



COMPANY INFORMATION

Board of Directors

Mr. Tariq Sayeed Saigol	Chairman
Mr. Sayeed Tariq Saigol	Chief Executive
Mr. Waleed Tariq Saigol	
Mr. Aamir Fayyaz Sheikh	
Mr. Usman Said	
Mr. S. M. Imran	Chief Operating Officer
Mr. Zamiruddin Azar	
Mr. Soren Iversen	(Representing FLS & IFU, Denmark)

Audit Committee

Mr. Zamiruddin Azar	Chairman
Mr. Usman Said	
Mr. S. M. Imran	

Chief Financial Officer

Mr. Arshad Mahmood Qureshi

Company Secretary

Mr. Wasif Mahmood

Bankers of the Company

Allied Bank Limited
Askari Commercial Bank Limited
Faysal Bank Limited
First Women Bank Limited
Habib Bank Limited
MCB Bank Limited
National Bank of Pakistan
PICIC Commercial Bank Limited
Saudi Pak Industrial & Agricultural
Investment Co. (Pvt) Ltd.
Soneri Bank Limited
Standard Chartered Bank
The Bank of Punjab
Union Bank Limited
United Bank Limited

Auditors

Hameed Chaudhri & Co. Chartered Accountants

Legal Advisors

1. Cornelius Lane and Mufti
Advocates & Solicitors, Lahore.
2. Mr. Nomaan Akram Raja
Barrister-At-Law

Raja Mohammad Akram & Co.
Advocates and Legal Consultants,
Lahore.

Registered Office

42-Lawrence Road, Lahore.
Phone: (042) 6278904-5
Fax: (042) 6363184
E-mail: mlcfl@kmlg.com
Website: www.kmlg.com

Factory

Iskanderabad Distt. Mianwali.
Phone: (0459) 392237-8



DIRECTORS' REVIEW

Your Directors take pleasure in presenting un-audited accounts of the Company for the 1st quarter ended September 30, 2005.

The Company earned pre-tax profit of Rs. 408.63 million during the first quarter July-September, 2005 as compared to Rs. 232.949 million in the corresponding period last year. Profitability improved as a result of increased production from 3,300 tpd to 4,000 tpd due to completion of optimization programme at the dry kiln, better selling price & higher capacity utilization due to surge in local demand. Outlook for remainder of the year remains positive on the basis of growth in demand.

The Company achieved grey cement sales of 357,584 tons during July-September, 2005 which is 10.3% higher than the corresponding period. Sales of white cement during the current quarter were 6,000 tons. Capacity utilization during the quarter was 91% for grey cement, even after having 22 days of planned shutdown at the dry kiln for optimization and 80% for white cement.

Progress of ongoing Projects

- Optimization of dry process grey cement plant has been completed in July, 2005 and production capacity has increased to 4,000 tpd from the original 3,300 tpd.
- Process conversion of white cement project is proceeding as per schedule. Cold run tests are in progress and commercial production is expected to commence in November, 2005. The production from this line will increase white cement capacity from 100 tpd to 600 tpd and cost reduction will also take place.
- Work on 6,700 tpd expansion project is progressing as per schedule. Shipments of imported equipment have started and fabrication of local equipment is in progress. Piling and Civil works are almost 40% complete.

Following the sad and sudden calamity whereby thousands of people in Northern Pakistan and Azad Kashmir have lost their lives and many villages have been razed to the ground due to severe earthquake, the Company has contributed Rs. 10 million towards the President's Relief Fund for earthquake victims-2005.

For and on behalf of the Board

Lahore: October 19, 2005

Chief Executive

Maple Leaf Cement Factory Limited



BALANCE SHEET AS AT SEPTEMBER 30, 2005

		Un-Audited 30-09-2005	Audited 30-06-2005
	Note (Rupees in thousand)	
Share Capital and Reserves			
Authorised share capital	5	5,000,000	5,000,000
Issued, subscribed and paid up share capital	6	3,248,844	3,248,844
Capital reserve		1,927,669	1,904,922
General reserve		800,000	800,000
Reserve for issue of bonus shares		270,737	270,737
Unappropriated profit		286,019	56,393
		<u>6,533,269</u>	<u>6,280,896</u>
Non-Current Liabilities			
Redeemable Capital		-	41,650
Long Term Loans		3,946,251	2,157,706
Deferred Tax Liability		464,544	328,571
Deferred Liability for Vacation Benefits		9,036	8,513
Long Term Deposits		6,888	6,572
		<u>4,426,719</u>	<u>2,543,012</u>
Current Liabilities			
Current portion of:			
- redeemable capital		83,300	83,300
- long term loans		460,530	434,030
Short term finances		625,814	589,843
Trade and other payables		552,129	433,915
Accrued profit and interest / mark-up		83,887	38,646
Taxation		13,488	4,005
Preference Dividend		25,066	11,760
		<u>1,844,214</u>	<u>1,595,499</u>
Contingencies and Commitments	11		
		<u>12,804,202</u>	<u>10,419,407</u>
Non-Current Assets			
Property, plant and equipment		10,177,760	8,462,382
Investment		5,000	5,000
Long term loans to employees		8,712	5,824
Long term deposits and prepayments		5,729	6,142
		<u>10,197,201</u>	<u>8,479,348</u>
Current Assets			
Stores, spares and loose tools		1,474,970	1,100,967
Stock-in-trade		176,291	183,217
Trade debts-unsecured considered good		109,278	92,597
Loans, advances, deposits, prepayments and other receivables		264,033	193,476
Cash and bank balances		582,429	369,802
		<u>2,607,001</u>	<u>1,940,059</u>
		<u>12,804,202</u>	<u>10,419,407</u>

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

Director

Chief Executive

Maple Leaf Cement Factory Limited



**PROFIT & LOSS ACCOUNT
FOR THE PERIOD ENDED SEPTEMBER 30, 2005
(Un-Audited)**

	Sept. 30, 2005	Sept. 30, 2004
 (Rupees in thousand)	
Sales (net)	1,374,401	1,007,559
Cost of Sales	857,320	705,943
Gross Profit	517,081	301,616
Selling, Administrative & General Expenses	14,503	11,216
Operating Profit	502,578	290,400
Other Income	6,002	2,807
	508,580	293,207
Finance Cost	78,450	47,998
Workers' Profit Participation Fund	21,506	12,260
	99,956	60,258
Profit Before Taxation	408,624	232,949
Provision for Taxation :		
Current	6,972	5,129
Deferred	135,973	80,524
	142,945	85,653
Profit After Taxation	265,679	147,296
 Rupees	
Basic Earnings Per Share	0.93	0.72
Diluted Earnings Per Share	0.90	Not Applicable

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

- Appropriations have been reflected in the statement of changes in equity

Director

Chief Executive

Maple Leaf Cement Factory Limited



**CASH FLOW STATEMENT
FOR THE PERIOD ENDED SEPTEMBER 30, 2005
(Un-Audited)**

	Sept. 30, 2005	Sept. 30, 2004
 (Rupees in thousand)	
Cash Flow From Operating Activities:		
Profit before taxation	408,624	232,949
Add: adjustment for non-cash items and other charges	87,471	85,077
Movements in working Capital		
Net (increase) in current assets	(454,315)	(1,150,183)
Net increase / (decrease) in current liabilities	199,468	(5,754)
Cash generated from operations	241,248	(837,911)
Payments for:		
Earned leave	(292)	(446)
Taxes	2,511	(369)
Long term deposits	316	(110)
	2,535	(925)
Cash generated / (used in) from operating activities	243,783	(838,836)
Cash Flow From Investing Activities:		
Fixed capital expenditure	(1,802,372)	(290,428)
Long term loans	(2,888)	(2,545)
Long term deposits and prepayments	413	(1,035)
Sales proceeds of fixed assets	338	-
Net cash used in investing activities	(1,804,509)	(294,008)
Cash Flow From Financing Activities:		
Redemption of redeemable capital	(41,650)	(41,650)
Long term loans less repayments	1,815,045	1,169,279
Dividend paid	(42)	-
Net cash generated from financing activities	1,773,353	1,127,629
Net increase/ (decrease) in cash and cash equivalents	212,627	(5,215)
Cash and cash equivalents at the beginning of the period (Note: A)	369,802	223,271
Cash and Cash Equivalents - at the end of the period	582,429	218,056

A. The cash and cash equivalents include cash in hand, cheques in hand and bank balances.

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

Director

Chief Executive



**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2005**

	Share Capital	Share Premium	Capital Redemption Reserve	Revenue Reserve	Reserve for Issue of Bonus Shares	Accumulated Profit	Total
	(Rupees in thousand)						
Balance as at June 30, 2004	1,804,913	1,460,423	-	100,000	-	61,471	3,426,807
Net profit for the period	-	-	-	-	-	147,296	147,296
Balance as at September 30, 2004	1,804,913	1,460,423	-	100,000	-	208,767	3,574,103
Balance as at June 30, 2005	3,248,844	1,884,153	20,769	800,000	270,737	56,393	6,280,896
Transfer to capital Redemption reserve for the period ended September 30, 2005	-	-	22,747	-	-	(22,747)	-
Dividend on preference shares	-	-	-	-	-	(13,306)	(13,306)
Net profit for the period	-	-	-	-	-	265,679	265,679
Balance as at September 30, 2005	3,248,844	1,884,153	43,516	800,000	270,737	286,019	6,533,269

Notes to the Accounts

- The Company and its Operations**
Maple Leaf Cement Factory Limited was incorporated under the Companies Ordinance, 1984 as public company Limited by shares and is listed on stock exchanges in Pakistan. It is engaged in production and sale of cement. The Company is subsidiary of the Kohinoor Textile Mills Limited.
- Statement of Compliance**
These financial statements have been prepared in accordance with the requirements of the International Accounting Standard-34 "Interim Financial Reporting" as applicable in Pakistan, in all material respects. These financial statements are un-audited and are being submitted to the shareholders under section 245 of the Companies Ordinance, 1984 and as required by the Code of Corporate Governance.
- Basis of Preparation**
Same basis for presentation and measurement have been adopted to prepare these financial statements as were adopted and disclosed in the published annual financial statements for the year ended June 30, 2005.
- Accounting Policies**
Accounting policies adopted for the preparation of these quarterly accounts are same as adopted in the preceding annual published accounts.
- Authorised Share Capital**

		Sept. 30, 2005	June 30, 2005
		(Rupees in thousand)	
400,000,000	Ordinary shares (June, 2005: 400,000,000 Ordinary shares) of Rs. 10/- each	4,000,000	4,000,000
100,000,000	9.75% redeemable cumulative Preference shares (non-voting) (June 2005: 100,000,000 Preference shares) of Rs. 10/- each	1,000,000	1,000,000
<u>500,000,000</u>		<u>5,000,000</u>	<u>5,000,000</u>
270,736,986	Ordinary shares (June 2005: 270,736,986 Ordinary shares) of Rs. 10/- each	2,707,370	2,707,370
54,147,398	9.75% redeemable cumulative Preference right shares (non-voting) (June 2005: 54,147,398 Preference shares) of Rs. 10/- each	541,474	541,474
<u>324,884,384</u>		<u>3,248,844</u>	<u>3,248,844</u>

The terms of preference shares are same as disclosed in the preceding annual published financial statements.

- Taxation**
Current
The company has provided minimum tax liability for the current period under section 113 of the Income Tax Ordinance, 2001, as tax losses are available to carry forward.
Deferred
The company accounts for deferred tax on all temporary differences using the balance sheet liability method, in compliance with the International Accounting Standard -12 "Income Taxes" Revised 2000.
- Workers' Profit Participation Fund**
Amount set aside for Workers' Profit Participation Fund is provisional, final liability will be determined on the basis of annual results.
- Acquisition and disposal of Fixed Assets:**

	Sept. 30, 2005		Sept. 30, 2004	
	Additions	Deletions	Additions	Deletions
	(Rupees in thousand)			
Land	-	-	1,892	-
Building	293	-	373	-
Plant & machinery	272,969	-	-	-
Furniture, Fixture & Equipments	3,829	-	1,140	-
Vehicles	3,427	440	313	-

	2005	2004
	(Rupees in thousand)	
Sale of goods and services	3,682	5,678

- Contingencies and Commitments**
 - There is no change in the contingencies as disclosed in last annual published accounts.
 - Commitments for capital expenditures Rs. 1,887,490 thousand (Sept. 30, 2004: Rs. 3,817,614 thousand) and against irrevocable letters of credit outstanding as on September 30, 2005: Rs. 3,799,673 thousand (Sept. 30, 2004: Rs. 732,359 thousand).
- General**
 - These accounts were authorised for issue by the Board of Directors on October 19, 2005.
 - The figures have been rounded off to the nearest thousand.
 - Previous year figures have been rearranged for the purpose of comparison.

Director

Chief Executive