

The logo for Mitchell's is a dark blue rounded rectangle with a yellow border. The word "MITCHELL'S" is written in white, bold, serif capital letters. A registered trademark symbol (®) is located at the end of the word.

MITCHELL'S®

1st Quarter 2015

The background of the slide is a photograph of a field of tall, green grasses with seed heads, set against a bright blue sky with scattered white clouds. The sun is visible in the center of the sky, creating a lens flare effect.

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Company Information

Board of Directors

S. M. Mohsin
Mujeeb Rashid
Sitwat Mohsin
Mehdi Mohsin
Moaz Mohiuddin
Syed Faisal Imam
Umme Kulsum Imam
Jamal Nasim

Chairman, Non Executive Director
Chief Executive Officer
Non Executive Director
Executive Director
Independent, Non Executive Director
Non Executive Director
Non Executive Director
Non Executive Director
(NIT Nominee)

Audit Committee

Moaz Mohiuddin
S. M. Mohsin
Syed Faisal Imam

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 Bank Limited
Standard Chartered Bank (Pakistan) Limited
Allied Bank 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) 35872392-96,
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
Phones: (044) 2635907-8, 2622908
Fax: (044) 2621416
E-Mail: rnk@mitchells.com.pk
rsoc@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 Company's net sales of Rs. 406 million during the quarter were adversely affected by discontinuation of very low margin confectionery product and a slowdown in consumer purchasing for some of our product categories combined with intense price competition at the trade levels. Export sales of the company however exhibited healthy growth during this quarter.

Gross profit at Rs. 101 million as against Rs. 125 million during the corresponding period last year was also affected by the additional depreciation charge on account of the new investments completed during later part of the year 2014.

Profit from operations at Rs. 17 million against Rs. 42 million last year was mainly affected by the reduction of sales as administrative and distribution fixed overheads were kept under check.

Profit before tax at Rs. 3 million against Rs. 36 million last year was further affected by the increase in Financial Cost owing to the new plant and equipment installed.

Strong efforts are being undertaken to boost sales in the area that were affected during the quarter.

For and on behalf of
the Board of Directors

Lahore: January 27, 2015

Mujeeb Rashid
Chief Executive Officer

Quarterly Report 2015



Condensed Interim Balance Sheet

As at December 31, 2014 (Un-audited)

	Note	December 31 2014 Rupees	September 30 2014 Rupees
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorised capital 20,000,000 (September 30, 2014: 20,000,000) ordinary shares of Rs. 10 each		200,000,000	200,000,000
Issued, subscribed and paid up capital 7,875,000 (September 30, 2014: 7,875,000) ordinary shares of Rs. 10 each		78,750,000	78,750,000
Reserves		9,635,878	9,635,878
Unappropriated profit		492,641,840	490,527,386
		581,027,718	578,913,264
NON-CURRENT LIABILITIES			
Deferred liabilities		160,877,793	157,033,057
Long term finance		138,666,666	149,333,333
		299,544,459	306,366,390
CURRENT LIABILITIES			
Current portion of long term finance		21,333,334	10,666,667
Short term running finances-secured		370,842,423	331,973,482
Creditors, accrued and other liabilities		107,595,202	164,653,092
Accrued finance cost on short term running finances		7,921,368	9,004,225
		507,692,327	516,297,466
CONTINGENCIES AND COMMITMENTS			
	9	1,388,264,504	1,401,577,120

	December 31 2014 Rupees	September 30 2014 Rupees
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	707,636,967	684,798,311
Intangible assets	2,124,898	2,247,136
Biological assets	8,466,634	9,341,334
Long term receivables	1,974,780	1,974,780
	720,203,279	698,361,561
CURRENT ASSETS		
Stores, spares and loose tools	21,199,800	19,457,038
Stock in trade	375,725,517	405,756,555
Trade debts	87,472,052	96,601,581
Advances, deposits, prepayments and other receivables	157,284,562	147,086,354
Cash and bank balances	26,379,293	34,314,031
	668,061,225	703,215,559
	1,388,264,504	1,401,577,120

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer

Quarterly Report 2015



Condensed Interim Profit and Loss Account

For the Quarter Ended December 31, 2014 (Un-audited)

	December 31 2014 Rupees	December 31 2013 Rupees
Sales	405,546,087	462,213,365
Cost of Sales	(304,884,632)	(336,875,660)
Gross Profit	100,661,455	125,337,705
Administration expenses	(24,203,784)	(22,368,882)
Distribution and marketing expenses	(60,984,694)	(59,876,216)
Other expenses	(551,268)	(2,756,649)
Other income	2,265,438	1,992,434
Profit from operations	17,187,147	42,328,392
Finance cost	(14,114,583)	(5,704,347)
Profit before tax	3,072,564	36,624,045
Taxation	(958,110)	(10,620,973)
Profit for the period	2,114,454	26,003,072
Earnings per share	0.34	4.13

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer

Condensed Interim Statement of Comprehensive Income

For the Quarter Ended December 31, 2014 (Un-audited)

	December 31 2014 Rupees	December 31 2013 Rupees
Profit for the period	2,114,454	26,003,072
Other comprehensive income for the period	-	-
Total comprehensive income for the period	2,114,454	26,003,072

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer

Quarterly Report 2015



Condensed Interim Cash Flow Statement

For the Quarter Ended December 31, 2014 (Un-audited)

	Note	December 31 2014 Rupees	December 31 2013 Rupees
Cash flow from operating activities			
Profit before taxation		3,072,564	36,624,045
Add/(less): Adjustment for non cash charges and other items			
Depreciation		15,032,680	10,669,141
Amortization		122,238	71,518
Provision for gratuity and leave salary		5,771,523	5,771,525
Financial charges		14,114,583	5,704,347
Profit before working capital changes		38,113,588	58,840,576
Effect on cash flow due to working capital changes			
(Increase) / decrease in stores and spares		(1,742,762)	(1,296,913)
(Increase) / decrease in stock in trade		30,031,038	(73,744,369)
(Increase) / decrease in trade debts		9,129,529	(33,981,365)
(Increase) / decrease in advances, deposits excluding income tax		(1,438,390)	(11,287,854)
Increase / (decrease) in creditors, accrued and other liabilities		(57,057,893)	(36,069,338)
		(21,078,478)	(156,379,839)
Cash generated from/(used in) operations		17,035,111	(97,539,262)
Financial charges paid		(15,197,440)	(2,387,990)
Payment of Gratuity and leave salary		(1,926,787)	(2,358,560)
Taxes paid		(9,717,926)	(4,968,356)
Net cash out flow from operating activities		(9,807,042)	(107,254,168)
Cash flow from investing activities			
Fixed capital expenditure		(36,996,636)	(29,187,504)
Net cash outflow from investing activities		(36,996,636)	(29,187,504)
Net decrease in cash and cash equivalents		(46,803,679)	(136,441,672)
Cash and cash equivalents at the beginning of the period		(297,659,451)	(59,302,167)
Cash and cash equivalents at the end of the period	8	(344,463,130)	(195,743,839)

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer

Condensed Interim Statement of Changes in Equity

For the Quarter Ended December 31, 2014 (Un-audited)

	Share capital	Share premium	General reserve	Accumulated profit	Total
	----- Rupees -----				
Balance as at September 30, 2012	50,400,000	9,335,878	300,000	372,529,248	432,565,126
Effect of retrospective change in accounting policy - net of tax				(3,382,270)	(3,382,270)
Balance as at September 30, 2012 - restated	50,400,000	9,335,878	300,000	369,146,978	429,182,856
Total Comprehensive Income for the quarter	-	-	-	24,852,324	24,852,324
Balance as at December 31, 2012 - restated	50,400,000	9,335,878	300,000	393,999,302	454,035,180
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	-	-	-	103,685,101	103,685,101
Balance as at September 30, 2013 - restated	63,000,000	9,335,878	300,000	447,284,403	519,920,281
Total Comprehensive Income for the quarter	-	-	-	26,003,072	26,003,072
Balance as at December 31, 2013 - restated	63,000,000	9,335,878	300,000	473,287,475	545,923,353
Transfer to reserve for issuance of bonus shares	-	-	15,750,000	(15,750,000)	-
Issuance of bonus shares	15,750,000	-	(15,750,000)	-	-
Final dividend for the year ended September 30, 2013 Rs. 7.5 per share				(47,250,000)	(47,250,000)
Total Comprehensive Income for nine months	-	-	-	80,239,911	80,239,911
Balance as at September 30, 2014	78,750,000	9,335,878	300,000	490,527,386	578,913,264
Total Comprehensive Income for the quarter	-	-	-	2,114,454	2,114,454
Balance as at December 31, 2014	78,750,000	9,335,878	300,000	492,641,840	581,027,718

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer

Quarterly Report 2015



Selected Notes to the Condensed Interim Financial Information

For the Quarter Ended December 31, 2014 (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 Confectionery products.
2. These accounts are unaudited and are being submitted to the shareholders, in accordance with the requirements of the Companies Ordinance, 1984.
3. The accounting policies adopted for the preparation of quarterly accounts for the period ended December 31, 2014 are the same which were applied in the preparation of preceding annual published accounts of the company.
4. The interim financial report has been prepared in compliance with International Accounting Standard No. 34, as applicable in Pakistan, in all material respects.
5. Provision in respect of taxation is based on estimated average annual effective income tax rate consistent with the annual assessment of taxes.
6. Provisions in respect of Workers' Welfare Fund and Workers' Profit Participation Fund are estimated and subject to adjustment in the annual audited financial statements.
7. Previous period's figures have been restated, wherever necessary, for the purpose of comparison.

	December 31 2014 Rupees	December 31 2013 Rupees
8. Cash and cash equivalents		
Cash and bank balances	26,379,293	40,624,964
Short term running finances	(370,842,423)	(236,368,803)
	<u>(344,463,130)</u>	<u>(195,743,839)</u>

9. Contingencies and commitments

9.1 Contingencies

There has been no significant change in contingencies since September 30, 2014.

9.2 Commitments

Commitment in respect of capital expenditure is Rs. Nil (2013: Rs. Nil).

10. The company purchased from associated undertaking goods and services amounting to Rs. 2.045 million (2013: Rs. 6.809 million).

S. M. Mohsin
Chairman

Mujeeb Rashid
Chief Executive Officer



For the Taste of Natural Goodness

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