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COMPANY INFORMATION

Board of Directors	S. M. Mohsin	- Chairman
	Mehdi Mohsin	- Chief Executive Officer
	Sitwat Mohsin	
	Moaz Mohiuddin	
	Syed Faisal Imam	
	Umme Kulsum Imam	
	Jamal Nasim – NIT Nominee	
Audit Committee	S. M. Mohsin	- Chairman
	Sitwat Mohsin	- Member
	Syed Faisal Imam	- Member
Company Secretary/CFO	Atif Fayyaz	
Auditors	A.F. Ferguson & Co. Chartered Accountants	
Legal Advisors	Minto & Mirza 78-Mozang Road, Lahore Phone: (042) 6315469-70 Fax: (042) 6361531	
Bankers	The Royal Bank of Scotland Citibank N.A. Askari Commercial Bank Limited MCB Bank Limited Allied Bank Limited Habib Bank Limited National Bank of Pakistan	
Share Registrar	Corplink (Private) Limited Wings Arcade, 1-K (Commercial) Model Town, Lahore Phone : (042) 5839182, 5887262, Fax:(042) 5869037	
Factory & Farms	Renala Khurd, District Okara, Pakistan Phones: (044) 2635907-8, 2622908 Fax: (044) 2621416 E-Mail: rnk@mitchells.com.pk	

Corporate Office

39-A, D-1, Gulberg III Lahore
Phones: (042) 5872392-96, Fax: (042) 5872398
E-Mail: ho@mitchells.com.pk
Website: www.mitchells.com.pk

**Regional Sales Office
(North)**

House No.22 ST. No.4, Main Park Road
Gulshan e Al-Huda, Chattha Bakhtawar, Islamabad.
Phones: (051) 2240020-21 Fax: (051) 2240023
E-Mail: rson@mitchells.com.pk

**Regional Sales Office
(Central)**

14 Air Line Society, Near Shaukat Khanum Hospital, Lahore
Phones: (042) 5181250
E-Mail: rsoc@mitchells.com.pk

**Regional Sales Office
(South)**

Mehran VIP II, Ground Floor,
Plot 18/3 Dr. Dawood Pota Road, Karachi
Phones: (021) 5212112, 5212712 & 5219675
Fax: (021) 5673588
E-Mail: rsos@mitchells.com.pk

DIRECTORS' REVIEW

The directors are pleased to submit the un-audited financial statements of the company for the half year ended March 31, 2009.

The company's net sales recorded a growth of 38% rising from Rs. 428.705 million to Rs. 590.198 million. This rise was supported by groceries and confectionery sales showing an upward trend of 23.87% and 48.31%, respectively. Exports increased by 64.73% which is a positive development.

Operating-profit increased by 36.44% from Rs. 23.790 million to Rs. 32.459 million. However, financial charges of Rs.26.574 million, as compared to Rs. 13.165 million during corresponding period resulted a decrease of 44.615% in profit before tax, from Rs. 10.625 million to Rs. 5.884 million during the period under review.

The management of your company is conscious of inflationary pressures especially in the case of sugar which raised costs of raw material that had a direct impact on cost of sales of Rs 493.670 million as compared to corresponding period; Rs 349.366 million. We are trying to confront these challenges by undertaking better planning and adopting cost optimisation measures.

These combined factors place considerable financial strain on the company but we are glad to report that we are equal to the task and continue to strive to upgrade our process-efficiencies by enhancing automation and rationalising production-methods which should have a positive impact on the company's long-term financial-health.

We hope that the economic & political conditions will stabilise during the remaining part of the year which are imperative for progress. Provided there are no sudden adverse developments we hope to end the year with a reasonable profit.

In the end, the Board of Directors would like to express their gratitude to all employees who have worked hard to achieve our common objectives.

For and on behalf of
the Board of Directors

Mehdi Mohsin
Chief Executive Officer

Lahore: May 29, 2009

AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of Mitchell's Fruit Farms Limited as at March 31, 2009 and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity for the half year then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim profit and loss account for the quarters ended March 31, 2008 and 2009 have not been reviewed, as we are required to review only the cumulative figures for the half year ended March 31, 2009.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for the half year ended March 31, 2009 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.

Lahore: May 29, 2009

A. F. Ferguson & Co.
Chartered Accountants

CONDENSED INTERIM BALANCE SHEET

As at March 31, 2009 (Un-audited)

	Note	March 31 2009 Rupees	September 30 2008 Rupees
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorised capital 10,000,000 (September 30, 2008: 10,000,000) ordinary shares of Rs 10 each		100,000,000	100,000,000
Issued, subscribed and paid up capital			
5,040,000 (September 30, 2008: 5,040,000) ordinary shares of Rs 10 each		50,400,000	50,400,000
Reserves		9,635,878	9,635,878
Unappropriated profit		201,139,207	200,794,368
		261,175,085	260,830,246
NON-CURRENT LIABILITIES			
Long term loan - secured		-	7,368,418
Deferred liabilities		52,919,748	49,607,813
		52,919,748	56,976,231
CURRENT LIABILITIES			
Current portion of long term loan - secured		14,736,839	14,736,842
Short term running finances		318,261,795	288,711,025
Creditors, accrued and other liabilities		101,556,552	89,805,848
Accrued finance cost on short term running finances		13,266,321	10,311,523
		447,821,507	403,565,238
CONTINGENCIES AND COMMITMENTS			
	5	761,916,340	721,371,715

The annexed notes 1 to 11 form an integral part of these condensed interim financial information.

Chairman

		March 31 2009 Rupees	September 30 2008 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	313,593,621	304,357,015
Intangible Assets		1,491,440	1,657,156
Capital work in progress		10,509,941	17,925,373
Long term loans and deposits		1,061,250	716,334
Biological assets		5,921,666	5,132,000
		332,577,918	329,787,878
 CURRENT ASSETS			
Stores, spares and loose tools		14,706,033	13,305,761
Stock in trade		284,105,631	288,698,972
Trade debts		50,413,273	39,067,739
Advances, deposits, prepayments and other receivables		64,775,191	39,601,514
Cash and bank balances		15,338,294	10,909,851
		429,338,422	391,583,837
		761,916,340	721,371,715

Chief Executive Officer

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
For the Quarter and Half Year Ended March 31, 2009 (Un-audited)

	January to March		October to March	
	2009	2008	2009	2008
	Rupees	Rupees	Rupees	Rupees
Sales	345,787,227	261,441,415	590,198,205	428,705,288
Cost of sales	290,008,803	212,929,511	493,670,634	349,366,098
Gross profit	55,778,424	48,511,904	96,527,571	79,339,190
Administration expenses	(12,236,041)	(11,233,507)	(20,791,293)	(18,057,481)
Distribution and marketing expenses	(31,488,186)	(22,413,402)	(50,519,585)	(39,219,443)
Other operating expenses	(727,140)	(784,694)	(727,140)	(988,052)
Other operating income	7,118,936	2,199,233	7,970,172	2,716,163
Profit from operations	18,445,993	16,279,534	32,459,725	23,790,377
Finance cost	(14,557,257)	(8,159,649)	(26,574,886)	(13,165,131)
Profit before tax	3,888,736	8,119,885	5,884,839	10,625,246
Taxation	(500,000)	(3,671,248)	(500,000)	(3,671,248)
Profit for the period	3,388,736	4,448,637	5,384,839	6,953,998
Earnings per share - Basic and diluted	0.67	0.88	1.07	1.38

The annexed notes 1 to 11 form an integral part of these condensed interim financial information.

CONDENSED INTERIM CASH FLOW STATEMENT

For the Half Year Ended March 31, 2009 (Un-audited)

	Note	October to March	
		2009 Rupees	2008 Rupees
Cash flows from operating activities			
Cash generated from operations	8	41,162,303	(49,477,929)
Finance cost paid		(23,620,088)	(11,742,758)
Tax (paid)/refund		(13,982,489)	593,761
Retirement and other benefits paid		(891,015)	(935,544)
Net cash generated from/(used in) operating activities		2,668,711	(61,562,470)
Cash flows from investing activities			
Purchase of property, plant and equipment		(17,227,787)	(35,264,491)
Sale proceeds of property, plant and equipment		1,560,086	722,914
(Increase)/ decrease in long term loans and security deposits		(344,916)	230,000
Proceeds from sale of livestock		630,000	554,100
Net cash used in investing activities		(15,382,617)	(33,757,477)
Cash flows from financing activities			
Repayment of long term loans		(7,368,421)	(7,368,421)
Dividend paid		(5,040,000)	(10,080,000)
Net cash used in financing activities		(12,408,421)	(17,448,421)
Net decrease in cash and cash equivalents		(25,122,327)	(112,768,368)
Cash and cash equivalents at beginning of the period		(277,801,174)	(119,195,134)
Cash and cash equivalents at end of the period	9	(302,923,501)	(231,963,502)

The annexed notes 1 to 11 form an integral part of these condensed interim financial information.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
For the Half Year Ended March 31, 2009 (Un-audited)

	Share capital	Share premium	General reserve	Accumulated profit	Rupees Total
Balance as at September 30, 2007	50,400,000	9,335,878	300,000	202,536,828	262,572,706
Final dividend for the year ended September 30, 2007 Rs. 2 per share	-	-	-	(10,080,000)	(10,080,000)
Net profit for the period	-	-	-	6,953,998	6,953,998
Balance as at March 31, 2008	50,400,000	9,335,878	300,000	199,410,826	259,446,704
Net profit for the period	-	-	-	1,383,542	1,383,542
Balance as at September 30, 2008	50,400,000	9,335,878	300,000	200,794,368	260,830,246
Final dividend for the year ended September 30, 2008 Re. 1 per share	-	-	-	(5,040,000)	(5,040,000)
Net profit for the period	-	-	-	5,384,839	5,384,839
Balance as at March 31, 2009	50,400,000	9,335,878	300,000	201,139,207	261,175,085

The annexed notes 1 to 11 form an integral part of these condensed interim financial information.

Chairman

Chief Executive Officer

**NOTES TO AND FORMING PART OF THE
CONDENSED INTERIM FINANCIAL INFORMATION**
For the Quarter and Half Year Ended March 31, 2009 (Un-audited)

1. This condensed interim financial information is un-audited and is being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984 and the listing regulations of the Karachi, Lahore and Islamabad Stock Exchanges.
2. The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the company for the year ended September 30, 2008.
3. This condensed interim financial information have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 'Interim Financial Reporting' and have been reviewed by the auditors as required by the Code of Corporate Governance.
4. Income Tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

5. Contingencies and commitments

5.1 Contingencies

- (i) Included in advances, deposits, prepayments and other receivables under the head balance with statutory authorities is an amount of Rs 0.638 million (September 30, 2008: 0.638 million), representing sales tax Rs 0.632 million (September 30, 2008: Rs 0.632 million) and penalty Rs 0.005 million (September 30, 2008: Rs 0.005 million) on sweet corn.

The company has filed a writ petition with Lahore High Court in which the company has contended that as sweet corn is a vegetable, it stands exempted from payment of sales tax. The case is pending in the Lahore High Court and no adjustment has been made for the refunds recognised in the condensed interim financial information as the management is of the view that the petition will be decided in company's favour.

5.2 Commitments

- (i) Commitments in respect of capital expenditure are Rs Nil (September 30, 2008: Rs 1.93 million).

	March 31 2009 Rupees	September 30, 2008 Rupees
6. Property, plant and equipment		
Opening book value	304,357,015	263,400,019
Add: Additions during the period	6.1 24,568,983	68,327,872
	328,925,998	331,727,891
Less: Disposals during the period (at book value)	6.2 981,572	2,612,187
Depreciation charged during the period	14,350,805	24,758,689
	15,332,377	27,370,876
	313,593,621	304,357,015

	March 31 2009 Rupees	September 30 2008 Rupees
6.1 Following is the detail of additions during the period		
Building on freehold land	3,259,534	8,310,803
Plant and machinery	14,129,265	53,485,860
Vehicles	6,341,434	2,067,483
Furniture, fixture and office equipment	9,000	317,056
Electrical installations	618,875	3,886,720
Computer hardware	210,875	259,950
	24,568,983	68,327,872

6.2 Following is the detail of disposals during the period		
Plant and Machinery	44,855	650,000
Vehicles	913,217	1,369,304
Furniture and fittings	200	400,000
Electrical installations	23,300	192,883
	981,572	2,612,187

	October to March	
	2009 Rupees	2008 Rupees

7. Transactions with related parties

Relationship with the Company	Nature of transactions		
i. Associated undertakings	Purchase of goods	6,148,180	39,202,328
	Insurance premium paid	4,730,659	4,785,279
	Insurance claim received	58,570	105,700
	Donations	281,140	281,140
ii. Post retirement benefits plans	Key management personnel compensation	-	3,062,392
	Expense charged in respect of staff retirement benefit plans	-	277,313
iii. Key management personnel	Loan from director	10,000,000	3,300,000
		March 31 2009 Rupees	September 30 2008 Rupees

Period end balances

Receivable from related parties	1,661,372	1,669,644
Payable to related parties	1,349,884	1,089,306

	March 31 2009 Rupees	September 30 2008 Rupees
8. Cash generated from/ (used in) operations		
Profit before tax	5,884,839	10,625,246
Adjustment for:		
- Depreciation on property, plant and equipment	14,350,805	11,800,407
- Amortization on intangibles	165,716	207,145
- Profit on disposal of property, plant and equipment	(583,678)	(29,027)
- Provision for doubtful debts	-	99,088
- Retirement and other benefits accrued	3,983,562	3,127,514
- Loss on sale of live stock	-	84,900
- Profit on revaluation of livestock	(1,340,266)	(209,900)
- Exchange gain	(1,919,249)	(54,550)
- Finance cost	26,574,886	13,165,131
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Profit before working capital changes	47,116,615	38,815,954
Effect on cash flow due to working capital changes:		
- (Increase)/ decrease in stores, spares and loose tools	(1,400,272)	72,974
- Decrease/ (Increase) in stock-in-trade	4,593,341	(64,761,532)
- (Increase)/ decrease in trade debts	(9,426,285)	18,258,898
- (Increase) in advances, deposits prepayments and other receivables	(11,471,800)	(23,353,910)
- Increase/ (decrease) in creditors, accrued and other liabilities	11,750,704	(18,510,313)
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	(5,954,312)	(88,293,883)
	<hr/>	<hr/>
	41,162,303	(49,477,929)
	<hr/> <hr/>	<hr/> <hr/>
	March 31 2009 Rupees	March 31 2008 Rupees
9. Cash and cash equivalents		
Cash and bank balances	15,338,294	4,328,204
Short term running finances	(318,261,795)	(236,291,706)
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	(302,923,501)	(231,963,502)
	<hr/> <hr/>	<hr/> <hr/>
10. Date of authorisation		
These condensed interim financial information were authorised for issue on May 29, 2009 by the board of directors of the company.		
11. Corresponding figures		
Corresponding figures have been rearranged, wherever necessary, for the purposes of comparison. However, no significant re-arrangements have been made.		