 2010 are the same as those applied in the preparation of the annual audited statement for the year ended June 30, 2010.

4 CONTINGENCY AND COMMITMENT

There have been no significant change in the contingencies and commitments since the last audited financial statements.

5 ACQUISITION AND DISPOSAL OF FIXED ASSETS

FIXED ASSETS	UN-AUDITED		AUDITED	
	September 30, 2010		June 30, 2010	
	Additions	Disposal	Additions	Disposal
Factory building (on leasehold land)	-	-	-	-
Plant and machinery	1,803,017	-	14,331,634	-
Office equipment	84,000	-	297,840	-
Factory tools and equipment	-	-	7,500	-
Furniture and fixture	-	-	77,700	-
Motor Vehicle	-	-	-	2,704,135
Electric and pipe fitting	-	-	-	-
Total	1,887,017	-	14,714,674	2,704,135

6 TRANSACTION WITH SUBSIDIARY ;

	UN-AUDITED September-2010 RUPEES	AUDITED June-2010 RUPEES
Electric Purchased	48,251,440	201,816,751

Transactions with subsidiary are made under normal commercial terms and conditions.

7 EVENTS AFTER THE BALANCE SHEET DATE :

There were no significant event since the balance sheet date.

8 DATE OF AUTHORISATION FOR ISSUE :

This condensed financial statement was authorised for issue on October 30, 2010 by the board of directors of the company.

9 GENERAL:

Figure have been rounded off to the nearest rupees.

CHIEF EXECUTIVE
Karachi: 30th October, 2010

DIRECTOR