

A glass of orange juice is the central focus, filled with a vibrant orange liquid. The glass sits on a wooden surface. In the foreground, a thick slice of orange is cut in half, showing its juicy segments. Behind the glass, a juicer is partially visible, with another orange slice being processed. The background is filled with more oranges and slices, creating a warm, fresh atmosphere. The lighting is bright and natural, highlighting the textures of the fruit and the wood.

MITCHELL'S®

**First Quarter Report
2012**

DIRECTORS' REVIEW

The directors are pleased to submit the un-audited financial statements of the company for first quarter ended December 31, 2011.

The results of quarter under review show that the company has been able to continue growing steadily. Due to continuing operational efforts the overall business sustained its momentum. The company's net sales recorded a growth of 55 % rising from Rs. 330 million to Rs. 513 million. Exports increased by 33 % showing a continuous positive trend.

Cost of sales of Rs. 393 million as compared to Rs. 255 million for corresponding period last year reflects a proportional increase of 54% in line with increase in net sales. Gross-profit increased by 60 % from Rs. 75 million to Rs. 120 million. This performance was helped by our continuous investments in Marketing activities. The profit from operations increased by 77 % and with a support from reduced financial charges, net profit increased by 121%.

The Board of Directors would like to express their gratitude to all employees who have worked hard to achieve our common objectives.

For and on behalf of
the Board of Directors

Lahore: January 24, 2012

Mujeeb Rashid
Chief Executive Officer & Managing Director

CONDENSED INTERIM BALANCE SHEET

As at December 31, 2011 (Un-audited)

	December 31 2011 Rupees	September 30 2011 Rupees
NON CURRENT ASSETS		
Property, Plant & Equipment	331,242,942	323,428,823
Intangible Assets	1,526,377	1,606,712
Long term loans and deposits	529,661	-
Biological Assets	7,133,000	7,133,000
	340,431,980	332,168,535
CURRENT ASSETS		
Stores, spares and loose tools	11,115,538	9,293,902
Stock in trade	339,849,779	312,065,976
Trade debts	38,677,171	63,244,881
Advances, deposits, prepayments and other receivables	16,916,964	34,037,404
Cash and bank balances	5,498,746	13,579,771
	412,058,198	432,221,934
CURRENT LIABILITIES		
Short term running finances - secured Creditors, accrued and other liabilities	151,695,416	154,794,581
Mark up accrued on short term running finances	131,626,960	167,503,197
	2,104,799	2,887,660
	285,427,175	325,185,438
	126,631,023	107,036,496
TOTAL FUNDS EMPLOYED	467,063,004	439,205,031
NON-CURRENT LIABILITIES		
Deferred Liabilities	83,817,143	79,710,060
NET FUNDS EMPLOYED	383,245,861	359,494,971
REPRESENTED BY		
Issued subscribed and paid up capital	50,400,000	50,400,000
Reserves	9,635,878	9,635,878
Unappropriated profit	323,209,983	299,459,093
	383,245,861	359,494,971

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

For the Quarter Ended December 31, 2011 (Un-audited)

	2011 Rupees	2010 Rupees
Sales	513,104,203	329,959,227
Cost of Sales	(392,787,921)	(254,757,098)
Gross Profit	120,316,283	75,202,128
Administration expenses	(16,508,261)	(13,919,530)
Distribution and marketing expenses	(59,516,715)	(38,265,953)
Other operating expenses	(2,750,310)	(1,205,282)
Other operating income	986,639	2,235,432
Profit from operations	42,527,635	24,046,796
Finance cost	(5,987,805)	(8,033,760)
Profit before taxation	36,539,830	16,013,035
Taxation	(12,788,941)	(5,261,883)
Profit after taxation	23,750,890	10,751,152
Earnings per share	4.71	2.13

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the Quarter Ended December 31, 2011 (Un-audited)

	2011 Rupees	2010 Rupees
Profit after taxation	23,750,890	10,751,152
Other comprehensive income for the quarter	-	-
Total comprehensive income for the quarter	23,750,890	10,751,152

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

CONDENSED INTERIM CASH FLOW STATEMENT

For the Quarter Ended December 31, 2011 (Un-audited)

	December 31 2011 Rupees	December 31 2010 Rupees
Cash flow from operating activities		
Profit before taxation	36,539,830	16,013,035
Add/(less) : Adjustment for non cash charges and other items		
Depreciation	6,479,233	7,326,156
Amortization	80,335	66,285
Provision for gratuity and leave salary	4,428,983	3,531,008
Financial charges	5,987,805	8,033,760
Profit before working capital changes	53,516,186	34,970,245
Effect on cash flow due to working capital changes		
(Increase) / decrease in stores and spares	(1,821,636)	(1,835,519)
(Increase) / decrease in stock in trade	(27,783,802)	(58,175,772)
(Increase) / decrease in trade debts	24,567,710	6,624,285
(Increase) / decrease in advances, deposits excluding income tax	7,896,095	6,840,563
Increase / (decrease) in creditors, accrued and other liabilities	(35,876,238)	(10,572,899)
	(33,017,872)	(57,119,343)
Cash generated from/(used in) operations	20,498,314	(22,149,098)
Financial charges paid	(6,770,666)	(6,957,357)
Payment of Gratuity and leave salary	(733,041)	(1,363,628)
Taxes paid	(3,073,119)	(4,172,814)
Net cash inflow/(out flow) from operating activities	9,921,488	(34,642,898)
Cash flow from investing activities		
Fixed capital expenditure	(14,373,687)	(10,873,286)
Proceeds from sale of property, plant and equipment	-	602,150
(Increase)/ decrease in long-term deposits	(529,661)	(240,003)
Net cash outflow from investing activities	(14,903,348)	(10,511,139)
Net increase / (decrease) in cash and cash equivalents	(4,981,860)	(45,154,037)
Cash and cash equivalents at the beginning of the period	(141,214,810)	(158,488,131)
Cash and cash equivalents at the end of the period	(146,196,670)	(203,642,168)

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the Quarter Ended December 31, 2011 (Un-audited)

	Share capital	Share premium	General reserve	Accumulated profit	Total
Balance as at September 30, 2010	50,400,000	9,335,878	300,000	246,193,884	306,229,762
Total Comprehensive Income for the quarter	-	-	-	10,751,152	10,751,152
Balance as at December 31, 2010	50,400,000	9,335,878	300,000	256,945,036	316,980,914
Final dividend for the year ended September 30, 2010 Rs. 4 per share	-	-	-	(20,160,000)	(20,160,000)
Total Comprehensive Income for nine months	-	-	-	62,674,057	62,674,057
Balance as at September 30, 2011	50,400,000	9,335,878	300,000	299,459,093	359,494,971
Total Comprehensive Income for the quarter	-	-	-	23,750,890	23,750,890
Balance as at December 31, 2011	50,400,000	9,335,878	300,000	323,209,983	383,245,861

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

SELECTED NOTES TO THE ACCOUNTS

For the Quarter Ended December 31, 2011 (Un-audited)

1. Mitchell's Fruit Farms Limited is a public company incorporated in Pakistan and listed on Lahore, Karachi and Islamabad Stock Exchanges. Its primary objective is to manufacture and sell various Farm and Confectionary products.
2. During the quarter, the impact of seasonal factors on sales remained minimal.
3. These accounts are un-audited and are being submitted to the shareholders, in accordance with the requirements of the Companies Ordinance, 1984.
4. The accounting policies adopted for the preparation of quarterly accounts for the period ended December 31, 2011 are the same which were applied in the preparation of preceding annual published accounts of the company.
5. The interim financial report has been prepared in compliance with International Accounting Standard No. 34, as applicable in Pakistan, in all material respects.
6. Provision in respect of taxation is based on estimated average annual effective income tax rate consistent with the annual assessment of taxes.
7. Provision in respect of Workers' Welfare Fund and Workers' Profit Participation Fund are estimated and these are subject to adjustment in the annual audited financial statements.
8. Previous period's figures have been restated, wherever necessary, for the purpose of comparison.

	December 31 2011 Rupees	December 31 2010 Rupees
9. Cash and cash equivalents		
Cash and bank balances	5,498,746	8,864,139
Short term running finances	(151,695,416)	(212,506,307)
	<u>(146,196,670)</u>	<u>(203,642,168)</u>

10. Contingencies and commitments

10.1 Contingencies

There has been no significant change in contingencies since September 30, 2011.

10.2 Commitments

Commitment in respect of capital expenditure is Rs. Nil (2010: Rs.Nil).

11. The company purchased from associated undertaking goods and services amounting to Rs. 2.505 million.

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

COMPANY INFORMATION

Board of Directors	S. M. Mohsin Mujeeb Rashid	Chairman Chief Executive Officer & Managing Director
	Mehdi Mohsin Moaz Mohiuddin Syed Faisal Imam Umme Kulsum Imam Jamal Nasim – NIT Nominee	
Audit Committee	S. M. Mohsin Syed Faisal Imam Moaz Mohiuddin	- Chairman - Member - Member
Company Secretary/CFO	Atif Fayyaz	
Auditors	A.F. Ferguson & Company Chartered Accountants	
Legal Advisors	Minto & Mirza 78-Mozang Road, Lahore. Phone: (042) 36315469-70 Fax: (042) 36361531	
Bankers	Habib Bank Limited Askari Commercial Bank Limited MCB Bank Limited Barclays Bank plc National Bank of Pakistan	
Share Registrar	Corplink (Private) Limited Wings Arcade, 1-K (Commercial) Model Town, Lahore. Phone : (042) 35839182, 35887262 Fax:(042) 35869037	
Corporate Office	39-A, D-1, Gulberg III, Lahore. Phone: (042) 35872392-96 Fax: (042) 35872398 E-Mail: ho@mitchells.com.pk Website: www.mitchells.com.pk	
Factory, Regional Sales Office (Central) & Farms	Renala Khurd, District Okara, Pakistan Phone: (044) 2635907-8, 2622908 Fax: (044) 2621416 E-Mail: rnk@mitchells.com.pk rsoc@mitchells.com.pk	
Regional Sales Office (North)	Plot No. 110, Street No. 10, I - 9/2, Industrial Area, Islamabad. Phone: 051-4443824-26 Fax : (051) 4443827 E-Mail: rson@mitchells.com.pk	
Regional Sales Office (South)	Mehran VIP II, Ground Floor, Plot 18/3 Dr. Dawood Pota Road, Karachi. Phone: (021) 35212112, 35212712 & 35219675 Fax: (021) 35673588 E-Mail: rsos@mitchells.com.pk	