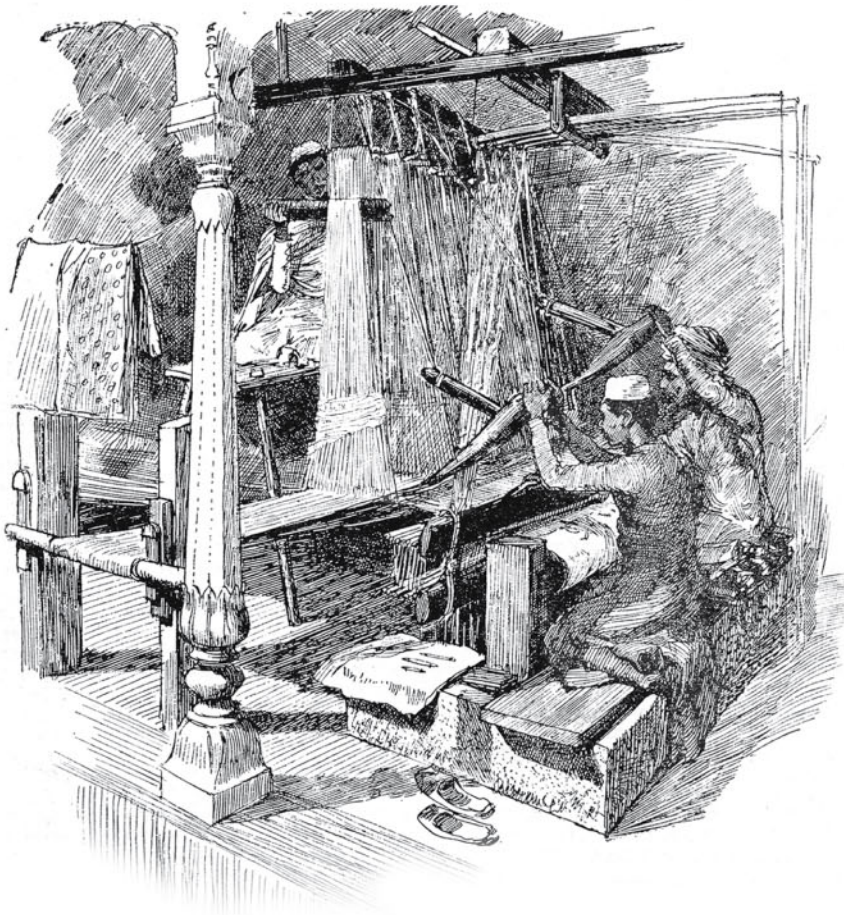


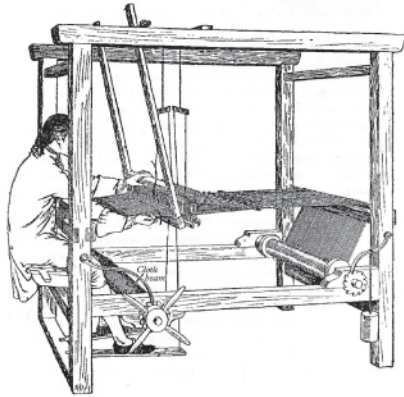
KTM

A CLASSIC VISTA



HALF YEARLY REPORT
DECEMBER 31, 2014

Kohinoor Textile Mills Limited
A Kohinoor Maple Leaf Group Company



A CLASSIC VISTA

Kohinoor Textile Mills Limited represents a revolutionary break with precedent ways of merging classic vista with the height of modern achievements.

For Centuries the role of humanistic skill of the traditional heritage has been regarded as central and irreplaceable; but our century has witnessed that the heritage that has come down to us from ancient high civilization still play its conventional role. Journeys from golden ages to the value of modern achievements have nevertheless alarmed the technical skills to gain the total control in capacity building. Human skills along with the advanced technology have relatively increased the error free and speedy performances hence gained the opportunity for unification and developed the business ethics.

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Company Information

BOARD OF DIRECTORS

MR. TARIQ SAYEED SAIGOL	CHAIRMAN
MR. TAUFIQUE SAYEED SAIGOL	CHIEF EXECUTIVE
MR. SAYEED TARIQ SAIGOL	
MR. WALEED TARIQ SAIGOL	
MR. DANIAL TAUFIQUE SAIGOL	
MR. SHAFIQ AHMED KHAN	
MR. ARIF IJAZ	
SYED MOHSIN RAZA NAQVI	

AUDIT COMMITTEE

MR. SHAFIQ AHMED KHAN	CHAIRMAN
MR. ARIF IJAZ	MEMBER
MR. SAYEED TARIQ SAIGOL	MEMBER
MR. WALEED TARIQ SAIGOL	MEMBER

HUMAN RESOURCE & REMUNERATION COMMITTEE

MR. ARIF IJAZ	CHAIRMAN
MR. SAYEED TARIQ SAIGOL	MEMBER
MR. DANIAL TAUFIQUE SAIGOL	MEMBER
SYED MOHSIN RAZA NAQVI	MEMBER

CHIEF FINANCIAL OFFICER

SYED MOHSIN RAZA NAQVI

COMPANY SECRETARY

MR. MUHAMMAD ASHRAF

CHIEF INTERNAL AUDITOR

MR. BILAL HUSSAIN

AUDITORS

M/S. RIAZ AHMAD & COMPANY
CHARTERED ACCOUNTANTS

LEGAL ADVISER

MR. MUHAMMAD SALMAN MASOOD
ADVOCATE HIGH COURT

REGISTERED OFFICE

42-LAWRENCE ROAD, LAHORE.
TEL: (92-042) 36302261-62
FAX: (92-042) 36368721

SHARE REGISTRAR

VISION CONSULTING LTD
3-C, LDA FLATS, LAWRENCE ROAD, LAHORE.
TEL: (92-042) 36283096-97
FAX: (92-042) 36312550
E-MAIL: shares@vcl.com.pk
WEBSITE: www.vcl.com.pk

BANKERS

AL BARAKA BANK (PAKISTAN) LIMITED
ALLIED BANK LIMITED
ASKARI BANK LIMITED
BANK ALFALAH LIMITED
BANK AL-HABIB LIMITED
FAYSAL BANK LIMITED
MCB BANK LIMITED
MEEZAN BANK LIMITED
NATIONAL BANK OF PAKISTAN
NIB BANK LIMITED
SILK BANK LIMITED
STANDARD CHARTERED BANK (PAKISTAN) LIMITED
THE BANK OF PUNJAB
UNITED BANK LIMITED

GEOGRAPHICAL PRESENCE

MILLS

- PESHAWAR ROAD, RAWALPINDI
TEL: (92-051) 5495328-32 FAX: (92-051) 5471795
- 8TH K.M., MANGA RAIWIND ROAD, DISTRICT KASUR
TEL: (92-042) 35394133-35 FAX: (92-042) 35394132
- GULYANA ROAD, GUJAR KHAN, DISTRICT RAWALPINDI
TEL:(92-0513) 564472-74 FAX:(92-0513) 564337
- WEBSITE: www.kmlg.com

NOTE: KTML's Financial Statements are also available at the above website.

Directors' Review

The Directors present un-audited accounts of the Company for the half year ended December 31, 2014, in compliance with requirements of Section 245 of the Companies Ordinance, 1984.

OPERATING AND FINANCIAL RESULTS

The Company recorded after-tax profit of Rs. 477 million compared to profit after tax of Rs. 423 million during the corresponding period last year, an increase of 12.77%.

Sales turnover for the period amounted to Rs. 7,731 million against Rs. 7,467 million, showing increase of 3.54% over the same period last year. The Company earned gross profit of Rs. 1,249 million (16.15%) relative to gross profit of Rs. 1,138 million (15.24%) during the corresponding period last year. Operating profit for the period before adjustment for financial charges amounted to Rs. 883 million for the period, against Rs.753 million in the previous year.

The quarter under review was marked by a continued decrease in cotton prices, both domestically and internationally, resulting in increased profits of the Company's Spinning divisions compared to the previous quarter. This effect was bolstered by dramatic decreases in the price of oil in the second-half of the quarter, significantly reducing the Company's energy costs. The Company is continuing to explore the use of synthetics, as their prices have decreased in conjunction with oil prices. Despite a shift toward higher HFO usage in the Company's power mix, energy supplies continue to be an issue due to high-levels and frequency of load-shedding of electricity and natural gas. The import of heavily-subsidized Indian yarn continues to drive down local yarn prices, which may reduce profits going forward unless stronger actions including enhanced countervailing duties are imposed by the government of Pakistan. While we believe that cotton prices will cease to decline further, the Company continues to pursue a policy of extreme caution in raw material procurement.

The results of the Weaving division are similar to the previous quarter. The poor energy situation has been alleviated by decreased local yarn prices. The Company has brought online its new shed of 48 looms, which will provide greater revenues going forward as a result of increased capacity. The unavailability or inconsistency of electricity and natural gas continue to negatively impact the results of the Weaving divisions. The management has begun exploring alternative energy sources for the Raiwind facility.

The Company's Home Textiles division continues to perform well, increasing profits over the previous quarter, in large part due to the reduced prices of raw materials. Further, the impact of Pakistan's GSP+ status in helping increase business to Europe should not be understated. Any further depreciation of the Rupee against the US Dollar will have a positive impact on the bottom line. The biggest threat facing the Home Textiles division in the upcoming quarter is the depreciation of the Euro, which may make Pakistan less competitive in the European markets. To combat the effects of a depreciating Euro, the Company is increasing its focus on its less price-sensitive, more quality-oriented consumers in the Institutional business area and on higher-end retail markets. Further, the Company is exploring the manufacture of more specialized and unique products.

The results of the Power division are much the same as those of the previous quarter but these are expected to improve in the coming quarter due to the reduced price of HFO.

DIVIDEND

Keeping in view the profitability, the Board of Directors has announced first interim cash dividend at Re.1/- per share i.e. (10%) for the year ending 30 June 2015.

ACKNOWLEDGEMENTS

As always, the Company remains thankful to all its employees, partners and stakeholders for their efforts and continued support.

For and on behalf of the Board



Taufique Sayeed Saigol
Chief Executive

Lahore
January 28, 2015

Auditors' Report to the Members on Review of Unconsolidated Condensed Interim Financial Information

Introduction

We have reviewed the accompanying unconsolidated condensed interim balance sheet of KOHINOOR TEXTILE MILLS LIMITED as at 31 December 2014 and the related unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim cash flow statement, unconsolidated condensed interim statement of changes in equity and notes to the accounts for the half year then ended (herein after referred to as "unconsolidated condensed interim financial information"). Management is responsible for the preparation and presentation of this unconsolidated condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this unconsolidated condensed interim financial information based on our review. The figures of the unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statement of comprehensive income for the quarters ended 31 December 2014 and 31 December 2013 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 31 December 2014.

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 unconsolidated condensed 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 unconsolidated condensed interim financial information as of and for the half year ended 31 December 2014 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.



RIAZ AHMAD & COMPANY
Chartered Accountants

Name of engagement partner:
Mubashar Mehmood

Date: 28 January 2015

ISLAMABAD

Unconsolidated Condensed Interim Balance Sheet

As at 31 December 2014

	Note	Un-audited 31 December 2014	Audited 30 June 2014
(Rupees in thousand)			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
370,000,000 (30 June 2014: 370,000,000) ordinary shares of Rupees 10 each		3,700,000	3,700,000
30,000,000 (30 June 2014: 30,000,000) preference shares of Rupees 10 each		300,000	300,000
		4,000,000	4,000,000
Issued, subscribed and paid-up share capital			
245,526,216 (30 June 2014: 245,526,216) ordinary shares of Rupees 10 each		2,455,262	2,455,262
Reserves		4,190,214	3,713,659
		6,645,476	6,168,921
Total equity		6,645,476	6,168,921
Surplus on revaluation of land and investment properties		3,673,825	3,673,825
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	5	382,304	86,399
Liabilities against assets subject to finance lease		40,695	8,037
Deferred income tax liability		357,551	315,960
		780,550	410,396
CURRENT LIABILITIES			
Trade and other payables		1,233,313	1,132,586
Accrued mark-up		102,557	93,615
Short term borrowings		4,785,642	4,575,316
Current portion of non-current liabilities		57,226	67,049
		6,178,738	5,868,566
Total liabilities		6,959,288	6,278,962
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES	6	17,278,589	16,121,708

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



CHIEF EXECUTIVE OFFICER

	Note	Un-audited 31 December 2014 (Rupees in thousand)	Audited 30 June 2014
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	6,526,839	5,919,751
Investment properties		1,781,133	1,781,133
Long term investments	8	4,014,669	3,014,669
Long term deposits		55,950	46,637
		12,378,591	10,762,190
CURRENT ASSETS			
Stores, spare parts and loose tools		517,820	424,755
Stock-in-trade	9	2,175,806	1,888,177
Trade debts		1,097,930	903,312
Advances		209,199	158,518
Security deposits and short term prepayments		29,336	17,237
Other receivables		614,700	761,997
Taxation recoverable		119,303	129,346
Short term investments	10	11,647	975,239
Cash and bank balances		124,257	100,937
		4,899,998	5,359,518
TOTAL ASSETS		17,278,589	16,121,708


DIRECTOR

Unconsolidated Condensed Interim Profit and Loss Account (Un-Audited) For the half year ended 31 December 2014

	Half year ended		Quarter ended	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
 (Rupees in thousand)			
SALES	7,731,248	7,467,075	3,826,625	3,848,484
COST OF SALES	(6,482,621)	(6,329,318)	(3,175,430)	(3,276,268)
GROSS PROFIT	1,248,627	1,137,757	651,195	572,216
DISTRIBUTION COST	(281,302)	(261,091)	(147,853)	(135,957)
ADMINISTRATIVE EXPENSES	(176,637)	(150,039)	(93,910)	(85,985)
OTHER EXPENSES	(26,837)	(27,561)	(12,523)	(15,678)
	(484,776)	(438,691)	(254,286)	(237,620)
OTHER INCOME	763,851	699,066	396,909	334,596
	119,207	53,828	75,539	35,619
PROFIT FROM OPERATIONS	883,058	752,894	472,448	370,215
FINANCE COST	(277,294)	(284,775)	(133,893)	(148,501)
PROFIT BEFORE TAXATION	605,764	468,119	338,555	221,714
TAXATION				
- Current	(87,618)	(74,601)	(48,723)	(38,544)
- Deferred	(41,591)	29,033	(19,846)	50,335
	(129,209)	(45,568)	(68,569)	11,791
PROFIT AFTER TAXATION	476,555	422,551	269,986	233,505
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	1.94	1.72	1.10	0.95

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


CHIEF EXECUTIVE OFFICER


DIRECTOR

**Unconsolidated Condensed Interim
Statement of Comprehensive Income (Un-Audited)**
For the half year ended 31 December 2014

	Half year ended		Quarter ended	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
 (Rupees in thousand)			
PROFIT AFTER TAXATION	476,555	422,551	269,986	233,505
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive income for the period - net of tax	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>476,555</u>	<u>422,551</u>	<u>269,986</u>	<u>233,505</u>

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


CHIEF EXECUTIVE OFFICER


DIRECTOR

Unconsolidated Condensed Interim Cash Flow Statement (Un-Audited)

For the half year ended 31 December 2014

	Note	31 December 2014	31 December 2013
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	11	553,489	783,347
Finance cost paid		(268,352)	(290,716)
Income tax paid		(77,575)	(57,066)
Net (increase) / decrease in long term deposits		(9,313)	400
Net cash generated from operating activities		198,249	435,965
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(717,885)	(175,454)
Interest received		858	11,372
Long term investment made		(1,000,000)	-
Short term investments made		(508,273)	(96,107)
Proceeds from sale of property, plant and equipment		8,547	16,672
Proceeds from disposal of investments		1,554,865	-
Dividend received		4,458	-
Net cash used in investing activities		(657,430)	(243,517)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		317,680	57,748
Short term borrowings - net		210,326	46,307
Repayment of long term financing		(42,707)	(293,955)
Repayment of liabilities against assets subject to finance lease		(2,797)	(16,088)
Dividend paid		(1)	-
Net cash from / (used in) financing activities		482,501	(205,988)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		23,320	(13,540)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		100,937	320,852
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		124,257	307,312

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



CHIEF EXECUTIVE OFFICER



DIRECTOR

Unconsolidated Condensed Interim Statement of Changes in Equity (Un-Audited)

For the half year ended 31 December 2014

	Reserves						Total Equity
	Capital Reserve		Revenue Reserves		Total Reserves		
	Share Premium	General Reserve	Unappropriated Profit	Sub Total			
Balance as at 30 June 2013	144,919	1,450,491	948,597	2,399,088	2,544,007	4,999,269	
Profit for the half year ended 31 December 2013	-	-	422,551	422,551	422,551	422,551	
Other comprehensive income for the half year ended 31 December 2013	-	-	-	-	-	-	
Total comprehensive income for the half year ended 31 December 2013	-	-	422,551	422,551	422,551	422,551	
Balance as at 31 December 2013	144,919	1,450,491	1,371,148	2,821,639	2,966,558	5,421,820	
Profit for the half year ended 30 June 2014	-	-	747,101	747,101	747,101	747,101	
Other comprehensive income for the half year ended 30 June 2014	-	-	-	-	-	-	
Total comprehensive income for the half year ended 30 June 2014	-	-	747,101	747,101	747,101	747,101	
Balance as at 30 June 2014	144,919	1,450,491	2,118,249	3,568,740	3,713,659	6,168,921	
Profit for the half year ended 31 December 2014	-	-	476,555	476,555	476,555	476,555	
Other comprehensive income for the half year ended 31 December 2014	-	-	-	-	-	-	
Total comprehensive income for the half year ended 31 December 2014	-	-	476,555	476,555	476,555	476,555	
Balance as at 31 December 2014	144,919	1,450,491	2,594,804	4,045,295	4,190,214	6,645,476	

(Rupees in thousand)

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



CHIEF EXECUTIVE OFFICER



DIRECTOR

Selected Notes to the Unconsolidated Condensed Interim Financial Information (Un-Audited) For the half year ended 31 December 2014

1. THE COMPANY AND ITS OPERATIONS

Kohinoor Textile Mills Limited is a public limited company incorporated in Pakistan under the Companies Act, 1913 (Now the Companies Ordinance, 1984) and listed on all Stock Exchanges in Pakistan. The registered office of the Company is situated at 42 Lawrence Road, Lahore. The principal activity of the Company is manufacturing of yarn and cloth, processing and stitching the cloth and trade of textile products.

2. BASIS OF PREPARATION

This unconsolidated condensed interim financial information is un-audited but subject to limited scope review by the statutory auditors and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984. This unconsolidated condensed interim financial information of the Company for the half year ended 31 December 2014 has been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This unconsolidated condensed interim financial information should be read in conjunction with the audited annual published financial statements of the Company for the year ended 30 June 2014.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of this unconsolidated condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2014.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this unconsolidated 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 unconsolidated 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 applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2014.

	Un-audited 31 December 2014 (Rupees in thousand)	Audited 30 June 2014
5. LONG TERM FINANCING		
Secured		
Opening balance	150,707	594,723
Add: Obtained during the period / year	317,680	97,129
	468,387	691,852
Less: Repaid during the period / year	42,707	541,145
	425,680	150,707
Less: Current portion shown under current liabilities	43,376	64,308
Closing balance	382,304	86,399

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no significant change in the status of contingencies, as disclosed in preceding audited annual published financial statements of the Company for the year ended 30 June 2014.

6.2 Commitments in respect of letters of credit

- a) Letters of credit for capital expenditure amount to Rupees 30.862 million (30 June 2014: Rupees 401.752 million).
- b) Letters of credit other than for capital expenditure amount to Rupees 134.018 million (30 June 2014: Rupees 432.370 million).

	Un-audited 31 December 2014 (Rupees in thousand)	Audited 30 June 2014
7. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets :		
Owned (Note 7.1)	5,936,225	5,896,546
Leased (Note 7.2)	32,640	11,836
Capital work-in-progress (Note 7.3)	557,974	11,369
	6,526,839	5,919,751
7.1 Operating fixed assets - Owned		
Opening book value	5,896,546	5,851,284
Add: Cost of additions during the period / year (Note 7.1.1)	195,713	300,587
Add: Transferred from leased assets (Note 7.2)	-	66,519
	6,092,259	6,218,390
Less: Book value of deletions during the period / year (Note 7.1.2)	2,820	4,730
	6,089,439	6,213,660
Less: Depreciation charged during the period / year	153,214	317,114
Closing book value	5,936,225	5,896,546

	Un-audited 31 December 2014	Audited 30 June 2014
	(Rupees in thousand)	
7.1.1 Cost of additions		
Land	139,100	-
Buildings	1,610	9,593
Plant and machinery	36,037	240,512
Service and other equipment	563	293
Computer and IT installations	1,537	2,118
Furniture and equipment	2,630	790
Office equipment	2,283	2,957
Vehicles	11,953	44,324
	195,713	300,587
7.1.2 Book value of deletions		
Plant and machinery	1,508	3,944
Furniture and equipment	-	5
Office equipment	142	21
Vehicles	1,170	760
	2,820	4,730
7.2 Operating fixed assets - Leased		
Opening book value	11,836	68,477
Add: Cost of additions during the period / year	22,131	12,060
Less: Transferred to owned assets (Note 7.1)	-	66,519
	33,967	14,018
Less: Depreciation charged during the period / year	1,327	2,182
Closing book value	32,640	11,836
7.3 Capital work-in-progress		
Civil works and buildings	106,958	5,154
Plant and machinery	451,016	6,215
	557,974	11,369

	Un-audited 31 December 2014 (Rupees in thousand)	Audited 30 June 2014
8. LONG TERM INVESTMENTS		
Investment in subsidiary companies		
Maple Leaf Cement Factory Limited - Quoted 306,410,425 (30 June 2014: 306,410,425) Ordinary shares of Rupees 10 each fully paid Equity held 58.06% (30 June 2014: 58.06%)	3,014,669	3,014,669
Maple Leaf Capital Limited - Unquoted 100,000,000 (30 June 2014: Nil) Ordinary shares of Rupees 10 each fully paid Equity held 99.50% (30 June 2014: Nil)	1,000,000	-
	4,014,669	3,014,669
	4,014,669	3,014,669

9. STOCK-IN-TRADE

- 9.1** Stock in trade of Rupees 426.484 million (30 June 2014: Rupees 30.737 million) is being carried at net realizable value.
- 9.2** The aggregate amount of write-down of inventories to net realizable value recognized during the year was Rupees 34.831 million (30 June 2014: Rupees 1.838 million).

	Un-audited 31 December 2014 (Rupees in thousand)	Audited 30 June 2014
10. SHORT TERM INVESTMENTS		
Investments at fair value through profit or loss		
Mutual fund ABL Government Securities Fund Nil (30 June 2014: 97,000,487) units	-	970,000
Shares in other listed companies	8,473	1,040
	8,473	971,040
Add: Fair value adjustment	3,174	4,199
	11,647	975,239
	11,647	975,239

	Un-audited	
	Half year ended	
	31 December 2014	30 December 2013
	(Rupees in thousand)	
11. CASH GENERATED FROM OPERATIONS		
Profit before taxation	605,764	468,119
Adjustments for non-cash charges and other items:		
Depreciation	154,541	158,592
Amortization	-	1,639
Finance cost	277,294	284,775
Gain on sale of property, plant and equipment	(5,727)	(12,275)
Gain on sale of investments	(79,826)	-
(Gain) / loss on remeasurement of investments at fair value through profit or loss	(3,174)	1,958
Dividend received	(4,458)	-
Return on bank deposits	(858)	(8,937)
Working capital changes (Note 11.1)	(390,067)	(110,524)
	553,489	783,347
11.1 Working capital changes		
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	(93,065)	(70,543)
Stock-in-trade	(287,629)	52,324
Trade debts	(194,618)	(62,905)
Advances	(50,681)	6,654
Security deposits and short term prepayments	(12,099)	1,712
Other receivables	147,297	(163,333)
	(490,795)	(236,091)
Increase in current liabilities		
Trade and other payables	100,728	125,567
	(390,067)	(110,524)

13. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiary companies, associated undertakings, key management personnel and provident fund trust. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in this unconsolidated condensed interim financial information are as follows:

Un-audited Half year ended		Un-audited Quarter ended	
31 December 2014	31 December 2013	31 December 2014	31 December 2013

(..... Rupees in thousand)

Maple Leaf Cement Factory Limited - Subsidiary company

Purchase of goods and services	16,791	447	10,387	292
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Other related parties

Company's contribution to provident fund trust	16,138	13,900	9,020	7,753
Remuneration of Chief Executive Officer, Directors and Executives	84,958	67,090	47,738	35,891

Period end balances

Half year ended 31 December 2014 (Un-audited)		
Maple Leaf Cement Factory Limited - Subsidiary company	Post employment benefit plan	Total

----- (Rupees in thousand) -----

Trade and other payable	97,119	3,372	100,491
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Year ended 30 June 2014 (Audited)		
Maple Leaf Cement Factory Limited - Subsidiary company	Post employment benefit plan	Total

----- (Rupees in thousand) -----

Trade and other payable	-	6,210	6,210
Other receivables	251,570	-	251,570

14. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with that disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2014.

15. GENERAL

15.1 The Board of Directors in its meeting held on 28 January 2015 proposed interim dividend of Rupee 1.00 per share.

15.2 This unconsolidated condensed interim financial information was approved by the Board of Directors and authorised for issue on 28 January 2015.

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

15.4 No significant reclassification / rearrangement of corresponding figures has been made.



CHIEF EXECUTIVE OFFICER



DIRECTOR



KOHINOOR TEXTILE MILLS LIMITED

**CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION**

**FOR THE PERIOD ENDED
31 DECEMBER 2014**

Directors' Review

The Directors are pleased to present their report together with un-audited condensed consolidated interim financial information of Kohinoor Textile Mills Limited and its subsidiaries, Maple Leaf Cement Factory Limited and Maple Leaf Capital Limited for the half year ended 31st December, 2014.

The Group has earned gross profit of Rupees 4,977 million during period under review as compared to Rupees 4,309 million during the corresponding period. The group made pre-tax profit of Rupees 2,764 million during this period as compared to Rupees 2,124 million during the corresponding period last year.

The Board of Directors of Kohinoor Textile Mills Limited and its subsidiary Maple Leaf Cement Factory Limited has proposed first interim dividend of Rupee 1.00 per share (10%) for the year ending 30 June, 2015.

For and on behalf of the Board



Taufique Sayeed Saigol
Chief Executive

Lahore
January 28, 2015

Consolidated Condensed Interim Balance Sheet

As at 31 December 2014

	Note	Un-audited 31 December 2014	Audited 30 June 2014
(Rupees in thousand)			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
370,000,000 (30 June 2014: 370,000,000) ordinary shares of Rupees 10 each		3,700,000	3,700,000
30,000,000 (30 June 2014: 30,000,000) preference shares of Rupees 10 each		300,000	300,000
		4,000,000	4,000,000
Issued, subscribed and paid up share capital			
245,526,216 (30 June 2014: 245,526,216) ordinary shares of Rupees 10 each		2,455,262	2,455,262
Reserves		7,812,068	6,360,441
Equity attributable to equity holders of the Holding Company		10,267,330	8,815,703
Non-controlling interest		4,763,032	4,088,973
Total equity		15,030,362	12,904,676
Surplus on revaluation of land and investment properties		4,044,540	4,044,540
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	5	1,230,016	1,611,014
Redeemable capital		3,058,000	5,583,000
Liabilities against assets subject to finance lease		725,843	743,127
Long term deposits		6,619	6,879
Retirement benefits		78,300	79,654
Deferred income tax liability		1,088,781	807,732
		6,187,559	8,831,406
CURRENT LIABILITIES			
Trade and other payables		4,279,716	4,185,715
Accrued mark-up		271,508	268,240
Short term borrowings		7,898,567	7,193,844
Current portion of non-current liabilities		1,895,864	1,100,770
		14,345,655	12,748,569
Total liabilities		20,533,214	21,579,975
CONTINGENCIES AND COMMITMENTS	6	-	-
TOTAL EQUITY AND LIABILITIES		39,608,116	38,529,191

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



	Note	Un-audited 31 December 2014	Audited 30 June 2014
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	24,571,263	24,387,949
Intangible assets		-	-
Investment properties		1,781,133	1,781,133
Long term Investments		1,625	1,625
Long term loans to employees		7,395	4,440
Long term deposits		110,966	100,650
		26,472,382	26,275,797
CURRENT ASSETS			
Stores, spare parts and loose tools		4,276,477	4,197,558
Stock -in- trade		3,561,872	3,039,637
Trade debts		1,762,409	1,742,349
Loans and advances		1,145,363	1,066,027
Security deposits and short term prepayments		133,047	90,917
Accrued interest		959	2,352
Other receivables		723,777	625,193
Taxation recoverable		5,840	199,561
Short term investments		1,083,663	982,019
Cash and bank balances		442,327	307,781
		13,135,734	12,253,394
TOTAL ASSETS		39,608,116	38,529,191



DIRECTOR

Consolidated Condensed Interim Profit and Loss Account (Un-Audited) For the half year ended 31 December 2014

	Half year ended		Quarter ended	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
 (Rupees in thousand)			
REVENUE	17,455,594	16,310,570	9,104,069	8,500,186
COST OF SALES	(12,478,786)	(12,001,318)	(6,390,550)	(6,198,802)
GROSS PROFIT	4,976,808	4,309,252	2,713,519	2,301,384
DISTRIBUTION COST	(920,114)	(738,256)	(486,557)	(381,385)
ADMINISTRATIVE EXPENSES	(371,507)	(289,574)	(198,578)	(158,757)
OTHER EXPENSES	(147,577)	(119,648)	(88,372)	(83,595)
	(1,439,198)	(1,147,478)	(773,507)	(623,737)
OTHER INCOME	3,537,610	3,161,774	1,940,012	1,677,647
	141,588	98,325	85,667	65,889
PROFIT FROM OPERATIONS	3,679,198	3,260,099	2,025,679	1,743,536
FINANCE COST	(914,699)	(1,136,230)	(404,812)	(527,707)
PROFIT BEFORE TAXATION	2,764,499	2,123,869	1,620,867	1,215,829
PROVISION FOR TAXATION	(643,667)	(94,276)	(307,709)	5,234
PROFIT AFTER TAXATION	2,120,832	2,029,593	1,313,158	1,221,063
SHARE OF PROFIT ATTRIBUTABLE TO :				
EQUITY HOLDERS OF HOLDING COMPANY	1,451,627	1,459,093	896,056	870,480
NON CONTROLLING INTEREST	669,205	570,500	417,102	350,583
	2,120,832	2,029,593	1,313,158	1,221,063
EARNING PER SHARE - BASIC AND DILUTED (RUPEES)	5.91	5.94	3.65	3.55

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


CHIEF EXECUTIVE OFFICER


DIRECTOR

**Consolidated Condensed Interim
Statement of Comprehensive Income (Un-Audited)
For the half year ended 31 December 2014**

	Half year ended		Quarter ended	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
..... (Rupees in thousand)				
PROFIT AFTER TAXATION	2,120,832	2,029,593	1,313,158	1,221,063
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss				
Items that may be reclassified subsequently to profit or loss	-	12,647	-	12,647
Other comprehensive income for the period - net of tax	-	12,647	-	12,647
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,120,832	2,042,240	1,313,158	1,233,710
Share of total comprehensive income attributable to :				
Equity holders of Holding Company	1,451,627	1,467,250	896,056	878,637
Non-controlling interest	669,205	574,990	417,102	355,073
	2,120,832	2,042,240	1,313,158	1,233,710

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


CHIEF EXECUTIVE OFFICER


DIRECTOR

Consolidated Condensed Interim Cash Flow Statement (Un-Audited)

For the half year ended 31 December 2014

	Note	31 December 2014	31 December 2013
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	8	3,648,100	3,465,870
Finance cost paid		(897,832)	(1,183,814)
Compensated absences paid		(7,593)	(9,253)
Income tax paid		(169,046)	(155,264)
Net (increase) / decrease in long term deposits		(13,531)	2,988
Net cash generated from operating activities		2,560,098	2,120,527
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(995,150)	(535,735)
Short term investments made		(1,522,716)	-
Long term loans to employees		-	(1,477)
Interest received		9,824	17,777
Proceeds from sale of property, plant and equipment		10,074	23,044
Proceeds from disposal of investments		1,554,865	(96,107)
Dividend received		4,458	-
Net cash used in investing activities		(938,645)	(592,498)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceed from long term financing		317,680	57,748
Short term borrowings - net		704,723	234,485
Repayment of long term financing		(602,217)	(1,107,838)
Repayment of redeemable capital		(1,850,000)	(403,462)
Repayment of liabilities against assets subject to finance lease		(57,091)	(86,667)
Redemption of preference shares		-	(163,721)
Dividend paid		(2)	(5)
Net cash used in financing activities		(1,486,907)	(1,469,460)
NET INCREASE IN CASH AND CASH EQUIVALENTS		134,546	58,569
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		307,781	844,392
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		442,327	902,961

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



CHIEF EXECUTIVE OFFICER



DIRECTOR

Consolidated Condensed Interim Statement of Changes in Equity (Un-Audited)
For the half year ended 31 December 2014

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE HOLDING COMPANY								NON CONTROLLING INTEREST	TOTAL EQUITY
	SHARE CAPITAL				RESERVES					
	CAPITAL RESERVE	REVENUE RESERVES			Total Reserves	NON CONTROLLING INTEREST	TOTAL EQUITY			
		Share Premium	General Reserve	Accumulated Profit				Sub Total		
Balance as at 30 June 2013	144,919	1,450,491	2,068,022	3,518,513	3,563,432	6,118,694	2,403,674	8,522,368		
Profit for the half year ended 31 December 2013	-	-	1,459,093	1,459,093	1,459,093	1,459,093	570,500	2,029,593		
Other comprehensive income for the half year ended 31 December 2013	-	-	8,157	8,157	8,157	8,157	4,490	12,647		
Total comprehensive income for the half year ended 31 December 2013	-	-	1,467,250	1,467,250	1,467,250	1,467,250	574,990	2,042,240		
Balance as at 31 December 2013	144,919	1,450,491	3,535,272	4,985,763	5,130,682	7,585,944	2,978,664	10,564,608		
Increase in interest of equity holders of the Holding Company	-	-	374,313	374,313	374,313	374,313	596,558	970,871		
Dividend paid to non controlling interest holders	-	-	-	-	-	-	(20)	(20)		
Profit for the half year ended 30 June 2014	-	-	870,472	870,472	870,472	870,472	523,223	1,393,695		
Other comprehensive income for the half year ended 30 June 2014	-	-	(15,026)	(15,026)	(15,026)	(15,026)	(9,452)	(24,478)		
Total comprehensive income for the half year ended 30 June 2014	-	-	855,446	855,446	855,446	855,446	513,771	1,369,217		
Balance as at 30 June 2014	144,919	1,450,491	4,765,031	6,215,522	6,360,441	8,815,703	4,088,973	12,904,676		
Minority interest arising on investment in Subsidiary Company - Maple Leaf Capital Limited	-	-	-	-	-	-	4,855	4,855		
Dividend paid to non controlling interest holders	-	-	-	-	-	-	(1)	(1)		
Profit for the half year ended 31 December 2014	-	-	1,451,627	1,451,627	1,451,627	1,451,627	669,205	2,120,832		
Other comprehensive income for the half year ended 31 December 2014	-	-	-	-	-	-	-	-		
Total comprehensive income for the half year ended 31 December 2014	-	-	1,451,627	1,451,627	1,451,627	1,451,627	669,205	2,120,832		
Balance as at 31 December 2014	144,919	1,450,491	6,216,658	7,667,149	7,812,068	10,267,330	4,763,032	15,030,362		

(Rupees in thousand)

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



CHIEF EXECUTIVE OFFICER



DIRECTOR

Selected Notes to the Consolidated Condensed Interim Financial Information (Un-Audited) For the half year ended 31 December 2014

1. THE GROUP AND ITS OPERATIONS

1.1 Holding Company

Kohinoor Textile Mills Limited (“the Holding Company”) is a public limited company incorporated in Pakistan under the Companies Act, 1913 (now Companies Ordinance, 1984) and listed on all Stock Exchanges of Pakistan. The registered office of the Company is situated at 42-Lawrence Road, Lahore. The principal activity of the Holding Company is manufacturing of yarn and cloth, processing and stitching the cloth and trade of textile products.

The Holding Company holds 58.06% (2014: 58.06%) shares of Maple Leaf Cement Factory Limited and 99.50% (2014: Nil) shares of Maple Leaf Capital Limited .

1.2 Subsidiary Companies

1.2.1 Maple Leaf Cement factory Limited

Maple Leaf Cement Factory Limited (“the Subsidiary”) was incorporated in Pakistan on 13 April, 1960 under the Companies Act, 1913 (now the Companies Ordinance, 1984) as a public company limited by shares and was listed on stock exchanges in Pakistan on 17 August, 1994. The registered office of the Subsidiary is situated at 42-Lawrence Road, Lahore. The Subsidiary is engaged in production and sale of cement.

1.2.2 Maple Leaf Capital Limited

Maple Leaf Capital Limited (“the Subsidiary”) was incorporated in Pakistan on 25 April, 2014 under the Companies Ordinance, 1984 as a public company. The registered office of the Subsidiary is situated at 42-Lawrence Road, Lahore. The principal objects of the Subsidiary are to buy, sell, hold, or otherwise acquire or invest the capital in any sort of financial instruments.

2. BASIS OF PREPARATION

This condensed interim consolidated financial information is unaudited and is being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984. This condensed interim consolidated financial information has been prepared in accordance with the International Accounting Standard (IAS) 34 “Interim Financial Reporting” as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP). This consolidated interim financial information should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 30 June 2014.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of this condensed interim consolidated financial information are the same as those applied in the preparation of the financial statements for the preceding annual published financial statements of the Group for the year ended 30 June 2014.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this consolidated 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.

	Un-audited 31 December 2014 (Rupees in thousand)	Audited 30 June 2014
5. LONG TERM FINANCING		
Secured		
Opening balance	2,003,710	4,304,710
Add : Addition during the period / year	317,680	97,129
Less: HSBC loan converted to Redeemable capital - Sukuk	104,725	-
Less: Repayments during the period/ year	602,217	2,398,129
	1,614,448	2,003,710
Less: Current portion shown under current liabilities	384,432	392,696
	1,230,016	1,611,014

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no significant change in the status of contingencies, as disclosed in preceding audited annual published financial statements of the Group for the year ended 30 June 2014 except for guarantees issued by banks in respect of financial and operational obligations of the Group amounting to Rupees 655.888 million (30 June 2014: Rupees 641.531 million).

6.2 Commitments in respect of letters of credit

- a) Contracts for capital expenditure are Rupees 47.219 million (30 June 2014 : Rupees 404.311 million).
- b) Letters of credit other than for capital expenditure amount to Rupees 582.416 million (30 June 2014: Rupees 641.131 million).

	Un-audited 31 December 2014 (Rupees in thousand)	Audited 30 June 2014
7. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets :		
Owned (Note 7.1)	23,420,530	23,611,710
Leased (Note 7.2)	523,770	720,424
Capital work-in-progress (Note 7.3)	626,963	55,815
	24,571,263	24,387,949
7.1 Operating fixed assets - Owned		
Opening book value	23,611,710	24,063,230
Add: Cost of additions during the period / year (Note 7.1.1)	448,434	1,112,374
Add : Transferred from leased assets (Note 7.2)	198,935	66,519
	24,259,079	25,242,123
Less: Book value of deletions during the period / year (7.1.2)	4,198	7,261
	24,254,881	25,234,862
Less : Depreciation charged during the period / year	834,351	1,623,152
Closing book value	23,420,530	23,611,710

	Un-audited 31 December 2014	Audited 30 June 2014
	(Rupees in thousand)	
7.1.1 Cost of additions		
Land	139,100	3,100
Buildings	52,420	80,432
Plant and machinery	185,399	903,851
Service and other equipment	17,881	293
Computer and IT installations	1,537	2,118
Furniture and fixture	2,630	60,402
Office equipment	2,331	2,957
Vehicles	47,136	57,342
Quarry equipment	-	1,879
	448,434	1,112,374
7.1.2 Book value of deletions		
Buildings	-	241
Plant and machinery	2,886	3,944
Furniture and fixture	-	5
Office equipment	142	21
Vehicles	1,170	2,581
Quarry equipment	-	469
	4,198	7,261
7.2 Operating fixed assets - Leased		
Opening book value	720,424	812,950
Add: Cost of additions during the period / year (Note: 7.2.1)	22,131	12,060
Less : Transferred to owned assets (Note 7.1)	198,935	66,519
	543,620	758,491
Less : Depreciation charged during the period / year	19,850	38,067
Closing book value	523,770	720,424
7.2.1 Cost of additions		
Plant and machinery	22,131	9,471
Vehicles	-	2,589
	22,131	12,060

	Un-audited 31 December 2014 (Rupees in thousand)	Audited 30 June 2014
7.3 Capital work-in-progress		
Civil works and buildings	106,958	5,154
Plant and machinery	513,647	40,071
Un-allocated capital expenditure	1,001	1,001
Advances to suppliers against:		
- purchase of land	2,000	2,000
- plant and machinery	3,357	2,310
- vehicles	-	5,279
	626,963	55,815
	Un-audited	
	31 December 2014	30 December 2013
	(Rupees in thousand)	
8. CASH GENERATED FROM OPERATIONS		
Profit before taxation	2,764,499	2,123,869
Adjustment for non-cash charges and other items		
Depreciation	854,201	825,394
Amortization	-	1,639
Finance cost	917,976	1,136,230
Provision for doubtful debts	1,420	1,016
Employees' compensated absences	6,236	5,990
Gain on sale of property, plant and equipment	(5,725)	(16,771)
(Gain) / loss on remeasurement of investment at fair value through profit or loss	(53,967)	1,808
Dividend income	(4,458)	-
Gain on sale of investments	(79,826)	-
Return on bank deposits	(8,431)	(15,481)
Working capital changes (Note 8.1)	(743,825)	(597,824)
	3,648,100	3,465,870
8.1 Working capital changes		
(Increase)/ decrease in current assets		
Stores, spare parts and loose tools	(78,919)	(267,465)
Stock-in-trade	(522,235)	98,785
Trade debts	(21,480)	(94,268)
Loans and advances	(79,336)	(56,140)
Security deposits and short term prepayments	(42,130)	(48,430)
Other receivables	(41,252)	(127,526)
	(785,352)	(495,044)
Increase / (decrease) in current liabilities		
Trade and other payables	41,527	(102,780)
	(743,825)	(597,824)

10. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiaries, associated undertakings, directors of the Group and their close relatives, key management personnel and staff retirement fund. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these consolidated financial statements are as follows:

	Un-audited		Un-audited	
	Half year ended		Quarter ended	
	31 December 2014	31 December 2013	31 December 2014	31 December 2013
	(..... Rupees in thousand)			
Other related parties				
Group's contribution to employee's benefits	46,389	37,429	24,146	19,518
Remuneration paid to Chief Executive Officers, Directors and Executives	177,124	123,466	91,351	63,195

11. FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with that disclosed in the preceding audited annual published financial statements of the Group for the year ended 30 June 2014.

12. GENERAL

- 12.1** The Board of Directors of Kohinoor Textile Mills Limited in its meeting held on 28 January 2015 proposed interim dividend of Rupee 1.00 per share i.e 10%, while Board of Directors of Maple Leaf Cement Factory Limited in their meeting held on 27 January 2015 proposed interim dividend of Rupee 1.00 per share i.e 10%.
- 12.2** This unconsolidated condensed interim financial information was approved by the Board of Directors and authorised for issue on 28 January 2015.
- 12.3** Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.
- 12.4** No significant reclassification / rearrangement of corresponding figures has been made.


CHIEF EXECUTIVE OFFICER


DIRECTOR



Kohinoor Textile Mills Limited

42 Lawrence Road, Lahore, Pakistan