

Crescent
Cotton Mills Limited
(Formerly Crescent Sugar Mills & Distillery Limited)



**CONDENSED INTERIM
FINANCIAL INFORMATION
FOR THE NINE MONTHS ENDED
JUNE 30, 2012**

COMPANY PROFILE

BOARD OF DIRECTORS

Mr. Muhammad Arshad
(Chairman & Chief Executive Officer)

DIRECTORS

(In alphabetical order)

Mr. Abid Mehmood
Mr. Khalid Bashir
Mr. Muhammad Anwar
Mr. Naveed Gulzar
Mr. Salman Rafi
Mr. Shahid Arshad

AUDIT COMMITTEE

Mr. Khalid Bashir (Chairman)
Mr. Muhammad Anwar
Mr. Naveed Gulzar

COMPANY SECRETARY

Mr. Sami Ullah Chaudhry

BANKERS

National Bank of Pakistan
Habib Metropolitan Bank Limited

AUDITORS

Riaz Ahmad & Compnay
Chartered Accountants

COMPANY REGISTRAR

Yaqub Associates (Pvt) Ltd.
2-Asad Arcade, Circular Road
Faisalabad
Ph: 041-2634956,2610565

URL

www.crescentcotton.com

DIRECTORS' REVIEW TO THE SHAREHOLDERS

Dear Members,

Your directors are pleased to present to you the condensed interim financial information for the third quarter and nine months ended June 30, 2012. During the period under review, your company earned a pre-tax profit of Rs. 94.196 Million from the continuing operations where as in the last year the continuing operations had earned a profit of Rs. 129.193 Million. However, after taking into account the results from discontinued operations post tax profit for the period is Rs. 86.477 Million whereas the company reported earnings of Rs. 62.169 Million in the corresponding period of last year.

Total turnover from both continuing and discontinued operations for the nine months stood at Rs. 3,136.342 Million, whereas, the turnover figures during the same period in year 2011 was Rs. 3,597.205 Million. Similarly cost of sales in the period under review stood at 91.15% whereas, up to June 30, 2011 it was around 92.79%.

During the last financial year, cotton prices had reached all time highs which set the stage for widespread demand destruction. During the current period of nine months, raw cotton prices have returned to more rational and competitive levels. As a result, demand has started to slowly grow again thus improving the profitability for the spinning industry. Despite of the inflationary pressures, strict cost controls by the management resulted in profitability of the operations. The energy crises played its toll and affected the production capacities. Unlike the previous year, the electricity and gas outage particularly in the province of Punjab as well as the increasing tariffs of electricity along with the additional fuel adjustment surcharge have hampered the fuel cost percentage per pound of production. However, the prudent policies adopted by the management of the company helped to control the cost factor considerably which ultimately avoided the company from huge losses.

Competitive raw cotton prices combined with an improving demand scenario is leading to improving margins in the spinning industry. We expect this trend to continue during the last quarter of the financial year. However, in order for profitability to be maintained it is imperative that a near term strategy is developed to deal with the energy crises as well as problems of increasing input costs and the economic and law and order situation in the country.

Performance of Sugar and Distillery Units are not being reported as their operations have been suspended and their assets are being reported as non-current assets held for sale.

The management wishes to place on record its appreciation for the hard work and devotion of its employees and the invaluable advice and support of the company's directors, shareholders and bankers.

For and on behalf of
the Board of Directors




MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER

FAISALABAD
July 30,2012

CRESCENT COTTON MILLS LIMITED
(formerly Crescent Sugar Mills & Distillery Limited)
CONDENSED INTERIM BALANCE SHEET AS AT 30 JUNE 2012

NOTE	UN-AUDITED		AUDITED		UN-AUDITED		AUDITED	
	(RUPEES IN THOUSAND)				UN-AUDITED		AUDITED	
	THE COMPANY		CONSOLIDATED		UN-AUDITED		AUDITED	
	30 June 2012	30 September 2011	30 June 2012	30 September 2011	30 June 2012	30 September 2011	30 June 2012	30 September 2011
EQUITY AND LIABILITIES								
SHARE CAPITAL AND RESERVES								
Authorized share capital 30 000 000 (30 September 2011: 30 000 000) ordinary shares of Rupees 10 each								
	300,000	300,000	300,000	300,000				
Issued, subscribed and paid up share capital								
	213,775	213,775	213,775	213,775				
Reserves								
	(75,279)	(179,994)	10,358	(79,661)				
Total equity								
	138,496	33,781	224,133	134,114				
Surplus on revaluation of land and investment properties								
	2,522,524	2,522,524	2,553,758	2,553,758				
LIABILITIES								
NON-CURRENT LIABILITIES								
Long term financing								
5	7,493	14,986	12,493	19,986				
Employee's retirement benefits								
	17,469	13,938	17,469	13,938				
	24,962	28,924	29,962	33,924				
CURRENT LIABILITIES								
Trade and other payables								
	454,045	285,238	458,486	290,337				
Accrued markup								
	7,152	12,968	17,004	22,370				
Short term borrowings								
	505,355	554,057	505,355	554,057				
Current portion of long term financing								
	14,986	31,463	14,986	31,463				
Provision for taxation								
	77,524	48,570	82,218	53,220				
	1,059,062	932,296	1,078,049	951,447				
TOTAL LIABILITIES								
	1,084,024	961,220	1,108,011	985,371				
CONTINGENCIES AND COMMITMENTS								
6								
TOTAL EQUITY AND LIABILITIES								
	3,745,044	3,517,525	3,885,902	3,673,243				

The annexed notes form an integral part of this condensed interim financial information.


MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER


NOTE	UN-AUDITED		AUDITED		UN-AUDITED		AUDITED	
	(RUPEES IN THOUSAND)				UN-AUDITED		AUDITED	
	THE COMPANY		CONSOLIDATED		UN-AUDITED		AUDITED	
	30 June 2012	30 September 2011	30 June 2012	30 September 2011	30 June 2012	30 September 2011	30 June 2012	30 September 2011
ASSETS								
NON-CURRENT ASSETS								
Property, plant and equipment								
7	2,752,344	2,753,135	2,783,580	2,786,695				
Investment properties								
8	54,381	54,381	54,381	54,381				
Long term investments								
	25,259	27,214	185,491	184,173				
Long term deposits								
	2,629	3,036	3,151	3,558				
Deferred income tax asset								
	58,635	58,635	58,635	58,635				
	2,893,248	2,896,401	3,085,238	3,087,442				
CURRENT ASSETS								
Stores, spare parts and loose tools								
	57,189	58,518	61,625	62,983				
Stock-in-trade								
	275,559	245,892	275,559	245,892				
Trade debts								
	78,042	69,945	78,041	69,945				
Loans and advances								
	37,115	35,035	37,116	35,035				
Short term deposits prepayments and balances with statutory authorities								
	95,911	71,215	96,016	71,258				
Other receivables								
	34,244	28,591	36,275	30,621				
Short term investments								
9	72,525	52,962	11,744	8,024				
Cash and bank balances								
	160,144	8,150	163,221	11,227				
Non-current assets held for sale								
10	41,067	50,816	41,067	50,816				
	851,796	621,124	800,664	585,801				
TOTAL ASSETS								
	3,745,044	3,517,525	3,885,902	3,673,243				


ABID MEHMOOD
DIRECTOR

CRESCENT COTTON MILLS LIMITED
(formerly Crescent Sugar Mills & Distillery Limited)
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE NINE MONTHS ENDED 30 JUNE 2012 (UN-AUDITED)

NOTE	(RUPEES IN THOUSAND)							
	THE COMPANY				CONSOLIDATED			
	NINE MONTHS ENDED		QUARTER ENDED		NINE MONTHS ENDED		QUARTER ENDED	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011	30 June 2012	30 June 2011	30 June 2012	30 June 2011
CONTINUING OPERATIONS:								
SALES	3,122,911	3,546,168	1,160,147	1,167,577	3,122,911	3,546,168	1,160,147	1,167,577
COST OF SALES	11 (2,840,976)	(3,264,715)	(1,049,029)	(1,103,361)	(2,840,976)	(3,264,715)	(1,049,029)	(1,103,361)
GROSS PROFIT	281,935	281,453	111,118	64,216	281,935	281,453	111,118	64,216
DISTRIBUTION COST	(83,054)	(79,422)	(34,816)	(29,113)	(83,054)	(79,422)	(34,816)	(29,113)
ADMINISTRATIVE EXPENSES	(47,880)	(43,019)	(15,147)	(14,633)	(49,511)	(45,546)	(15,682)	(15,275)
OTHER OPERATING EXPENSES	(5,385)	(5,569)	(1,924)	1,103	(5,385)	(5,569)	(1,924)	1,103
	(136,319)	(128,010)	(51,887)	(42,643)	(137,950)	(130,537)	(52,422)	(43,285)
	145,616	153,443	59,231	21,573	143,985	150,916	58,696	20,931
OTHER OPERATING INCOME	12 1,064	23,648	549	635	701	19,612	186	622
PROFIT FROM OPERATIONS	146,680	177,091	59,780	22,208	144,686	170,528	58,882	21,553
FINANCE COST	(52,484)	(47,898)	(16,787)	(12,995)	(52,934)	(47,898)	(16,937)	(12,995)
	94,196	129,193	42,993	9,213	91,752	122,630	41,945	8,558
SHARE OF (LOSS) / PROFIT FROM ASSOCIATES	-	-	-	-	1,868	19,193	20,226	9,949
PROFIT BEFORE TAXATION	94,196	129,193	42,993	9,213	93,620	141,823	62,171	18,507
PROVISION FOR TAXATION	(28,127)	(35,462)	(8,588)	(11,263)	(28,171)	(35,462)	(8,607)	(11,263)
PROFIT/(LOSS) AFTER TAXATION FROM CONTINUING OPERATIONS	66,069	93,731	34,405	(2,050)	65,449	106,361	53,564	7,244
DISCONTINUED OPERATIONS:								
(LOSS) / PROFIT AFTER TAXATION FROM DISCONTINUED OPERATIONS	20,408	(31,562)	24,928	(9,886)	21,034	(31,562)	25,554	(9,886)
PROFIT/(LOSS) AFTER TAXATION	86,477	62,169	59,333	(11,936)	86,483	74,799	79,118	(2,642)
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED (RUPEES):								
- CONTINUING OPERATIONS	3.09	4.38	1.61	(0.10)	3.06	4.98	2.51	0.34
- DISCONTINUED OPERATIONS	0.95	(1.48)	1.17	(0.46)	0.98	(1.48)	1.20	(0.46)

The annexed noted form an integral part of this condensed interim financial information.


MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER


ABID MEHMOOD
DIRECTOR

CRESCENT COTTON MILLS LIMITED

(formerly Crescent Sugar Mills & Distillery Limited)

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 JUNE 2012 (UN-AUDITED)

(RUPEES IN THOUSAND)

	THE COMPANY				CONSOLIDATED			
	NINE MONTHS ENDED		QUARTER ENDED		NINE MONTHS ENDED		QUARTER ENDED	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011	30 June 2012	30 June 2011	30 June 2012	30 June 2011
PROFIT AFTER TAXATION	86,477	62,169	59,333	(11,936)	86,483	74,799	79,118	(2,642)
OTHER COMPREHENSIVE INCOME/LOSS								
Surplus/(deficit) on re measurement of available for sale investments	18,238	(24,583)	17,458	(21,386)	3,536	(2,131)	(3,950)	(677)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	104,715	37,586	76,791	(33,322)	90,019	72,668	75,168	(3,319)

The annexed noted form an integral part of this condensed interim financial information.



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER




ABID MEHMOOD
DIRECTOR

CRESCENT COTTON MILLS LIMITED
(formerly Crescent Sugar Mills & Distillery Limited)
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED 30 JUNE 2012 (UN-AUDITED)

	NOTE	(RUPEES IN THOUSAND)			
		THE COMPANY		CONSOLIDATED	
		30 June 2012	30 June 2011	30 June 2012	30 June 2011
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash generated from / (utilized in) operations	13	281,263	122,508	281,326	122,593
Finance cost paid		(59,583)	(64,534)	(59,583)	(64,534)
Gratuity paid		-	-	-	-
Income tax paid		(30,057)	(29,103)	(30,120)	(29,188)
(Increase)/Decrease in long term deposits		407	(1,695)	407	(1,695)
		(89,233)	(95,332)	(89,296)	(95,417)
Net cash generated from / (used in) operating activities		192,030	27,176	192,030	27,176
CASH FLOWS FROM INVESTING ACTIVITIES					
Capital expenditure on property, plant and equipment		(21,391)	(10,207)	(21,391)	(10,207)
Proceeds from sale of property, plant and equipment		54,027	18,765	54,027	18,765
Proceeds from sale of investments		-	20,000	-	20,000
Net cash from investing activities		32,636	28,558	32,636	28,558
CASH FLOWS FROM FINANCING ACTIVITIES					
Repayment of long term financing		(23,970)	(14,986)	(23,970)	(14,986)
Short term borrowings - net		(48,702)	(51,673)	(48,702)	(51,673)
Net cash from financing activities		(72,672)	(66,659)	(72,672)	(66,659)
NET INCREASE IN CASH AND CASH EQUIVALENTS		151,994	(10,925)	151,994	(10,925)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		8,150	27,128	11,227	30,207
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		160,144	16,203	163,221	19,282

The annexed noted form an integral part of this condensed interim financial information.


MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER


ABID MEHMOOD
DIRECTOR

CRESCENT COTTON MILLS LIMITED

(formerly Crescent Sugar Mills & Distillery Limited)

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 JUNE 2012 (UN-AUDITED)

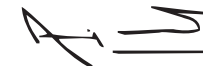
(RUPEES IN THOUSAND)

	SHARE CAPITAL	CAPITAL RESERVES			REVENUE RESERVES			Sub Total	TOTAL EQUITY	
		Premium on issue of shares	Plant Modernisation	Fair value	Sub Total	General	Dividend equalization			(Accumulated loss)
<u>The Company</u>										
Balance as at 30 September 2010-Audited	213,775	5,496	12,000	59,435	76,931	96,988	4,000	(365,410)	(264,422)	26,284
Total comprehensive(loss)/ income for the nine months ended 30 June 2011	-	-	-	(24,583)	(24,583)	-	-	62,169	62,169	37,586
Balance as at 30 June 2011- Unaudited	213,775	5,496	12,000	34,852	52,348	96,988	4,000	(303,241)	(202,253)	63,870
Total comprehensive loss for the quarter ended 30 September 2011	-	-	-	(15,473)	(15,473)	-	-	(14,616)	(14,616)	(30,089)
Balance as at 30 September 2011- Audited	213,775	5,496	12,000	19,379	36,875	96,988	4,000	(317,857)	(216,869)	33,781
Total comprehensive income for the nine months ended 30 June 2012	-	-	-	18,238	18,238	-	-	86,477	86,477	104,715
Balance as at 30 June 2012- Unaudited	213,775	5,496	12,000	37,617	55,113	96,988	4,000	(231,380)	(130,392)	138,496
<u>Consolidated</u>										
Balance as at 30 September 2010- Audited	213,775	5,496	12,000	2,461	19,957	44,975	4,000	(148,411)	(99,436)	134,296
Total comprehensive (loss)/income for the nine months ended 30 June 2011	-	-	-	(2,131)	(2,131)	-	-	74,799	74,799	72,668
Balance as at 30 June 2011- Unaudited	213,775	5,496	12,000	330	17,826	44,975	4,000	(73,612)	(24,637)	206,964
Total comprehensive (loss) / income for the next quarter ended 30 September 2011	-	-	-	247	247	-	-	(73,097)	(73,097)	(72,850)
Balance as at 30 September 2011-Audited	213,775	5,496	12,000	577	18,073	44,975	4,000	(146,709)	(97,734)	134,114
Total comprehensive income for the nine months ended 30 June 2012	-	-	-	3,536	3,536	-	-	86,483	86,483	90,019
Balance as at 30 June 2012- Unaudited	213,775	5,496	12,000	4,113	21,609	44,975	4,000	(60,226)	(11,251)	224,133

The annexed noted form an integral part of this condensed interim financial information.



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR

CRESCENT COTTON MILLS LIMITED

(formerly Crescent Sugar Mills & Distillery Limited)

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED 30 JUNE 2012 (UN-AUDITED)

1. THE COMPANY AND ITS OPERATIONS

Crescent Cotton Mills Limited (Formerly Crescent Sugar Mills and Distillery Limited) (the Company) is a public limited company incorporated in March 1959 in Pakistan under the provisions of Companies Act, 1913 (Now Companies Ordinance, 1984). Shares of the Company are quoted on all stock exchanges in Pakistan. The Company is engaged in manufacturing and sale of sugar, distillate and yarn along with buying, selling and otherwise dealing in cloth. The Company also operates an embroidery unit. However, due to continuous difficulties in the procurement of sugarcane at Government notified rates, the Company has suspended operations of sugar and distillery units and has approved to dispose of their plant and machinery. The registered office of the Company is located at New Lahore Road, Nishatabad, Faisalabad. Name of the Company was changed to Crescent Cotton Mills Limited on 02 May 2012.

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984. This condensed interim financial information of the Company for the nine months period ended 30 June 2012 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984 as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information should be read in conjunction with the audited annual published financial statements for the year ended 30 September 2011.

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

3.1 Accounting policies and methods of computation for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding annual published financial statements of the Company for the year ended 30 September 2011.

3.2 Consolidated condensed interim financial information

Consolidated condensed interim financial information includes financial results of Crescent Mills Limited, 66.15 percent owned subsidiary company.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 September 2011.

(RUPEES IN THOUSAND)

THE COMPANY		CONSOLIDATED	
30 June 2012	30 September 2011	30 June 2012	30 September 2011
46,449	52,451	51,449	57,451
-	8,984	-	8,984
23,970	14,986	23,970	14,986
22,479	46,449	27,479	51,449
14,986	31,463	14,986	31,463
7,493	14,986	12,493	19,986

5. LONG TERM FINANCING

Opening balance	46,449	52,451	51,449	57,451
Add: Transferred from short term borrowings	-	8,984	-	8,984
Less: Repaid during the period/year	23,970	14,986	23,970	14,986
	22,479	46,449	27,479	51,449
Less: Current portion shown under current liabilities	14,986	31,463	14,986	31,463
	7,493	14,986	12,493	19,986

6. CONTINGENCIES AND COMMITMENTS

a) Contingencies:

- i) Certain additions have been made by the assessing officer in different assessment years on various grounds and has created demand of Rupees 10.787 million (30 September 2011: Rupees 10.787 million). The Company, being aggrieved, has filed appeals with the Honourable High Court which are still pending. No provision has been made in the books of account against the aforesaid demand as the management is hopeful for positive outcome of the appeals filed by the Company.
- ii) Aggregate amount of guarantees issued by the banks on behalf of the Company in favour of Sui Northern Gas Pipelines Limited is Rupees 35.993 million (30 September 2011: Rupees 35.993 million).

b) Commitments:

- i) Contracts for capital expenditure are Nil (30 September 2011: Nil).
- ii) Contracts for other than capital expenditure are Rupees 38.020 million (30 September 2011: Nil).

7. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets (Note 7.1)	2,751,954	2,753,135	2,783,190	2,786,695
Capital work in progress	390	-	390	-
	2,752,344	2,753,135	2,783,580	2,786,695

7.1 Operating fixed assets

Opening book value	2,753,135	2,876,735	2,786,695	2,913,723
Add: Cost of additions during the period / year (Note 7.1.1)	21,001	10,548	21,001	10,548
	2,774,136	2,887,283	2,807,696	2,924,271

Less:

Book value of deletions during the period/year (Note 7.1.2)	45	1,584	45	1,584
Classified as non-current assets held for sale	-	55,448	-	55,448
Transferred to investment properties	-	44,899	-	44,899
Depreciation charged during the period/year	22,137	32,217	24,461	35,645
	22,182	134,148	24,506	137,576
Book value at the end of the period/year	2,751,954	2,753,135	2,783,190	2,786,695

7.1.1 Cost of additions during the period/year

Plant and machinery	19,436	7,794	19,436	7,794
Tools and equipment	17	16	17	16
Furniture and fixtures	405	223	405	223
Vehicles	734	2,334	734	2,334
Office equipment	409	181	409	181
	21,001	10,548	21,001	10,548

7.1.2 Book value of deletions during the period/year

Plant and machinery	-	957	-	957
Vehicles	45	627	45	627
	45	1,584	45	1,584

	(RUPEES IN THOUSAND)			
	THE COMPANY		CONSOLIDATED	
	30 June 2012	30 September 2011	30 June 2012	30 September 2011
8. LONG TERM INVESTMENTS				
In associates:				
Cost	-	-	43,608	43,608
Share of post acquisition profit:				
At the beginning of the period/year	-	-	135,753	187,463
Share of loss during the period/year	-	-	1,506	(51,710)
	-	-	137,259	135,753
	-	-	180,867	179,361
Available for sale:				
Unquoted - Subsidiary company	12,734	14,746	-	-
Quoted - Associated companies	1,256	1,256	-	-
Quoted - Others	716	1,641	717	2,779
Unquoted - Others	8,604	13,604	3,800	3,800
	23,310	31,247	4,517	6,579
Less: Impairment loss charged to profit and loss account	(630)	(7,937)	(4)	(2,062)
Add: Fair value adjustment	2,579	3,904	111	295
	25,259	27,214	4,624	4,812
	25,259	27,214	185,491	184,173

9. SHORT TERM INVESTMENTS - Available for sale

Quoted - Associated companies	29,745	29,745	-	-
Quoted - Others	7,742	9,035	7,742	9,035
	37,487	38,780	7,742	9,035
Less: Impairment loss charged to profit and loss account	-	(1,293)	-	(1,293)
Add: Fair value adjustment	35,038	15,475	4,002	282
	72,525	52,962	11,744	8,024

10. NON-CURRENT ASSETS HELD FOR SALE

The non-current assets classified as held for sale under International Financial Reporting Standard (IFRS) 5 'Non Current Assets Held for Sale and Discontinued Operations' in their respective categories are summarized hereunder:

	(RUPEES IN THOUSAND)	
	THE COMPANY	
	30 June 2012	30 September 2011
(a) Non-current assets classified as held for sale		
Property, plant and equipment - Sugar Unit (Note 10.1)	40,473	50,222
Property, plant and equipment - Distillery Unit (Note 10.2)	594	594
	41,067	50,816

	(RUPEES IN THOUSAND)	
	THE COMPANY	
	30 June 2012	30 June 2011
(b) Analysis of the result of discontinued operations		
Profit/ (loss) after taxation from discontinued operations		
Sugar Unit (Note 10.1)	26,319	(30,259)
Distillery Unit (Note 10.2)	(5,911)	(1,303)
	20,408	(31,562)

(c) Cash flows of discontinued operations

Sugar Unit (Note 10.1)	149,294	60,420
Distillery Unit (Note 10.2)	-	-
	149,294	60,420

A breakup of the constituents of non-current assets held for sale and discontinued operations is given as follows:

10.1 Property, plant and equipment - Sugar Unit

Property, plant and equipment related to Sugar Unit has been presented as held for sale following the approval of the management of the Company and shareholders in Annual General Meeting held on 31 January 2011 regarding the disposal of plant and machinery and related equipment of Sugar Unit of the Company. The Company has signed an agreement with a party, Messrs SAF and Company on 12 December 2011 for sale of major portion of non-current assets held for sale. Fair value of the plant and machinery and related equipment is Rupees 420 million. The transaction is expected to be completed during the current financial year.

Non-current assets classified as held for sale

The carrying amounts of non-current assets of the Sugar Unit classified as held for sale are as follows:

	(RUPEES IN THOUSAND)	
	THE COMPANY	
	30 June 2012	30 September 2011
Plant and machinery	48,466	52,553
Tools and equipment	1,513	2,055
Electric installation	234	234
Service equipment	9	12
	50,222	54,854
Less: Disposed of during the period / year		
Plant and machinery	9,749	4,087
Tools and equipment	-	542
Service equipment	-	3
	9,749	4,632
	40,473	50,222

	(RUPEES IN THOUSAND)	
	THE COMPANY	
	30 June 2012	30 June 2011
SALES	-	43,868
COST OF GOODS SOLD	-	(66,056)
GROSS LOSS	-	(22,188)
DISTRIBUTION COST	-	(16)
ADMINISTRATIVE EXPENSES	(22,316)	(17,357)
OTHER OPERATING EXPENSES	(1,792)	(498)
	(24,108)	(17,871)
	(24,108)	(40,059)
OTHER OPERATING INCOME	52,469	20,144
PROFIT / (LOSS) FROM DISCONTINUED OPERATION	28,361	(19,915)
FINANCE COST	(1,283)	(9,906)
PROFIT / (LOSS) BEFORE TAXATION FROM DISCONTINUED OPERATIONS	27,078	(29,821)
PROVISION FOR TAXATION	(759)	(438)
PROFIT / (LOSS) AFTER TAXATION FROM DISCONTINUED OPERATIONS	26,319	(30,259)

Analysis of the result of discontinued operations

SALES	-	43,868
COST OF GOODS SOLD	-	(66,056)
GROSS LOSS	-	(22,188)
DISTRIBUTION COST	-	(16)
ADMINISTRATIVE EXPENSES	(22,316)	(17,357)
OTHER OPERATING EXPENSES	(1,792)	(498)
	(24,108)	(17,871)
	(24,108)	(40,059)

OTHER OPERATING INCOME	52,469	20,144
PROFIT / (LOSS) FROM DISCONTINUED OPERATION	28,361	(19,915)

FINANCE COST	(1,283)	(9,906)
PROFIT / (LOSS) BEFORE TAXATION FROM DISCONTINUED OPERATIONS	27,078	(29,821)

PROVISION FOR TAXATION	(759)	(438)
PROFIT / (LOSS) AFTER TAXATION FROM DISCONTINUED OPERATIONS	26,319	(30,259)

Analysis of the cash flows of discontinued operation

Cash flows from operation activities	404,104	(70,140)
Cash flows from investing activities	54,027	16,973
Cash flows from financing activities	(308,837)	113,587
	149,294	60,420

10.2 Property, plant and equipment - Distillery Unit

Property, plant and equipment related to Distillery Unit has been presented as held for sale following the approval of the management of the Company and shareholders in Extraordinary General Meeting held on 14 May 2011 regarding the disposal of plant and machinery and related equipment of Distillery Unit of the Company. The Company is in process to take all necessary steps including disposal of remaining stock-in-trade, negotiation and signing of documents, deeds, papers, agreements and all other documents as may be necessary for the completion of the transaction. Fair value of the plant and machinery and related equipment is Rupees 30 million. The management is hopeful of completing the sale transaction during the current financial year.

Non-current assets classified as held for sale

The carrying amounts of non-current assets of the Distillery Unit classified as held for sale are as follows:

	(RUPEES IN THOUSAND)	
	THE COMPANY	
	30 June 2012	30 September 2011
Plant and machinery	590	590
Tools and equipment	4	4
	<u>594</u>	<u>594</u>

	(RUPEES IN THOUSAND)	
	THE COMPANY	
	30 June 2012	30 June 2011

Analysis of the result of discontinued operations

SALES	13,431	7,168
COST OF GOODS SOLD	<u>(17,902)</u>	<u>(7,159)</u>
GROSS LOSS	(4,471)	9
DISTRIBUTION COST	<u>(1,435)</u>	<u>(1,165)</u>
ADMINISTRATIVE EXPENSES	<u>(15)</u>	<u>(75)</u>
	(1,450)	(1,240)
	<u>(5,921)</u>	<u>(1,231)</u>
OTHER OPERATING INCOME	77	-
LOSS BEFORE TAXATION FROM DISCONTINUED OPERATIONS	<u>(5,844)</u>	<u>(1,231)</u>
PROVISION FOR TAXATION	<u>(67)</u>	<u>(72)</u>
LOSS AFTER TAXATION FROM DISCONTINUED OPERATIONS	<u>(5,911)</u>	<u>(1,303)</u>

Analysis of the cash flows of discontinued operation

There was no net cash inflows / outflows related to Distillery Unit during the period.

(RUPEES IN THOUSAND)

	THE COMPANY				CONSOLIDATED			
	NINE MONTHS ENDED		QUARTER ENDED		NINE MONTHS ENDED		QUARTER ENDED	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011	30 June 2012	30 June 2011	30 June 2012	30 June 2011
11. COST OF SALES								
Raw material consumed	1,751,663	2,606,343	589,073	787,203	1,751,663	2,606,343	589,073	787,203
Cost of polyester sold	31,637	-	-	-	31,637	-	-	-
Salaries, wages and other benefits	140,238	132,941	45,905	42,295	140,238	132,941	45,905	42,295
Stores, spare parts and loose tools	71,766	60,862	22,791	20,428	71,766	60,862	22,791	20,428
Fuel and power	277,610	226,702	100,295	70,036	277,610	226,702	100,295	70,036
Other manufacturing overheads	3,262	2,944	982	842	3,262	2,944	982	842
Insurance	2,709	2,642	903	811	2,709	2,642	903	811
Repair and maintenance	3,071	2,112	1,096	134	3,071	2,112	1,096	134
Depreciation	20,307	21,294	7,125	7,136	20,307	21,294	7,125	7,136
	<u>2,302,263</u>	<u>3,055,840</u>	<u>768,170</u>	<u>928,885</u>	<u>2,302,263</u>	<u>3,055,840</u>	<u>768,170</u>	<u>928,885</u>
Work-in-process:								
Opening stock	25,497	17,383	17,224	26,534	25,497	17,383	17,224	26,534
Closing stock	(16,729)	(24,641)	(16,729)	(24,641)	(16,729)	(24,641)	(16,729)	(24,641)
	<u>8,768</u>	<u>(7,258)</u>	<u>495</u>	<u>1,893</u>	<u>8,768</u>	<u>(7,258)</u>	<u>495</u>	<u>1,893</u>
Cost of goods manufactured	<u>2,311,031</u>	<u>3,048,582</u>	<u>768,665</u>	<u>930,778</u>	<u>2,311,031</u>	<u>3,048,582</u>	<u>768,665</u>	<u>930,778</u>
Finished goods:								
Opening stock	101,357	25,536	142,105	36,170	101,357	25,536	142,105	36,170
Closing stock	(149,805)	(176,577)	(149,805)	(176,577)	(149,805)	(176,577)	(149,805)	(176,577)
	<u>(48,448)</u>	<u>(151,041)</u>	<u>(7,700)</u>	<u>(140,407)</u>	<u>(48,448)</u>	<u>(151,041)</u>	<u>(7,700)</u>	<u>(140,407)</u>
Cost of goods purchased for resale	<u>2,262,583</u>	<u>2,897,541</u>	<u>760,965</u>	<u>790,371</u>	<u>2,262,583</u>	<u>2,897,541</u>	<u>760,965</u>	<u>790,371</u>
	<u>578,393</u>	<u>367,174</u>	<u>288,064</u>	<u>312,990</u>	<u>578,393</u>	<u>367,174</u>	<u>288,064</u>	<u>312,990</u>
	<u><u>2,840,976</u></u>	<u><u>3,264,715</u></u>	<u><u>1,049,029</u></u>	<u><u>1,103,361</u></u>	<u><u>2,840,976</u></u>	<u><u>3,264,715</u></u>	<u><u>1,049,029</u></u>	<u><u>1,103,361</u></u>
12. OTHER OPERATING INCOME								
Gain on sale of investments	-	18,171	-	-	-	18,171	-	-
Dividend income	363	4,562	363	467	-	526	-	454
Stores, scrap and mud sales	701	915	186	168	701	915	186	168
	<u>1,064</u>	<u>23,648</u>	<u>549</u>	<u>635</u>	<u>701</u>	<u>19,612</u>	<u>186</u>	<u>622</u>

	(RUPEES IN THOUSAND)			
	THE COMPANY		CONSOLIDATED	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011
13. CASH GENERATED FROM / (UTILIZED IN) OPERATIONS				
Profit before taxation	115,430	98,141	115,480	110,771
Adjustments for non-cash charges and other items:				
Depreciation	22,137	24,085	24,461	27,514
Provision for gratuity	3,531	3,725	3,531	3,725
Gain on disposal of property, plant and equipment	(44,233)	(17,010)	(44,233)	(17,010)
Gain on sale of investments	-	(18,171)	-	(18,171)
Credit balances added back	77	449	77	449
Impairment loss on investments	630	497	4	497
Dividend income	-	-	363	-
Share of loss / (profit) from associates	-	-	(1,868)	(15,157)
Finance cost	53,767	57,804	54,217	57,804
Working capital changes (Note 13.1)	129,924	(27,012)	129,294	(27,829)
	<u>281,263</u>	<u>122,508</u>	<u>281,326</u>	<u>122,593</u>
13.1 Working capital changes				
Decrease / (increase) in current assets				
Stores, spare parts and loose tools	1,329	5,672	1,358	5,717
Stock-in-trade	(29,667)	(138,838)	(29,667)	(138,838)
Trade debts	(8,174)	(52,765)	(8,173)	(52,766)
Loans and advances	(2,080)	65,143	(2,081)	65,143
Short term deposits, prepayments and balances with statutory authorities	5,362	(5,700)	5,362	(5,700)
Other receivables	(5,653)	(1,472)	(5,654)	(1,472)
Increase in current liabilities				
Trade and other payables	168,807	100,948	168,149	100,087
	<u>129,924</u>	<u>(27,012)</u>	<u>129,294</u>	<u>(27,829)</u>

14. SEGMENT INFORMATION - THE COMPANY (UN-AUDITED)

(RUPEES IN THOUSAND)

Distillery*		Spinning		Trading		Elimination of Inter-segment transactions		TOTAL	
Nine Months Ended		Nine Months Ended		Nine Months Ended		Nine Months Ended		Nine Months Ended	
30 June 2012	30 June 2011	30 June 2012	30 June 2011	30 June 2012	30 June 2011	30 June 2012	30 June 2011	30 June 2012	30 June 2011

Continuing operations:

Sales	-	-	2,885,028	3,546,168	1,239,255	-	(1,001,372)	-	3,122,911	3,546,168
Cost of Sales	-	-	(2,692,731)	(3,264,715)	(1,149,617)	-	1,001,372	-	(2,840,976)	(3,264,715)
Gross (loss)/profit	-	-	192,297	281,453	89,638	-	-	-	281,935	281,453
Distribution cost	-	-	(46,369)	(79,422)	(36,685)	-	-	-	(83,054)	(79,422)
Administrative expenses	-	-	(43,625)	(43,019)	(4,255)	-	-	-	(47,880)	(43,019)
Other operating expenses	-	-	(5,385)	(5,569)	-	-	-	-	(5,385)	(5,569)
	-	-	(95,379)	(128,010)	(40,940)	-	-	-	(136,319)	(128,010)
Other operating income	-	-	96,918	153,443	48,698	-	-	-	145,616	153,443
(Loss)/profit from operations	-	-	1,064	23,648	-	-	-	-	1,064	23,648
Finance cost	-	-	(97,982)	(177,091)	(48,698)	-	-	-	(146,680)	(177,091)
	-	-	(49,636)	(47,898)	(2,848)	-	-	-	(52,484)	(47,898)
(Loss) / profit before taxation	-	-	48,346	129,193	45,850	-	-	-	94,196	129,193
Provision for taxation									(28,127)	(35,462)
Profit after taxation from continuing operations									66,069	93,731
Loss after taxation from discontinued operations									20,408	(31,562)
Profit after taxation									86,477	62,169

14.1 Reconciliation of reportable segment assets and liabilities:

	Sugar*		Distillery*		Spinning		Trading		Total	
	Un-audited 30 June 2012	Audited 30 September 2011	Un-audited 30 June 2012	Audited 30 September 2011	Un-audited 30 June 2012	Audited 30 September 2011	Un-audited 30 June 2012	Audited 30 September 2011	Un-audited 30 June 2012	Audited 30 September 2011
Segment assets	<u>2,130,147</u>	<u>2,299,839</u>	<u>648</u>	<u>17,757</u>	<u>1,408,336</u>	<u>1,052,327</u>	<u>106,211</u>	<u>38,151</u>	3,645,342	3,408,074
Non-current assets held for sale									41,067	50,816
Deferred income tax asset									58,635	58,635
Total assets as per balance sheet									<u>3,745,044</u>	<u>3,517,525</u>
Segment liabilities	<u>430,109</u>	<u>332,298</u>	<u>495</u>	<u>673</u>	<u>553,086</u>	<u>557,439</u>	<u>22,810</u>	<u>22,240</u>	1,006,500	912,650
Unallocated liabilities:										
Provision for taxation									77,524	48,570
Total liabilities as per balance sheet									<u>1,084,024</u>	<u>961,220</u>

* The Company has discontinued the operations of Sugar and Distillery Units during the year ended 30 September 2011. Analysis of the results of the discontinued operations has been given in Note 10 to this condensed interim financial information.

15. SEGMENT INFORMATION - CONSOLIDATED (UN-AUDITED)

(RUPEES IN THOUSAND)

	Distillery*		Spinning		Trading		Elimination of Inter-segment transactions		TOTAL	
	Nine Months Ended		Nine Months Ended		Nine Months Ended		Nine Months Ended		Nine Months Ended	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011	30 June 2012	30 June 2011	30 June 2012	30 June 2011	30 June 2012	30 June 2011
Continuing operations										
Sales	-	-	2,885,028	3,546,168	1,239,255	-	(1,001,372)	-	3,122,911	3,546,168
Cost of sales	-	-	(2,692,731)	(3,264,715)	(1,149,617)	-	1,001,372	-	(2,840,976)	(3,264,715)
Gross (loss)/profit	-	-	192,297	281,453	89,638	-	-	-	281,935	281,453
Distribution cost	-	-	(46,369)	(79,422)	(36,685)	-	-	-	(83,054)	(79,422)
Administrative expenses	-	-	(45,256)	(45,546)	(4,255)	-	-	-	(49,511)	(45,546)
Other operating expenses	-	-	(5,385)	(5,569)	-	-	-	-	(5,385)	(5,569)
	-	-	(97,010)	(130,537)	(40,940)	-	-	-	(137,950)	(130,537)
	-	-	95,287	150,916	48,698	-	-	-	143,985	150,916
Other operating income	-	-	701	19,612	-	-	-	-	701	19,612
(Loss) / profit from operations	-	-	95,988	170,528	48,698	-	-	-	144,686	170,528
Finance cost	-	-	(50,086)	(47,898)	(2,848)	-	-	-	(52,934)	(47,898)
(Loss) / profit before taxation and un-allocatable income / expenses	-	-	45,902	122,630	45,850	-	-	-	91,752	122,630
Unallocated income / expenses:										
Share of (loss) / profit from associates									1,868	19,193
Provision for taxation									(28,171)	(35,462)
Profit after taxation from continuing operations									65,449	106,361
Loss after taxation from discontinued operations									21,034	(31,562)
Profit after taxation									<u>86,483</u>	<u>74,799</u>

15.1 Reconciliation of reportable segment assets and liabilities:

	Sugar*		Distillery*		Spinning		Trading		Total	
	Un-audited 30 June 2012	Audited 30 September 2011	Un-audited 30 June 2012	Audited 30 September 2011	Un-audited 30 June 2012	Audited 30 September 2011	Un-audited 30 June 2012	Audited 30 September 2011	Un-audited 30 June 2012	Audited 30 September 2011
Segment assets	<u>2,130,147</u>	<u>2,299,839</u>	<u>648</u>	<u>17,757</u>	<u>1,368,327</u>	<u>1,028,684</u>	<u>106,211</u>	<u>38,151</u>	3,605,333	3,384,431
Investment in equity method associates									180,867	179,361
Non-current assets held for sale									41,067	50,816
Deferred income tax asset									58,635	58,635
Total assets as per balance sheet									<u>3,885,902</u>	<u>3,673,243</u>
Segment liabilities	<u>425,736</u>	<u>328,551</u>	<u>495</u>	<u>673</u>	<u>576,752</u>	<u>580,687</u>	<u>22,810</u>	<u>22,240</u>	1,025,793	932,151
Unallocated liabilities:										
Provision for taxation									82,218	53,220
Total liabilities as per balance sheet									<u>1,108,011</u>	<u>985,371</u>

* The Group has discontinued the operations of Sugar and Distillery Units during the year ended 30 September 2011. Analysis of the results of the discontinued operations has been given in Note 10 to this condensed interim financial information.

16. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, subsidiary company, companies in which directors are interested, staff retirement funds, directors and key management personnel. Detail of transactions with related parties are as under:

DESCRIPTION	(RUPEES IN THOUSAND)							
	THE COMPANY				CONSOLIDATED			
	NINE MONTHS ENDED		QUARTER ENDED		NINE MONTHS ENDED		QUARTER ENDED	
	30 June 2012	30 June 2011	30 June 2012	30 June 2011	30 June 2012	30 June 2011	30 June 2012	30 June 2011
Subsidiary Company								
Rental expense	720	720	240	240	-	-	-	-
Associated Companies								
Sales	-	15,279	-	-	-	15,279	-	-
Insurance charges	4,996	4,979	-	(81)	4,996	4,979	-	(81)
Others								
Employees' Provident Fund Trust	1,140	1,181	382	357	1,140	1,181	382	357
Loans received from directors/sponsors	13,247	13,062	4,523	3,409	13,247	13,062	4,523	3,409
Loans repaid to directors/sponsors	14,978	7,632	3,077	2,176	14,978	7,632	3,077	2,176
Remuneration paid to key management personnel	16,880	18,528	5,627	6,176	16,880	18,528	5,627	6,176

17. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual financial statements of the Company for the year ended 30 September 2011.

18. DATE OF AUTHORIZATION

This condensed interim financial information was approved and authorized for issue on July 30, 2012 by the Board of Directors of the Company.

19. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary for the purpose of comparison. However, no significant rearrangements have been made.

20. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR

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