MITCHELL'S®

3rd Quarter 2013

Contents

Company Information

Board of Directors

S. M. Mohsin
Chairman, Non Executive Director

Mr. Mujeeb Rashid
Chief Executive Officer & Managing Director

Mrs. Sitwat Mohsin
Non Executive Director

Mr. Mehdi Mohsin
Executive Director

Mr. Moaz Mohiuddin
Independent, Non Executive Director

Syed Faisal Imam
Non Executive Director

Ms. Umme Kulsum Imam
Non Executive Director

Mr. Jamal Nasim
Non Executive Director (NIT Nominee)

Audit Committee

Mr.Moaz Mohiuddin
Chairman

S.M.Mohsin
Member

Syed Faisal Imam
Member

Company Secretary/CFO

Mr. Atif Fayyaz

Auditors

A.F. Ferguson & Co.
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
Standard Chartered Bank (Pakistan) Limited
MCB Bank Limited
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

40-A,Zafar Ali Road, Gulberg -V,Lahore
Phones: (042) 35872392-97
Fax: (042) 35872398
E-Mail: ho@mitchells.com.pk
Web Site:www.mitchells.com.pk

Factory, Regional Sales Office (Central) & Farms

Renala Khurd, District Okara, Pakistan.
Phones: (044) 2635907-8, 2622908,
Fax: (044) 2621416
E-Mail: rnk@mitchells.com.pk

Regional Sales Office (North)

Plot No.111, Street No. 10 , I-9/2, Industrial Area,
Islamabad.
Phones: (051) 4443824-6
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.
Phones: (021) 35212112, 35212712, 35219675
Fax: (021) 35673588
E-Mail: rsos@mitchells.com.pk

Directors' Review

The Directors are pleased to submit the un-audited financial statement of the company for the third quarter ended June 30, 2013.

Net sales of the company Rs. 530 million show a good growth over the corresponding period last year benefitting from the advent of this years' beverage season.

Continuing with our efforts to improve operating efficiencies we were able to stabilize our costs despite the deteriorating supply of gas and electricity. Helped by the increase in Sales our Gross profit grew to Rs. 144 million against last year's Rs. 125 million. The profit from operation thus improved by 33 % from Rs. 41 million last year to Rs. 55 million during the current year. Profit before tax improved to Rs. 52 million from Rs. 35 million in the corresponding period last year.

The good operating results in the third quarter have thus helped to generate a 26% growth in profit after tax for the nine months ending on 30th June from Rs. 76 million last year to Rs. 96 million this year.
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

Mujeeb Rashid
Chief Executive Officer & Managing Director

Lahore: July12, 2013

Condensed Interim Balance Sheet

as at June 30, 2013 (Un-audited)

	Note	June 30 2013 Rupees	September 30 2012 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
20,000,000 (2012 : 10,000,000) ordinary shares of Rs. 10 each		200,000,000	100,000,000
Issued subscribed and paid up capital		63,000,000	50,400,000
Reserves		9,635,878	9,635,878
Unappropriated profit		418,135,747	372,529,248
		490,771,625	432,565,126
NON-CURRENT LIABILITIES			
Deferred Liabilities		100,638,018	93,012,838
CURRENT LIABILITIES			
Short term running finances		146,063,880	140,987,776
Creditors, accrued and other liabilities		133,628,670	146,322,898
Mark up accrued on short term running finances		1,628,981	1,197,065
		281,321,530	288,507,739
CONTINGENCIES AND COMMITMENTS	10		
		872,731,173	814,085,703

The annexed notes 1 to 11 form an integral part of these interim financial information.

	June 30 2013 Rupees	September 30 2012 Rupees
ASSETS		
NON CURRENT ASSETS		
Property, Plant & Equipment	391,064,633	364,711,648
Intangibles Assets	1,102,359	1,285,370
Long term loans and deposits	750,000	-
Biological Assets	7,983,467	9,505,667
	400,900,459	375,502,685
CURRENT ASSETS		
Stores and spares	12,818,578	12,491,433
Stock in trade	287,076,497	342,532,608
Trade debts	79,377,911	59,816,430
Advances, deposits, prepayments and other receivables	71,601,145	11,387,684
Cash and bank balances	20,956,581	12,354,863
	471,830,714	438,583,018
	872,731,173	814,085,703

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

Condensed Interim Profit and Loss Account

for the quarter and nine months ended June 30, 2013 (Un-audited)

	April to June		October to June	
	2013 Rupees	2012 Rupees	2013 Rupees	2012 Rupees
Sales	530,010,927	453,576,520	1,552,587,852	1,418,348,541
Cost of Sales	(385,534,426)	(328,675,448)	(1,136,716,594)	(1,061,882,835)
Gross Profit	144,476,501	124,901,071	415,871,258	356,465,706
Administration expenses	(18,815,838)	(16,853,845)	(58,974,150)	(53,532,138)
Distribution and marketing expenses	(68,578,603)	(63,725,584)	(179,686,558)	(172,647,684)
Other operating expenses	(2,792,144)	(3,575,933)	(11,268,410)	(9,116,079)
Other operating income	839,093	732,892	6,886,707	7,724,143
Profit from operations	55,129,009	41,478,602	172,828,847	128,893,948
Finance cost	(3,358,475)	(6,184,545)	(13,084,257)	(18,697,337)
Profit before taxation	51,770,534	35,294,057	159,744,590	110,196,611
Taxation	(21,783,981)	(16,169,727)	(63,738,091)	(34,293,185)
Profit after taxation	29,986,553	19,124,330	96,006,499	75,903,425
Earnings per share	4.76	3.04	15.24	12.05

The annexed notes 1 to 11 form an integral part of these interim financial information.

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

Condensed Interim Statement of Comprehensive Income

for the quarter and nine months ended June 30, 2013 (Un-audited)

	April to June		October to June	
	2013 Rupees	2012 Rupees	2013 Rupees	2012 Rupees
Profit for the nine months ended June 30, 2013	29,986,553	19,124,330	96,006,499	75,903,425
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	29,986,553	19,124,330	96,006,499	75,903,425

The annexed notes 1 to 11 form an integral part of these interim financial information.

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

Condensed Interim Cash flow Statement

for the quarter and nine months ended June 30, 2013 (Un-audited)

	October to June	
	2013 Rupees	2012 Rupees
Cash flow from operating activities		
Profit before taxation	159,744,590	110,196,611
Add/(less) : Adjustment for non cash charges and other items		
Depreciation	32,635,845	26,482,076
Amortization	241,011	239,901
Profit on sale of fixed assets	(1,251,275)	(1,186,388)
Provision for gratuity and leave salary	13,286,961	13,286,957
Exchange gain	(773,801)	(637,520)
Financial charges	13,858,058	18,697,337
Profit before working capital changes	217,741,389	167,078,974
Effect on cash flow due to working capital changes		
(Increase) / decrease in stores and spares	(327,145)	(4,264,704)
(Increase) / decrease in stock in trade	55,456,111	(8,311,283)
(Increase) / decrease in trade debts	(19,561,481)	2,599,852
(Increase) / decrease in advances, deposits excluding income tax	(24,196,283)	2,473,516
Increase / (decrease) in creditors, accrued and other liabilities	(2,055,962)	(32,546,987)
	9,315,239	(40,049,607)
Cash generated from operations	227,056,628	127,029,367
Financial charges paid	(13,426,142)	(18,134,997)
Payment of Gratuity and leave salary	5,661,781	(4,883,858)
Taxes paid	(110,393,535)	(11,665,153)
Net cash (outflow)/inflow from operating activities	108,898,731	92,345,359
Cash flow from investing activities		
Fixed capital expenditure	(71,039,938)	(62,911,737)
Proceeds from sale of fixed assets	2,757,722	3,532,827
Proceeds from sale of livestock	1,459,100	815,000
(Increase)/ decrease in long-term deposits	(750,000)	-
Net cash outflow from investing activities	(67,573,116)	(58,563,910)
Cash flow from financing activities		
Dividend paid	(37,800,000)	(35,280,000)
Net cash out flow from financing activities	(37,800,000)	(35,280,000)
Net increase / (decrease) in cash and cash equivalents	3,525,615	(1,498,551)
Cash and cash equivalents at the beginning of the period	(128,632,913)	(141,214,810)
Cash and cash equivalents at the end of the period	(125,107,298)	(142,713,361)

The annexed notes 1 to 11 form an integral part of these interim financial information.

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

Condensed Interim Statement of Changes in Equity

for the quarter and nine months ended June 30, 2013 (Un-audited)

	Share capital	Share premium	General reserve	Accumulated profit	Total
			Rupees		
Balance as at September 30, 2011	50,400,000	9,335,878	300,000	299,459,093	359,494,971
Final dividend for the year ended September 30, 2011 Rs. 7 per share	-	-	-	(35,280,000)	(35,280,000)
Total Comprehensive Income for nine months	-	-	-	75,903,425	75,903,425
Balance as at June 30, 2012	50,400,000	9,335,878	300,000	340,082,518	400,118,396
Total Comprehensive Income for three months	-	-	-	32,446,730	32,446,730
Balance as at September 30, 2012	50,400,000	9,335,878	300,000	372,529,248	432,565,126
Transfer to reserve for issuance of bonus shares	-	-	12,600,000	(12,600,000)	-
Issuance of bonus shares	12,600,000	-	(12,600,000)	-	-
Final dividend for the year ended September 30, 2012 Rs. 7.5 per share	-	-	-	(37,800,000)	(37,800,000)
Total Comprehensive Income for nine months	-	-	-	96,006,499	96,006,499
Balance as at June 30, 2013	63,000,000	9,335,878	300,000	418,135,747	490,771,625

The annexed notes 1 to 11 form an integral part of these interim financial information.

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

Selected Notes to the Condensed Interim Financial Information

for the quarter and nine months ended June 30, 2013 (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 proudcts.

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 June 30, 2013 are the same which were applied in the prepartion 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.

	June 30 2013 Rupees	September 30 2012 Rupees
9. Cash and cash equivalents		
Cash and bank balances	20,956,581	18,568,830
Short term running finances	(146,063,880)	(161,282,191)
	(125,107,298)	(142,713,361)

10. Contingencies and commitments

10.1 Contingencies

There has been no significant change in contingencies since September 30, 2012.

10.2 Commitments

Commitment in respect of capital expenditure is Rs. Nil (2012: Rs.Nil).

11. The company purchased from associated undertaking goods and services amounting to Rs. 4.6 million.

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer & Managing Director

MITCHELL'S FRUIT FARMS LIMITED

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