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Company Information

Board of Directors:	Mr. Muhammad Saleem Mrs. Farhat Saleem Mr. Shahzad Saleem Mr. Manzoor Ahmed Mr. Aftab Ahmad Khan Mr. Manzar Mushtaq Mrs. Nabiha Samad	Chairman Chief Executive Nominee NIT
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Audit Committee:	Mr. Aftab Ahmad Khan Mr. Shahzad Saleem Mr. Manzar Mushtaq	Chairman Member Member
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Company Secretary:	Mr. Farrukh Ifzal
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Bankers to the Company:	ABN AMRO Bank Pakistan Limited Allied Bank Limited Askari Bank Limited Atlas Bank Limited Bank Alfalah Limited Citibank N.A. Deutsche Bank AG Dubai Islamic Bank Pakistan Limited Faysal Bank Limited Habib Bank Limited Hong Kong & Shanghai Banking Corporation Limited Meezan Bank Limited National Bank of Pakistan NIB Bank Limited Standard Chartered Bank Pakistan Limited The Bank of Punjab United Bank Limited
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Auditors:	Riaz Ahmad & Company Chartered Accountants
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Registered & Head Office:	31-Q, Gulberg-II, Lahore, Pakistan. Phone : 5761730-39 Fax : 5878696-97 Web : http://nishat.net
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Mills:	Spinning 1, 4 & 5 49th Kilometre, Multan Road, Bhai Pheru, Tehsil Chunian, District Kasur. Spinning 2, 3 & Weaving 49th Kilometre, Multan Road, Kamogal, Tehsil Pattoki, District Kasur. Dyeing & Printing 4th Kilometre, Manga Road, Raiwind.
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Directors' Report

We hereby present the un-audited financial statements of the Company for the nine months ended 31 March 2008. The Company's sales are Rs. 6,431.25 million as compared to Rs. 5,431.03 million during the corresponding period last year. During the period under review, Company has incurred a loss before tax of Rs. 123.53 million. Loss after tax is Rs. 165.53 million because of the tax provision of Rs. 42 million. Major reasons for loss are record high cotton prices, high cost of production and high borrowing costs. Gross margin has reduced to 8.9% as compared to 11.62% during the corresponding period last year. During period under review, our spinning segment has suffered most because of the record high cotton prices whereas Home Textiles Division remained profitable. Yarn prices are improving and we are hopeful that our spinning division will operate above break even level, in the rest of the year. The directors look forward to the last quarter of the year with an expectation of recovery in profitability.

Our power project, Nishat Chunian Power Limited has successfully achieved financial closing on January 3, 2008 and letters of credit for machinery will be established in September 2008. Commercial Operations Date of the project is 31 March 2010.

On behalf of the Board

Shahzad Saleem
Chief Executive

Lahore: 28 April 2008



Interim Condensed Balance Sheet

	Note	Unaudited 31 March 2008 Rupees	Audited 30 June 2007 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital 80,000,000 (30 June 2007: 80,000,000) ordinary shares of Rupees 10 each		800,000,000	800,000,000
Issued, subscribed and paid up share capital 75,200,838 (30 June 2007: 75,200,838) ordinary shares of Rupees 10 each		752,008,380	752,008,380
Revenue reserves		1,655,860,544	1,934,189,987
TOTAL EQUITY		2,407,868,924	2,686,198,367
NON-CURRENT LIABILITIES			
Long term financing	5	2,960,792,309	2,509,126,989
Long term murabaha	6	-	475,000,000
		2,960,792,309	2,984,126,989
CURRENT LIABILITIES			
Trade and other payables		433,692,446	322,773,709
Accrued mark-up		140,394,656	103,767,328
Short term borrowings	7	4,053,745,030	2,623,592,501
Current portion of non-current liabilities		1,657,740,476	1,034,823,810
		6,285,572,608	4,084,957,348
TOTAL LIABILITIES		9,246,364,917	7,069,084,337
CONTINGENCIES AND COMMITMENTS	8	-	-
TOTAL EQUITY AND LIABILITIES		11,654,233,841	9,755,282,704

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

Chief Executive



as at 31 March 2008

	Note	Unaudited 31 March 2008 Rupees	Audited 30 June 2007 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	9	6,283,097,955	6,544,226,817
Long term investment	10	192,400,000	-
Long term loans		3,565,373	6,933,229
Long term security deposits		718,942	718,942
		<u>6,479,782,270</u>	<u>6,551,878,988</u>
CURRENT ASSETS			
Stores, spare parts and loose tools		311,163,658	233,274,317
Stock in trade		3,241,498,929	1,799,902,361
Trade debts		1,295,013,402	842,112,885
Loans and advances		119,610,125	144,611,284
Short term deposits and prepayments		3,137,338	2,126,498
Other receivables		145,375,514	120,705,915
Cash and bank balances		58,652,605	60,670,456
		<u>5,174,451,571</u>	<u>3,203,403,716</u>
TOTAL ASSETS		<u><u>11,654,233,841</u></u>	<u><u>9,755,282,704</u></u>

Director



Interim Condensed Profit and Loss Account (Unaudited)

For the Nine Months Ended 31 March 2008

	Note	Nine Months Ended		Quarter Ended	
		31 March	31 March	31 March	31 March
		2008	2007	2008	2007
		Rupees	Rupees	Rupees	Rupees
Sales		6,431,248,052	5,431,034,226	2,520,852,488	1,941,540,395
Cost of sales	11	5,859,741,057	4,799,727,300	2,320,300,624	1,737,442,264
Gross profit		571,506,995	631,306,926	200,551,864	204,098,131
Distribution and selling expenses		140,614,705	136,870,989	53,463,606	46,374,890
Administrative expenses		94,849,880	88,934,942	30,589,996	29,428,957
Other operating expenses		5,088,491	12,034,136	1,685,818	2,177,386
		240,553,076	237,840,067	85,739,420	77,981,233
		330,953,919	393,466,859	114,812,444	126,116,898
Other operating income		29,993,708	49,368,549	5,431,255	19,051,694
Profit from operations		360,947,627	442,835,408	120,243,699	145,168,592
Finance cost		484,475,813	482,809,002	193,020,135	168,262,607
Loss before taxation		(123,528,186)	(39,973,594)	(72,776,436)	(23,094,015)
Provision for taxation		42,000,000	72,000,000	18,000,000	26,000,000
Loss after taxation		(165,528,186)	(111,973,594)	(90,776,436)	(49,094,015)
Earnings per share					
- Basic and diluted		(2.20)	(1.49)	(1.21)	(0.65)

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

Chief Executive

Director



Interim Condensed Cash Flow Statement (Unaudited)

For the Nine Months Ended 31 March 2008

	Note	31 March 2008	31 March 2007
		Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(123,528,186)	(39,973,594)
Add/(less) adjustment for non cash charges and other items:			
Depreciation		465,484,515	492,538,611
(Gain)/Loss on sale of operating fixed assets		(1,132,490)	(1,870,738)
Finance cost		484,475,813	482,809,002
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES		825,299,652	933,503,281
(INCREASE)/DECREASE IN CURRENT ASSETS			
Stores, spare parts and loose tools		(77,889,342)	(7,942,533)
Stock in trade		(1,441,596,568)	(905,452,068)
Trade debts		(452,900,517)	(419,031,959)
Loans and advances		25,001,159	(20,484,330)
Short term deposits and prepayments		(1,010,840)	910,194
Other receivables		(16,762,265)	5,396,190
INCREASE IN CURRENT LIABILITIES			
Trade and other payables		108,176,056	94,485,852
EFFECT ON CASH FLOWS DUE TO WORKING CAPITAL CHANGES		(1,856,982,317)	(1,252,118,654)
CASH USED IN OPERATIONS		(1,031,682,665)	(318,615,373)
Long term deposits - net		-	10,002
Finance cost paid		(447,848,486)	(462,523,763)
Taxes paid		(49,907,334)	(47,756,595)
		(497,755,820)	(510,270,356)
NET CASH USED IN OPERATING ACTIVITIES		(1,529,438,485)	(828,885,729)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(205,411,631)	(169,270,406)
Long term loans - net		3,367,856	823,396
Long term Investment		(192,400,000)	-
Proceeds from sale of property, plant and equipment		2,188,470	7,230,652
NET CASH USED IN INVESTING ACTIVITIES		(392,255,305)	(161,216,358)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing and murabaha		2,000,000,000	625,000,000
Repayment of long term financing and long term murabaha		(1,400,418,014)	(1,018,176,738)
Dividend paid		(110,058,576)	(112,019,533)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES		489,523,410	(505,196,271)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(1,432,170,380)	(1,495,298,358)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	12	(2,562,922,045)	(2,263,942,634)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	12	(3,995,092,425)	(3,759,240,992)

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

Chief Executive

Director



Interim Condensed Statement of Changes in Equity (Unaudited)

For the Nine Months Ended 31 March 2008

	SHARE CAPITAL	REVENUE RESERVES		TOTAL RESERVES	TOTAL EQUITY
		General Reserve	Accumulated Profit/(Loss)		
..... R u p e e s					
Balance as at 30 June 2006	752,008,380	1,492,221,278	544,613,079	2,036,834,357	2,788,842,737
Transfer to general reserve	-	137,000,000	(137,000,000)	-	-
Final dividend for the year ended 30 June 2006 @ 1.5 per share	-	-	(112,801,257)	(112,801,257)	(112,801,257)
Net loss for the Nine Months ended 31 March 2007	-	-	(111,973,594)	(111,973,594)	(111,973,594)
Balance as at 31 March 2007	752,008,380	1,629,221,278	182,838,228	1,812,059,506	2,564,067,886
Net profit for the quarter ended 30 June 2007	-	-	122,130,481	122,130,481	122,130,481
Balance as at 30 June 2007	752,008,380	1,629,221,278	304,968,709	1,934,189,987	2,686,198,367
Final dividend for the year ended 30 June 2007 @ Rs.1.5 per share	-	-	(112,801,257)	(112,801,257)	(112,801,257)
Net loss for the nine months ended 31 March 2008	-	-	(165,528,186)	(165,528,186)	(165,528,186)
Balance as at 31 March 2008	752,008,380	1,629,221,278	28,639,266	1,655,860,544	2,407,868,924

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

Chief Executive

Director



Selected Notes to the Interim Condensed Financial Information (Unaudited)

For the Nine Months Ended 31 March 2008

1. THE COMPANY AND ITS OPERATIONS

Nishat (Chunian) Limited is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984 and is listed on the Lahore and Karachi Stock Exchanges. Its registered office is situated at 31-Q, Gulberg II, Lahore. The Company is engaged in business of spinning, weaving, dyeing, stitching, processing, doubling, sizing, buying, selling and otherwise dealing in yarn, fabric and made-ups made from raw cotton, synthetic fibre and cloth and to generate electricity for internal use.

2. STATEMENT OF COMPLIANCE

This interim financial information is unaudited but subject to limited scope review by the Auditors and is being submitted to the shareholders, as required under section 245 of the Companies Ordinance 1984 and 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 financial information should be read in conjunction with the annual financial statements for the year ended 30 June 2007.

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

Accounting policies and method of computations adopted for the preparation of this interim financial information are the same as applied in the preparation of preceding annual published financial statements of the company for the year ended 30 June 2007, except for the adoption of policy of Long Term Investment made in Nishat Chunian Power Limited (Subsidiary company) as disclosed in note 3.1.

3.1 Long term investments

Long term investment in subsidiary is accounted for at cost in accordance with IAS -27 "Consolidated and Separate Financial Statements".

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Judgements and estimates made by the management in the preparation of this interim financial information are the same as those applied to the annual financial statements for the year ended 30 June 2007.

	Unaudited 31 March 2008	Audited 30 June 2007
	Rupees	Rupees
5. LONG TERM FINANCING		
Opening balance	3,537,700,799	3,675,450,001
Add: Obtained during the period/year	2,000,000,000	650,000,000
Less: Repaid during the period/year	(919,168,014)	(787,749,202)
Closing balance	4,618,532,785	3,537,700,799
Less: Current portion shown under current liabilities	(1,657,740,476)	(1,028,573,810)
Non-current portion	2,960,792,309	2,509,126,989



	Unaudited 31 March 2008	Audited 30 June 2007
	Rupees	Rupees
6. LONG TERM MURABAHA		
Opening balance	481,250,000	318,750,000
Add: Obtained during the period/year	-	475,000,000
Less: Repaid during the period/year	(481,250,000)	(312,500,000)
Closing balance	-	481,250,000
Less: Current portion shown under current liabilities	-	(6,250,000)
Non-current portion	-	475,000,000
7. SHORT TERM BORROWINGS		
Short term running finances	1,797,614,009	612,349,121
Export finances-preshipment/SBP refinance	1,829,681,461	1,331,243,380
Other short term finances	426,449,560	680,000,000
	<u>4,053,745,030</u>	<u>2,623,592,501</u>
8. CONTINGENCIES AND COMMITMENTS		
Contingencies		
There is no change in contingencies since the last annual audited financial statements except for:		
i) Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 37.058 million (June 30 2007: Rs. 32.535 million) on imported material availed on the basis of consumption and export plans. In the event the documents of exports are not provided on due dates cheque issued as security shall be encashable.		
ii) The company has applied to Alternate Dispute Resolution Committee for resolution of their dispute with collector of customs regarding rejection of Duty Drawback claims of Rupees 9.482 million on blended grey fabrics exported under Duty and Tax Remission Rules for Export (DTRE) scheme.		
Commitments		
i) Commitments in respect of capital expenditure are Rupees 83.065 million (30 June 2007: Rupees 133.068 million).		
ii) Letters of credit other than for capital expenditure are Rupees 85.379 million (30 June 2007: Rupees 55.913 million).		
9. OPERATING FIXED ASSETS		
Property, plant and equipment		
Operating assets (Note 9.1)	6,085,556,890	6,389,949,755
Capital work in progress (Note 9.2)	196,282,065	153,148,062
Intangible assets in progress	1,259,000	1,129,000
	<u>6,283,097,955</u>	<u>6,544,226,817</u>



	Unaudited 31 March 2008	Audited 30 June 2007
	Rupees	Rupees
9.1 Operating Assets		
Opening book value	6,389,949,755	6,680,266,277
Cost of additions during the period/year (Note 9.1.1)	164,506,460	388,035,146
	6,554,456,215	7,068,301,423
Book value of deletions during the period/year (Note 9.1.2)	3,414,810	16,961,353
Less: Depreciation charge during the period/year	465,484,515	661,390,315
Closing book value	6,085,556,890	6,389,949,755
9.1.1 Cost of additions during the period/year		
Building on freehold land	17,671,832	149,250,488
Plant and machinery	128,633,784	201,904,845
Electric installations	1,155,102	2,281,522
Factory equipment	4,259,301	2,051,654
Furniture and fixtures	2,676,216	4,305,289
Office equipment	3,015,236	6,986,672
Motor vehicles	7,094,989	21,254,676
	164,506,460	388,035,146
9.1.2 Cost of deletions during the period/year		
Machinery and electric installation	-	65,350,326
Furniture, fixtures and office equipment	-	22,673
Vehicles	8,121,289	11,589,431
Total cost of deletions	8,121,289	76,962,430
Less: Accumulated depreciation	(4,706,479)	(60,001,077)
	3,414,810	16,961,353
9.2 Capital work in progress		
Plant, machinery and equipment	93,719,401	77,455,265
Civil works on freehold land	100,737,261	60,422,297
Advance for purchase of assets	1,825,403	15,270,500
	196,282,065	153,148,062
10. LONG TERM INVESTMENT		
Subsidiary Company		
Nishat Chunian Power Limited		
16,000,000 ordinary shares of Rupees 10 each	160,000,000	-
Advance for purchase of shares	32,400,000	-
	192,400,000	-



	Unaudited Nine Months Ended		Unaudited Quarter Ended	
	31 March 2008	31 March 2007	31 March 2008	31 March 2007
	Rupees	Rupees	Rupees	Rupees
11. COST OF SALES				
Raw material consumed	3,932,171,408	3,331,428,365	1,458,712,847	1,056,561,259
Packing materials consumed	227,922,947	143,896,291	108,953,888	57,017,126
Stores, spare parts and loose tools	151,067,909	136,038,265	52,984,485	51,581,061
Salaries, wages and other benefits	452,956,198	413,409,156	154,097,520	149,911,475
Fuel and power	441,042,570	406,801,378	177,445,377	134,021,565
Insurance	15,331,779	13,578,612	5,575,992	4,818,300
Postage and telephone	472,008	666,521	242,137	225,766
Travelling and conveyance	8,703,735	8,227,811	2,785,340	2,739,692
Vehicle running	6,484,820	6,781,461	2,262,659	2,172,809
Entertainment	829,408	775,106	291,728	291,735
Depreciation	456,206,901	483,207,846	153,556,835	163,165,555
Repair and maintenance	12,171,866	7,747,005	4,276,546	2,181,710
Other factory overheads	38,558,431	25,334,485	14,618,990	8,915,433
	<u>5,743,919,980</u>	<u>4,977,892,302</u>	<u>2,135,804,344</u>	<u>1,633,603,486</u>
Work-in-process				
Opening stock	268,870,213	179,358,235	263,772,143	178,007,928
Closing stock	(265,377,108)	(251,335,107)	(265,377,108)	(251,335,107)
	<u>3,493,105</u>	<u>(71,976,872)</u>	<u>(1,604,965)</u>	<u>(73,327,179)</u>
Cost of goods manufactured	5,747,413,085	4,905,915,430	2,134,199,379	1,560,276,307
Finished goods and waste-opening stocks				
Finished goods	513,446,035	342,593,878	586,806,055	636,286,795
Waste	12,493,371	18,305,043	21,560,466	27,967,738
	<u>525,939,406</u>	<u>360,898,921</u>	<u>608,366,521</u>	<u>664,254,533</u>
	<u>6,273,352,491</u>	<u>5,266,814,351</u>	<u>2,742,565,900</u>	<u>2,224,530,840</u>
Finished goods and waste-closing stocks				
Finished goods	(405,965,400)	(504,196,408)	(405,965,400)	(504,196,408)
Waste	(21,022,214)	(17,715,098)	(21,022,214)	(17,715,098)
	<u>(426,987,614)</u>	<u>(521,911,506)</u>	<u>(426,987,614)</u>	<u>(521,911,506)</u>
Cost of goods sold-own manufactured	5,846,364,877	4,744,902,845	2,315,578,286	1,702,619,334
Opening stock of purchased finished goods	1,670,072	4,625,201	4,671,207	6,266,614
Add: Finished goods purchased	13,408,655	75,296,829	1,753,678	53,653,891
Less: Closing stock of purchased finished goods	(1,702,547)	(25,097,575)	(1,702,547)	(25,097,575)
Cost of sales-purchased finished goods	<u>13,376,180</u>	<u>54,824,455</u>	<u>4,722,338</u>	<u>34,822,930</u>
	<u>5,859,741,057</u>	<u>4,799,727,300</u>	<u>2,320,300,624</u>	<u>1,737,442,264</u>



	Unaudited 31 March 2008	Audited 30 June 2007
	Rupees	Rupees
12. CASH AND CASH EQUIVALENTS		
Cash and bank balances	58,652,605	60,670,456
Short term borrowings	(4,053,745,030)	(2,623,592,501)
	<u>(3,995,092,425)</u>	<u>(2,562,922,045)</u>

13. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiary, associated undertakings, other related parties, key management personnel and provident fund trust. The company in the normal course of business carries out transactions with related parties.

	Unaudited 31 March 2008	Unaudited 31 March 2007
	Rupees	Rupees
Purchase of goods and services	48,157,840	5,257,290
Sale of goods and services	104,341,633	23,426,208
Insurance premium paid	23,604,693	18,105,907
Insurance claim received	26,727,326	1,733,247
Contribution to employees' provident fund	14,121,663	24,623,782
Long term investment in subsidiary	192,400,000	-

14. AUTHORISED FOR ISSUE

This interim financial information was approved by the Board of Directors and authorised for issue on 28 April 2008.

Chief Executive

Director



NISHAT (CHUNIAN) LIMITED

**Interim Condensed Consolidated
Financial Information
Nine Months Ended 31 March 2008
(Unaudited)**



Interim Condensed Consolidated Balance Sheet

	Note	31 March 2008 <u>Rupees</u>	30 June 2007 <u>Rupees</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital 80,000,000 (30 June 2007: 80,000,000) ordinary shares of Rupees 10 each		<u>800,000,000</u>	<u>800,000,000</u>
Issued, subscribed and paid up share capital 75,200,838(30 June 2007: 75,200,838) ordinary shares of Rupees 10 each		752,008,380	752,008,380
Revenue reserves		<u>1,655,860,544</u>	1,934,189,987
Total Equity		<u>2,407,868,924</u>	2,686,198,367
Minority Interest		<u>48,100,000</u>	-
TOTAL EQUITY		<u>2,455,968,924</u>	2,686,198,367
NON-CURRENT LIABILITIES			
Long term financing		3,722,073,321	2,509,126,989
Long term murabaha		-	475,000,000
		<u>3,722,073,321</u>	2,984,126,989
CURRENT LIABILITIES			
Trade and other payables		437,641,989	322,773,709
Accrued mark-up		140,394,656	103,767,328
Short term borrowings		4,053,745,031	2,623,592,501
Current portion of non-current liabilities		<u>1,657,740,476</u>	1,034,823,810
		<u>6,289,522,152</u>	4,084,957,348
Total Liabilities		<u>10,011,595,473</u>	7,069,084,337
CONTINGENCIES AND COMMITMENTS	5	-	-
TOTAL EQUITY AND LIABILITIES		<u>12,467,564,397</u>	<u>9,755,282,704</u>

The annexed notes form an integral part of this financial information

Chief Executive



as at 31 March 2008 (Unaudited)

	Note	31 March 2008 Rupees	30 June 2007 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	6	7,233,096,166	6,544,226,817
Long term loans		5,680,492	6,933,229
Long term security deposits		718,942	718,942
		<u>7,239,495,600</u>	<u>6,551,878,988</u>
CURRENT ASSETS			
Stores, spare parts and loose tools		311,163,658	233,274,317
Stock in trade		3,241,498,929	1,799,902,361
Trade debts		1,295,013,402	842,112,885
Loans and advances		119,760,125	144,611,284
Short term deposits and prepayments		3,137,338	2,126,498
Other receivables		146,910,791	120,705,915
Cash and bank balances		110,584,554	60,670,456
		<u>5,228,068,797</u>	<u>3,203,403,716</u>
TOTAL ASSETS		<u><u>12,467,564,397</u></u>	<u><u>9,755,282,704</u></u>

Director



Interim Condensed Consolidated Profit and Loss Account (Unaudited)

For the Nine Months Ended 31 March 2008

	Nine Months Ended		Quarter Ended	
	31 March 2008	31 March 2007	31 March 2008	31 March 2007
	Rupees	Rupees	Rupees	Rupees
Sales	6,431,248,052	5,431,034,226	2,520,852,488	1,941,540,395
Cost of sales	5,859,741,057	4,799,727,300	2,320,300,624	1,737,442,264
Gross profit	571,506,995	631,306,926	200,551,864	204,098,131
Distribution and selling expenses	140,614,705	136,870,989	53,463,606	46,374,890
Administrative expenses	94,849,880	88,934,942	30,589,996	29,428,957
Other operating expenses	5,088,491	12,034,136	1,685,818	2,177,386
	240,553,076	237,840,067	85,739,420	77,981,233
	330,953,919	393,466,859	114,812,444	126,116,898
Other operating income	29,993,708	49,368,549	5,431,255	19,051,694
Profit from operations	360,947,627	442,835,408	120,243,699	145,168,592
Finance cost	484,475,813	482,809,002	193,020,135	168,262,607
Loss before taxation	(123,528,186)	(39,973,594)	(72,776,436)	(23,094,015)
Provision for taxation	42,000,000	72,000,000	18,000,000	26,000,000
Loss after taxation	(165,528,186)	(111,973,594)	(90,776,436)	(49,094,015)
Earnings per share - Basic and diluted	(2.20)	(1.49)	(1.21)	(0.65)

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

Chief Executive

Director



Interim Condensed Consolidated Cash Flow Statement (Unaudited)

For the Nine Months Ended 31 March 2008

	31 March 2008	31 March 2007
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(123,528,186)	(39,973,594)
Add/(less) adjustment for non cash charges and other items:		
Depreciation	465,484,515	492,538,611
(Gain)/Loss on sale of operating fixed assets	(1,132,490)	(1,870,738)
Finance cost	484,475,813	482,809,002
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES	825,299,652	933,503,281
(INCREASE)/DECREASE IN CURRENT ASSETS		
Stores, spare parts and loose tools	(77,889,342)	(7,942,533)
Stock in trade	(1,441,596,568)	(905,452,068)
Trade debts	(452,900,517)	(419,031,959)
Loans and advances	23,315,880	(20,484,330)
Short term deposits and prepayments	(1,010,840)	910,194
Other receivables	(16,762,265)	5,396,190
INCREASE IN CURRENT LIABILITIES		
Trade and other payables	112,125,600	94,485,852
EFFECT ON CASH FLOWS DUE TO WORKING CAPITAL CHANGES	(1,854,718,052)	(1,252,118,654)
CASH USED IN OPERATIONS	(1,029,418,400)	(318,615,373)
Long term deposits - net	-	10,002
Finance cost paid	(447,848,486)	(462,523,763)
Taxes paid	(49,907,334)	(47,756,595)
	(497,755,820)	(510,270,356)
NET CASH USED IN OPERATING ACTIVITIES	(1,527,174,220)	(828,885,729)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,155,409,841)	(169,270,406)
Long term loans - net	1,252,737	823,396
Proceeds from sale of property, plant and equipment	2,188,470	7,230,652
NET CASH USED IN INVESTING ACTIVITIES	(1,151,968,634)	(161,216,358)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term financing and murabaha	2,761,281,012	625,000,000
Repayment of long term financing and long term murabaha	(1,400,418,014)	(1,018,176,738)
Shares issued to minority shareholders	48,100,000	-
Dividend paid	(110,058,576)	(112,019,533)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	1,298,904,422	(505,196,271)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,380,238,432)	(1,495,298,358)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	7 (2,562,922,045)	(2,263,942,634)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7 (3,943,160,477)	(3,759,240,992)

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

Chief Executive

Director



Condensed Consolidated Interim Statement of Changes in Equity (Unaudited)

For the Nine Months Ended 31 March 2008

	HOLDING COMPANY'S EQUITY				MINORITY INTEREST	TOTAL EQUITY	
	SHARE CAPITAL	REVENUE RESERVES		TOTAL RESERVES			SHARE HOLDERS' EQUITY
	General Reserve	Unappropriated Profit					
..... R u p e e s							
Balance as at 30 June 2006	752,008,380	1,492,221,278	544,613,079	2,036,834,357	2,788,842,737	-	2,788,842,737
Transfer to general reserve	-	137,000,000	(137,000,000)	-	-	-	-
Dividend for the year ended 30 June 2006	-	-	(112,801,257)	(112,801,257)	(112,801,257)	-	(112,801,257)
Net Loss for the Nine Months ended 31 March 2007	-	-	(111,973,594)	(111,973,594)	(111,973,594)	-	(111,973,594)
Balance as at 31 March 2007	752,008,380	1,629,221,278	182,838,228	1,812,059,506	2,564,067,886	-	2,564,067,886
Net profit for the quarter ended 30 June 2007	-	-	122,130,481	122,130,481	122,130,481	-	122,130,481
Balance as at 30 June 2007	752,008,380	1,629,221,278	304,968,709	1,934,189,987	2,686,198,367	-	2,686,198,367
Equity portion attributable to minority shareholders	-	-	-	-	-	48,100,000	48,100,000
Net profit for the nine months ended 31 March 2008	-	-	(165,528,186)	(165,528,186)	(165,528,186)	-	(165,528,186)
Dividend for the year ended 30 June 2007	-	-	(112,801,257)	(112,801,257)	(112,801,257)	-	(112,801,257)
Balance as at 31 March 2008	752,008,380	1,629,221,278	26,639,266	1,655,860,544	2,407,868,924	48,100,000	2,455,968,924

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

Chief Executive

Director



Selected Notes to the Interim Condensed Consolidated Financial Information (Unaudited)

For the Nine Months Ended 31 March 2008

1. GROUP INFORMATION

The Group comprises of Nishat (Chunian) Limited as holding company and Nishat Chunian Power Limited as its subsidiary.

Nishat (Chunian) Limited is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984 and is listed on the Lahore and Karachi Stock Exchanges. Its registered Office is situated at 31-Q, Gulberg II, Lahore. The Company is engaged in business of spinning, weaving, dyeing, stitching, processing, doubling, sizing, buying, selling and otherwise dealing in yarn, fabric and made ups made from raw cotton, synthetic fibre and cloth and to generate electricity for internal use.

Nishat Chunian Power Limited is an unlisted public limited company incorporated under the Companies Ordinance, 1984. The main object of the company is to set up and operate 200MW power plant and to sell electricity to National Transmission and Despatch Company Limited. The expected project commissioning date is March 2010.

2. STATEMENT OF COMPLIANCE

These financial statements are unaudited and being submitted to the shareholders, as required under Section 245 of Companies Ordinance, 1984 and have 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).

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

Accounting policies and method of computations adopted for the preparation of this interim financial information are the same as applied in the preparation of preceding annual financial statements of the holding company for the year ended 30 June 2007.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Judgements and estimates made by the management in the preparation of this condensed interim financial information are the same as those applied to the annual financial statements of the holding company for the year ended 30 June 2007.

5. CONTINGENCIES AND COMMITMENTS

Contingencies

There is no change in contingencies since the last annual audited financial statements except for:

- i) Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 37.058 million (June 30 2007: Rs. 32.535 million) on imported material availed on the basis of consumption and export plans. In the event the documents of exports are not provided on due dates cheque issued as security shall be encashable.
- ii) The company has applied to Alternate Dispute Resolution Committee for resolution of their dispute with collector of customs regarding rejection of Duty Drawback



claims of Rupees 9.482 million on blended grey fabrics exported under Duty and Tax Remission Rules for Export (DTRE) scheme.

Commitments

- i) Commitments in respect of capital expenditure are Rupees 83.065 million (30 June 2007: Rupees 133.068 million).
- ii) Letters of credit other than for capital expenditure are Rupees 85.379 million (30 June 2007: Rupees 55.913 million).

	31 March 2008	30 June 2007
	Rupees	Rupees
6. FIXED ASSETS		
Property, plant and equipment		
Operating assets	6,151,278,059	6,389,949,755
Capital work in progress	1,080,559,107	153,148,062
Intangible assets in progress	1,259,000	1,129,000
	<u>7,233,096,166</u>	<u>6,544,226,817</u>
7. CASH AND CASH EQUIVALENTS		
Cash and bank balances	110,584,554	60,670,456
Short term borrowings	(4,053,745,031)	(2,623,592,501)
	<u>(3,943,160,477)</u>	<u>(2,562,922,045)</u>

8. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of associated undertakings, other related parties, key management personnel and provident fund trust. The company in the normal course of business carries out transactions with related parties.

	31 March 2008	31 March 2007
	Rupees	Rupees
Purchase of goods and services	48,157,840	5,257,290
Sale of goods and services	104,341,633	23,426,208
Insurance premium paid	23,604,693	18,105,907
Insurance claim received	26,727,326	1,733,247
Contribution to employees' provident fund	14,121,663	24,623,782

9. AUTHORISED FOR ISSUE

This interim consolidated financial information was approved by the Board of Directors and authorised for issue on 28 April 2008.

Chief Executive

Director