
DIN TEXTILE MILLS LIMITED

COMPANY PROFILE**Board of Directors**

Shaikh Mohammad Muneer	Chairman / Chief Executive
Shaikh Mohammad Naseer	Director
Shaikh Mohammad Jawed	Director
Shaikh Mohammad Pervez	Director
Shaikh Mohammad Tariq	Director
Shaikh Mohammad Tanveer	Director
Mr. Shahzad Naseer	Director
Mr. S. M. Naveed	Director
Mr. Irfan Muneer	Director
Mr. Fawad Jawed	Director

Secretary

Mr. Islam Ahmed

Auditors

Mushtaq & Co.
Chartered Accountants

Bankers

Faysal Bank Ltd.
Citibank N.A.
ABN Amro Bank N.V
Union Bank Ltd.
Standard Chartered Bank Ltd.
Habib Bank AG Zurich
Habib Bank Ltd.
United Bank Ltd.
The Hong Kong and Shanghai Banking Corporation Ltd.

Registered Office

Din House, 35-A/1, Lalazar Area,
Opp. Beach Luxury Hotel, Karachi.

Audit Committee

Shaikh Mohammad Jawed	Chairman
Shaikh Mohammad Pervez	Member
Mr. Shahzad Naseer	Member

Chief Financial Officer

Mr. Noman Ahmed

Mills

Unit-I & II Kot Akbar Khan, 70km Multan Road, Tehsil Pattoki,
District Kasur, Punjab.
Unit-III Revenue State, Bhai Kot, Tablighi Chowk, Raiwind Road, Tehsil & Distt. Lahore.

DIN TEXTILE MILLS LIMITED

DIRECTORS' REPORT

Dear shareholders

We are pleased to present the un-audited financial statements of the Company for the half year ended 31st December, 2006 reviewed by the auditors.

During the half year under review the profitability of textile sector remained depressed due to increase in competition from China, India and Bangladesh. Further due to increase in domestic cotton prices, high cost of fuel and power and increase in mark-up rates on financial borrowings.

Despite the above difficult situation, your company's net profit before tax increased to Rs.51.961 million which is more than double as compared to Rs. 19.5 million for the corresponding period of last year. The sales have increased by 11.1% due to best efforts made by the management and all sales executives of your Company. Administrative cost decreased to Rs.14.612 million from Rs. 20.235 million, the corresponding figure last year due to better planning in the administration.

During the half year under review, the operating results of your company were as follows.

PARTICULARS	Half yearly ended December, 31,		Inc. /(Dec.) % ages
	2006	2005	
Net Sales ('000' Rs)	1,318,809	1,187,065	11.10
Gross Profit ('000' Rs)	145,770	118,143	23.38
Pre-tax Profit ('000' Rs)	51,961	19,476	166.79
After Tax Profit ('000' Rs)	59,078	21,602	173.35
Gross Profit (%)	11.05	9.95	
After Tax Profit (%)	4.48	1.82	
Earning Per Share (Rs)	3.19	1.17	

In the remaining period of the year, the GP rate is expected to improve due to better margin on our special products, reduced depreciation charges and savings in fuel and power cost. Based on the expected improvement in GP rate and further control over financial charges, the management of your Company expects that they will achieve better results in the remaining period of the financial year.

In the end, the directors wish to appreciate support extended by all the bankers, advisors, technical staff and hard work of employees of the Company in the growth of the Company's business

On behalf of the Board of Directors

(SHAIKH MOHAMMAD PERVEZ)
DIRECTOR

Karachi:
Dated: February 13, 2007

MUSHTAQ & CO.
CHARTERED ACCOUNTANTS

407-Commerce Centre,
Hasrat Mohani Road,
Karachi-74200,
Pakistan

Branch Office:
19-B, Block-G,
Gulberg-III,
Lahore.

Tel: 2638521-4 Fax:2639843 Tel:5884926, 5865618
E.mail: hmi@cyber.net.pk

REVIEW REPORT TO THE MEMBERS

We have reviewed the annexed balance sheet of **Din Textile Mills Limited** as at December 31, 2006 and the related profit and loss account, cash flow statement and statement of changes in equity together with the notes forming part thereof, (here-in-after referred to as the “financial statements”) for the six months period then ended. These financial statements are the responsibility of the Company’s management. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the International Standard on Review Engagements 2400. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the annexed financial statements are not presented fairly, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.

MUSHTAQ & COMPANY
CHARTERED ACCOUNTANTS

KARACHI:

DATE : February 13, 2007

DIN TEXTILE MILLS LIMITED

**BALANCE SHEET (UN-AUDITED)
AS AT DECEMBER 31, 2006**

	Note	UN-AUDITED DEC 31 2006	AUDITED JUNE 30 2006
(Rupees in '000')			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized 50,000,000 ordinary shares of Rs. 10/= each		500,000	500,000
Issued, Subscribed & Paid up 18,530,321 ordinary shares of Rs. 10/= each		185,303	185,303
Reserves		598,661	539,582
		783,964	724,885
LONG TERM LOANS			
From banks - secured		604,900	662,500
From directors - un secured		500,000	500,000
LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE			
		2,153	2,779
DEFERRED LIABILITIES			
Staff Gratuity		33,770	33,546
Taxation		158,622	172,471
		192,392	206,017
CURRENT LIABILITIES			
Short term bank borrowings	-	920,347	684,576
Current portion of long term loans		125,000	125,000
Current portion of liabilities against assets subject to finance lease		1,269	4,572
Interest / Markup accrued on loans		21,068	20,226
Trade and other payables		132,493	117,277
		1,200,177	951,651
CONTINGENCIES & COMMITMENTS			
	4.	-	-
TOTAL EQUITY AND LIABILITIES			
		3,283,586	3,047,832
ASSETS			
TANGIBLE FIXED ASSETS			
Property, plant and equipment	5.	2,010,782	2,107,863
Capital work in progress		27,582	12,694
		2,038,364	2,120,557
LONG TERM DEPOSITS			
		4,387	3,850
CURRENT ASSETS			
Stores, spares & loose tools		91,871	88,085
Stock in trade		669,530	538,259
Trade debtors		340,901	213,029
Loans and advances		115,502	43,166
Trade deposits and prepayments		2,114	1,018
Other receivables		6,092	13,987
Cash and bank balances		14,825	25,881
		1,240,835	923,425
TOTAL ASSETS			
		3,283,586	3,047,832

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

(SHAHZAD NASEER)
Director
Karachi
February 13, 2007

(S.M. PERVEZ)
Director

DIN TEXTILE MILLS LIMITED

**PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2006**

	Six Months Period Ended		Quarter Ended	
	December 31, 2006	December 31, 2005	December 31, 2006	December 31, 2005
.....(Rupees in '000').....				
Sales-net	1,318,809	1,187,065	671,773	589,999
Cost of goods sold	(1,173,039)	(1,068,922)	(602,204)	(531,628)
Gross profit/(loss)	145,770	118,143	69,569	58,371
Selling & Distribution cost	(16,758)	(11,992)	(9,901)	(5,989)
Administrative expenses	(14,612)	(20,235)	(7,183)	(10,303)
Other operating expenses	(2,764)	(1,025)	(1,189)	(430)
Other operating income	3,440	3,916	2,981	1,845
	(30,694)	(29,336)	(15,292)	(14,877)
Profit/(loss) from operation	115,076	88,807	54,277	43,494
Other Charges				
Finance cost	(63,115)	(69,331)	(32,250)	(34,378)
Profit/(loss) before taxation	51,961	19,476	22,027	9,116
Taxation	7,117	2,126	9,194	164
Net profit/(loss) for the period	59,078	21,602	31,221	9,280
Earning per share-basic and diluted	3.19	1.17	1.68	0.50

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

(SHAHZAD NASEER)
Director

(S.M. PERVEZ)
Director

Karachi
February 13, 2007

DIN TEXTILE MILLS LIMITED

**CASH FLOW STATEMENT-UNAUDITED
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2006**

	DEC 31 2006	DEC 31 2005
	(Rupees in '000')	
a. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	51,961	19,476
<i>Adjustments for:</i>		
Depreciation	104,100	106,134
Provision for employee benefits	3,030	2,066
Loss/(gain) on sale of property, plant and equipment	(452)	(188)
Finance cost	63,115	69,331
Operating cash flows before working capital changes	221,754	196,819
<i>(Increase)/Decrease in current assets:</i>		
Stores spares and loose tools	(3,787)	13,071
Stock in trade	(131,272)	(218,019)
Trade debts	(127,872)	(32,734)
Advances, deposits & prepayments	(67,889)	(206,086)
Other receivables	7,895	3,184
	(322,925)	(440,584)
<i>Increase/(Decrease) in current liabilities:</i>		
Trade and other payables	8,485	87,442
	(314,440)	(353,142)
Cash generated from operations	(92,686)	(156,323)
Finance cost paid	(62,273)	(75,566)
Gratuity paid	(2,806)	(1,490)
Dividend Paid	-	(2)
Taxes Refund / (Paid)	(5,543)	27,961
	(70,622)	(49,097)
Net cash used in operating activities	(163,308)	(205,420)
b. CASH FLOWS FROM INVESTING ACTIVITIES		
Sales proceeds of fixed assets	835	3,238
Fixed assets acquired	(7,401)	(121,175)
Capital work in progress	(14,888)	-
Long term deposits	(537)	(72)
Net cash used in investing activities	(21,991)	(118,009)
c. CASH FLOWS FROM FINANCING ACTIVITIES		
Long term loan obtained	54,900	500,000
Repayment of long term loan	(112,500)	(420,000)
Finance lease obtained	-	24,696
Repayment of liability against assets subject to finance lease	(3,929)	(8,066)
Net cash flow from financing activities	(61,529)	96,630
Net increase/(decrease) in cash and cash equivalents (a+b+c)	(246,827)	(226,799)
Cash and cash equivalents at the beginning of the period	(658,695)	(726,149)
Cash and cash equivalents at the end of the period	(905,522)	(952,948)
Cash and cash equivalents		
Short term borrowings	(920,347)	(985,054)
Cash and bank balances	14,825	32,106
	(905,522)	(952,948)

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

(SHAHZAD NASEER)
Director

(S.M. PERVEZ)
Director

Karachi
February 13, 2007

DIN TEXTILE MILLS LIMITED

**STATEMENT OF CHANGES IN EQUITY - UNAUDITED
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2006**

Share Capital	Reserve				Total	
	Capital	Revenue				
	Merger Reserve	General	Unappro- priated Profit/(Loss)	Total		
(Rupees in '000')						

Balance as at July 01, 2005	185,303	10,377	400,000	109,765	520,142	705,445
Net Profit/(loss) for the six months period ended December 31, 2005	-	-	-	21,602	21,602	21,602
Balance as at December 31, 2005	<u>185,303</u>	<u>10,377</u>	<u>400,000</u>	<u>131,367</u>	<u>541,744</u>	<u>727,047</u>
Balance as at July 01, 2006	185,303	10,377	400,000	129,206	539,583	724,886
Net Profit/(loss) for the six months period ended December 31, 2006	-	-	-	59,078	59,078	59,078

Balance as at December 31, 2006	<u>185,303</u>	<u>10,377</u>	<u>400,000</u>	<u>188,284</u>	<u>598,661</u>	<u>783,964</u>
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The annexed notes form an integral part of these financial statements.

(SHAHZAD NASEER)
Director

(S.M. PERVEZ)
Director

Karachi
February 13, 2007

DIN TEXTILE MILLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS-UNAUDITED
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2006****1 THE COMPANY AND ITS OPERATIONS**

The company is limited by shares incorporated in Pakistan and is quoted at Stock Exchanges at Karachi and Lahore. The principal business of the company is manufacture and sale of yarn. The mills are located at Tehsil Pattoki, District Kasur and District Lahore in the province of Punjab. The registered office of the company is situated at 35-A/1, Lalazar Area Opp: Beach Luxury Hotel, M.T. Khan Road, Karachi, Pakistan.

2 BASIS OF PREPARATION**Historical Cost**

- 2.1** These financial statements have been prepared under "historical cost convention", except as disclosed in the company's accounting policies.
- 2.2** These financial statements have been prepared in compliance with the International Accounting Standard (IAS) 34 Interim Financial Reporting and in compliance with the requirements of section 245 of the Companies Ordinance 1984.
- 2.3** These interim financial statements are unaudited. However, a limited scope review of these interim financial statements has been performed by the external auditors of the Company in accordance with the requirements of clause (xxi) of the Code of Corporate Governance and they have issued their review report thereon.

3 ACCOUNTING POLICIES

The accounting policies and methods of computation followed in the preparation of the six months period ended financial statements are the same as those of the published annual financial statements for the year ended June 30, 2006.

4 CONTINGENCIES AND COMMITMENTS

There has been no significant change in the contingencies and commitments since the last audited financial statements except as disclosed in note 4.1 and 4.2

	DECEMBER 31, 2006	JUNE 30, 2006
	(Rupees in '000')	
4.1 Contingencies		
Bills discounted with recourse	84,309	35,389
Bank guarantees issued in ordinary course of business	31,403	30,309
4.2 Commitments		
Capital commitments in respect of civil work	3,576	2,996
Letter of credit for raw material	90,370	23,084

DIN TEXTILE MILLS LIMITED

5 ACQUISITIONS AND DISPOSAL OF FIXED ASSETS

	December 31, 2006		June 30, 2006	
	Acquisition (Cost) (Rupees in '000')	Disposal	Acquisition (Cost) (Rupees in '000')	Disposal
Land - free hold	-	-	74	-
Building	-	-	124,113	-
Plant and machinery	5,199	-	104,124	7,502
Electric installations	1,272	-	9,612	-
Tools & equipments	59	-	3,646	-
Office equipments	70	-	104	-
Furniture & fixtures	687	-	2,643	-
Computers	10	-	1,203	-
Vehicles	105	981	10,728	7,653
	<u>7,402</u>	<u>981</u>	<u>256,247</u>	<u>15,155</u>

6 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorized for issue on February 13, 2007 by the Board of Directors of the Company.

Due to absence of Chairman/Chief Executive from the country the financial statements have been signed by two Directors, according to section 241(2) of the Companies Ordinance, 1984.

7 GENERAL

- Figures have been rounded off to the nearest thousand rupees.
- Corresponding figures have been re-arranged, where ever necessary, for the purpose of comparison.

(SHAHZAD NASEER)
Director

(S.M. PERVEZ)
Director

Karachi
February 13, 2007