

**Crescent
Sugar Mills And
Distillery Limited**



**INTERIM CONDENSED FINANCIAL
STATEMENTS FOR THE NINE
MONTHS AND QUARTER
ENDED 30 JUNE 2011**

COMPANY PROFILE

BOARD OF DIRECTORS

Mr. Muhammad Arshad (Chairman & Chief Executive Officer)

DIRECTORS

(in alphabetical order)

Mr. Abid Mehmood
Mr. Khalid Bashir
Mr. Muhammad Anwar
Mr. Naveed Gulzar
Mr. Salman Rafi
Mr. Shahid Arshad

AUDIT COMMITTEE

Mr. Khalid Bashir (Chairman)
Mr. Muhammad Anwar
Mr. Naveed Gulzar

COMPANY SECRETARY

Mr. Sami Ullah Chaudhry

BANKERS

National Bank of Pakistan
Habib Metropolitan Bank Limited

AUDITORS

Riaz Ahmad & Company
Chartered Accountants

URL

www.crescentsugar.com

DIRECTORS' REVIEW TO THE SHAREHOLDERS

Dear Members,

Your directors are pleased to present to you the condensed interim financial information for the third quarter and nine months ended June 30, 2011. During the period under review, your company has earned a post-tax profit of Rs. 62.169 Million. In comparison, during the same period last year, the company reported earnings of Rs. 8.615 Million.

Total turnover from both continuing and discontinued operations for the nine months stood at Rs. 3,597.205 Million, whereas, the turnover figures during the same period in year 2010 was Rs. 2,295.379 Million. Similarly cost of sales in the period under review stood at 92.79% whereas, up to June 30, 2010 it was around 93.72%.

As already reported earlier, the Board of Directors as well as the share holders have decided to cease the operations of sugar mills and have accorded necessary approval for disposal of the assets of the Sugar and Distillery Units. Hence, the operations of Sugar Unit as well as Distillery Unit have been suspended, therefore, we do not report any production activity in either the Sugar or Distillery Unit.

As far as our textile operation is concerned, our performance in the period under review has been satisfactory. The price of raw cotton which touched their peak in March 2011 started declining from April 2011 this reduction in prices of cotton was very well reflected in the yarn prices which also dropped substantially. The whole textile industry had to suffer huge inventory losses in stocks of raw cotton and finished goods and we also had to suffer similar losses on this account.

However, the prudent policies adopted by the management of the company helped to avoid the company from huge losses. The demand of yarn was very low and in such circumstances we had to curtail production in order to mitigate losses. On export front our company did very well and the total exports for nine months stood at Rs. 2,381.587 million which was Rs. 689.688 million during the same period last year. In the period under review we produced 9,724,503 Kgs. of yarn as compared to 8,859,805 Kgs of last year. Due to closure of mills and energy crises which has become worse from bad, the production has been effected severely. In the summer months we had to suffer three days gas load shedding each week which not only affected our yield but also increased the cost of manufacturing.

The new cotton prices in June 2011 opened a positive note and prices have adjusted by themselves, but despite of this we foresee that the remaining period of the current financial year will be very difficult as the demand of end products will remain low.

**For and on behalf of
the Board of Directors**



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER

FAISALABAD
July 30, 2011

CRESCENT SUGAR MILLS CONDENSED INTERIM BALANCE SHEET

NOTE	UN-AUDITED		AUDITED	
	(RUPEES IN THOUSAND)			
	THE COMPANY		CONSOLIDATED	
	30 June 2011	30 September 2010	30 June 2011	30 September 2010

EQUITY AND LIABILITIES

SHARE CAPITAL AND RESERVES

Authorized share capital 30 000 000 (30 September 2010: 30 000 000) ordinary shares of Rupees 10 each	300,000	300,000	300,000	300,000
Issued, subscribed and paid up share capital	213,775	213,775	213,775	213,775
Reserves	(149,905)	(187,491)	(6,811)	(79,479)
Total equity	63,870	26,284	206,964	134,296
Surplus on revaluation of operating fixed assets	2,513,042	2,513,042	2,547,331	2,547,331

NON-CURRENT LIABILITIES

Long term financing	5 10,500	29,972	15,500	34,972
Employee's retirement benefits	13,146	9,421	13,146	9,421
	23,646	39,393	28,646	44,393

CURRENT LIABILITIES

Trade and other payables	384,056	282,659	389,185	288,649
Accrued markup	15,282	22,012	24,084	30,814
Short term borrowings	519,527	571,200	519,527	571,200
Current portion of long term financing	26,965	22,479	26,965	22,479
Provision for taxation	60,031	24,060	64,676	28,702
	1,005,861	922,410	1,024,437	941,844
TOTAL LIABILITIES	1,029,507	961,803	1,053,083	986,237

CONTINGENCIES AND COMMITMENTS

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TOTAL EQUITY AND LIABILITIES	3,606,419	3,501,129	3,807,378	3,667,864
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The annexed notes form an integral part of this condensed interim financial information.

AND DISTILLERY LIMITED AS AT 30 JUNE 2011

NOTE	UN-AUDITED		AUDITED	
	(RUPEES IN THOUSAND)			
	THE COMPANY		CONSOLIDATED	
	30 June 2011	30 September 2010	30 June 2011	30 September 2010

ASSETS

NON-CURRENT ASSETS

Property, plant and equipment	7 2,806,520	2,876,735	2,840,079	2,913,723
Long term investments	8 35,148	37,027	253,170	241,971
Long term deposits	4,859	3,164	5,381	3,686
	<u>2,846,527</u>	<u>2,916,926</u>	<u>3,098,630</u>	<u>3,159,380</u>

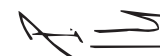
CURRENT ASSETS

Stores, spare parts and loose tools	55,382	61,054	59,911	65,628
Stock-in-trade	303,170	164,332	303,170	164,332
Trade debts	110,790	58,024	110,790	58,024
Loans and advances	29,369	94,512	29,369	94,512
Prepayments and balances with statutory authorities	90,073	55,270	90,170	55,280
Other receivables	31,091	29,619	32,971	31,499
Short term investments	9 69,234	94,264	8,505	9,002
Cash and bank balances	16,203	27,128	19,282	30,207
Non-current assets held for sale	10 54,580	-	54,580	-
	<u>759,892</u>	<u>584,203</u>	<u>708,748</u>	<u>508,484</u>

TOTAL ASSETS	3,606,419	3,501,129	3,807,378	3,667,864
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MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR

**CRESCENT SUGAR MILLS
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT**

**AND DISTILLERY LIMITED
FOR THE NINE MONTHS ENDED 30 JUNE 2011 (UN-AUDITED)**

NOTE	THE COMPANY				(RUPEES IN THOUSAND)			
	NINE MONTHS ENDED		QUARTER ENDED		NINE MONTHS ENDED		QUARTER ENDED	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
CONTINUING OPERATIONS:								
SALES	3,546,168	1,844,847	1,167,577	640,584	3,546,168	1,844,847	1,167,577	640,584
COST OF SALES	11 (3,264,715)	(1,604,509)	(1,103,361)	(568,293)	(3,264,715)	(1,604,509)	(1,103,361)	(568,293)
GROSS PROFIT	281,453	240,338	64,216	72,291	281,453	240,338	64,216	72,291
DISTRIBUTION COST	(79,422)	(28,507)	(29,113)	(5,397)	(79,422)	(28,507)	(29,113)	(5,397)
ADMINISTRATIVE EXPENSES	(43,019)	(31,554)	(14,633)	(10,953)	(45,546)	(31,185)	(15,275)	(10,827)
OTHER OPERATING EXPENSES	(5,569)	-	1,103	901	(5,569)	-	1,103	901
	(128,010)	(60,061)	(42,643)	(15,449)	(130,537)	(59,692)	(43,285)	(15,323)
OTHER OPERATING INCOME	153,443	180,277	21,573	56,842	150,916	180,646	20,931	56,968
PROFIT FROM OPERATIONS	12 23,648	12,463	635	12,044	19,612	10,635	622	10,321
FINANCE COST	177,091	192,740	22,208	68,886	170,528	191,281	21,553	67,289
	(47,898)	(38,120)	(12,995)	(9,122)	(47,898)	(38,120)	(12,995)	(9,122)
	129,193	154,620	9,213	59,764	122,630	153,161	8,558	58,167
GAIN ON DISPOSAL OF SUBSIDIARY COMPANY	-	-	-	-	-	58,110	-	-
SHARE OF PROFIT FROM ASSOCIATED COMPANIES	-	-	-	-	19,193	307	9,949	(18,967)
PROFIT BEFORE TAXATION	129,193	154,620	9,213	59,764	141,823	211,578	18,507	39,200
PROVISION FOR TAXATION	(35,462)	(9,224)	(11,263)	(1,491)	(35,462)	(9,224)	(11,263)	(1,491)
PROFIT/(LOSS) AFTER TAXATION FROM CONTINUING OPERATIONS	93,731	145,396	(2,050)	58,273	106,361	202,354	7,244	37,709
DISCONTINUED OPERATIONS: (LOSS)/PROFIT AFTER TAXATION FROM DISCONTINUED OPERATIONS	(31,562)	(136,781)	(9,886)	(58,676)	(31,562)	(136,781)	(9,886)	(63,547)
PROFIT/(LOSS) AFTER TAXATION	62,169	8,615	(11,936)	(403)	74,799	65,573	(2,642)	(25,838)
EARNINGS/(LOSS) PER SHARE - BASIC AND DILUTED (RUPEES)								
- CONTINUING OPERATIONS	4.38	6.80	(0.10)	2.73	4.98	9.47	0.34	1.76
- DISCONTINUED OPERATIONS	(1.48)	(6.40)	(0.46)	(2.74)	(1.48)	(6.40)	(0.46)	(2.97)

The annexed noted form an integral part of this condensed interim financial information.


MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER


ABID MEHMOOD
DIRECTOR

CRESCENT SUGAR MILLS AND DISTILLERY LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 JUNE 2011 (UN-AUDITED)

(RUPEES IN THOUSAND)

	THE COMPANY				CONSOLIDATED			
	NINE MONTHS ENDED		QUARTER ENDED		NINE MONTHS ENDED		QUARTER ENDED	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
PROFIT/(LOSS) AFTER TAXATION	62,196	8,615	(11,936)	(403)	74,779	65,573	(2,642)	(25,838)
OTHER COMPREHENSIVE INCOME								
(Deficit)/surplus on remeasurement of available for sale investments	(24,583)	(14,327)	495	(12,970)	(2,131)	(5,188)	(82)	34
TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE PERIOD	37,586	(5,712)	(11,441)	(13,373)	72,668	60,385	(2,724)	(25,804)

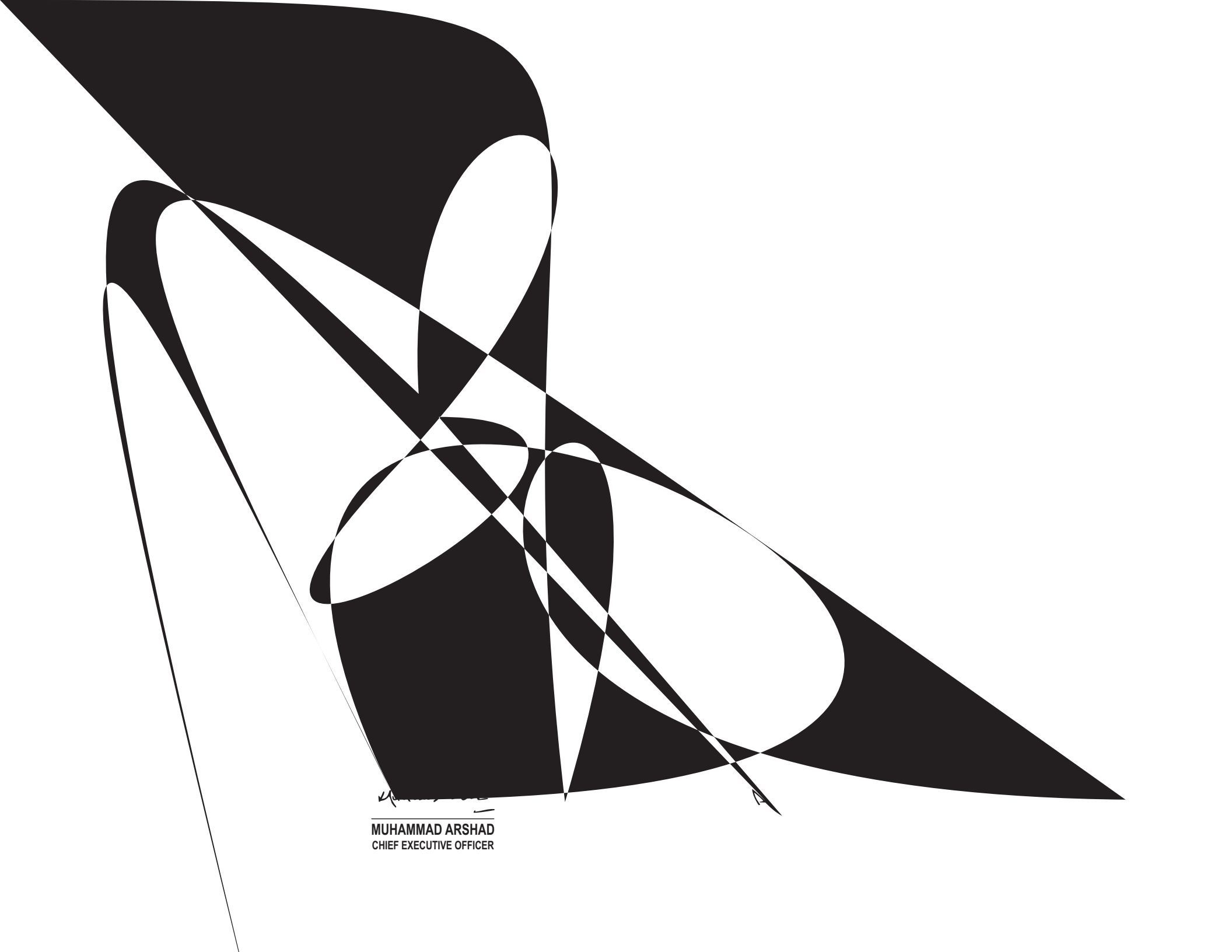
The annexed notes form an integral part of this condensed interim financial information.



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR



Muhammad Arshad


MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER

CRESCENT SUGAR MILLS AND DISTILLERY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 JUNE 2011 (UN-AUDITED)

(RUPEES IN THOUSAND)

	CAPITAL RESERVES				REVENUE RESERVES				TOTAL EQUITY	
	SHARE CAPITAL	Premium on issue of shares	Plant Modernisation	Fair value	Sub Total	General	Dividend equalization	(Accumulated loss)		Sub Total
The Company										
Balance as at 01 October 2009- Audited	213,775	5,496	12,000	88,551	106,047	96,988	4,000	(309,420)	(208,432)	111,390
Total comprehensive (loss) / income for the nine months ended 30 June 2010	-	-	-	(14,327)	(14,327)	-	-	8,615	8,615	(5,712)
Balance as at 30 June 2010- Unaudited	213,775	5,496	12,000	74,224	91,720	96,988	4,000	(300,805)	(199,817)	105,678
Total comprehensive loss for the next quarter ended 30 September 2010	-	-	-	(14,789)	(14,789)	-	-	(64,605)	(64,605)	(79,394)
Balance as at 30 September 2010- Audited	213,775	5,496	12,000	59,435	76,931	96,988	4,000	(365,410)	(264,422)	26,284
Total comprehensive (loss) / income for the nine months ended 30 June 2011	-	-	-	(24,583)	(24,583)	-	-	62,169	62,169	37,586
Balance as at 30 June 2011- Unaudited	213,775	5,496	12,000	34,852	52,348	96,988	4,000	(303,241)	(202,253)	63,870
Consolidated										
Balance as at 01 October 2009- Audited	213,775	5,496	12,000	3,835	21,331	44,975	4,000	(191,241)	(142,266)	92,840
Total comprehensive (loss) / income for the nine months ended 30 June 2010	-	-	-	(5,188)	(5,188)	-	-	65,573	65,573	60,385
Balance as at 30 June 2010- Unaudited	213,775	5,496	12,000	(1,353)	16,143	44,975	4,000	(125,668)	(76,693)	153,225
Total comprehensive loss for the next quarter ended 30 September 2010	-	-	-	3,814	3,814	-	-	(22,743)	(22,743)	(18,929)
Balance as at 30 September 2010- Audited	213,775	5,496	12,000	2,461	19,957	44,975	4,000	(148,411)	(99,436)	134,296
Total comprehensive (loss) / income for the nine months ended 30 June 2011	-	-	-	(2,131)	(2,131)	-	-	74,799	74,799	72,668
Balance as at 30 June 2011- Unaudited	213,775	5,496	12,000	330	17,826	44,975	4,000	(73,612)	(24,637)	206,964

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


MUHAMMAD ARSHAD
 CHIEF EXECUTIVE OFFICER


ABID MEHMOOD
 DIRECTOR

CRESCENT SUGAR MILLS AND DISTILLERY LIMITED

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED 30 JUNE 2011 (UN-AUDITED)

1. THE COMPANY AND ITS OPERATIONS

Crescent Sugar Mills and Distillery Limited (the Company) is a public limited company incorporated in March 1959 in Pakistan under the Companies Act, 1913 (Now Companies Ordinance, 1984). The shares of the Company are quoted on all Stock Exchanges of Pakistan. The Company is engaged in manufacturing and sale of sugar, distillate and yarn. The Company also operates an embroidery unit. Registered office of the Company is situated at New Lahore Road, Nishatabad, Faisalabad.

2. BASIS OF PREPARATION

This condensed interim financial information is unaudited and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984. This condensed interim financial information of the Company for the nine months period ended 30 June 2011 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984 as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP). In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information should be read in conjunction with the audited annual published financial statements for the year ended 30 September 2010.

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

- 3.1 Accounting policies and methods of computation for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding annual published financial statements of the Company for the year ended 30 September 2010 except for the new accounting policy adopted by the company during the period as given hereunder:

Non-current assets held for sale

Non-current assets classified as held for sale are stated at the lower of carrying amount and fair value less cost to sell if their carrying amount is recoverable principally through a sale transaction rather than through continuing use.

3.2 Consolidated condensed interim financial information

Consolidated condensed interim financial information includes financial results of Crescot Mills Limited, 66.15 percent owned subsidiary company.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 September 2010.

	(RUPEES IN THOUSAND)			
	THE COMPANY		CONSOLIDATED	
	30 June 2011	30 September 2010	30 June 2011	30 September 2010
5. LONG TERM FINANCING				
SECURED				
Opening balance	52,451	68,699	57,451	107,522
Less: Paid during the period/year	14,986	16,248	14,986	50,071
	<u>37,465</u>	<u>52,451</u>	<u>42,465</u>	<u>57,451</u>
Less: Current portion shown under current liabilities	26,965	22,479	26,965	22,479
	<u>10,500</u>	<u>29,972</u>	<u>15,500</u>	<u>34,972</u>

6. CONTINGENCIES AND COMMITMENTS

Contingencies:

- Certain additions have been made by the assessing officer in different assessment years on various grounds and has created demand of Rupees 10.787 million (30 September 2010: Rupees 10.787 million). The Company, being aggrieved, has filed appeals with the Honorable High Court which are still pending. No provision has been made in the books of account against the aforesaid demand as the management is hopeful for positive outcome of the appeals filed by the Company.
- Aggregate amount of guarantees issued by the banks on behalf of the Company in favour of Sui Northern Gas Pipelines Limited is Rupees 37.493 million (30 September 2010: Rupees 30.556 million).

Commitments:

- Contracts for capital expenditure are Nil (30 September 2010: Nil).
- Contracts for other than capital expenditure are Rupees 49.382 million (30 September 2010: Rupees 2.293 million)

7. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets (Note 7.1)	2,861,100	2,876,735	2,894,659	2,913,723
Classified as non-current assets held for sale	54,580	-	54,580	-
	<u>2,806,520</u>	<u>2,876,735</u>	<u>2,840,079</u>	<u>2,913,723</u>

7.1 Operating fixed assets

Opening book value	2,876,735	370,529	2,913,723	378,282
Add: Additions/transfer during the period/year (Note 7.1.1)	10,207	35,248	10,207	35,248
Surplus on revaluation	-	2,513,042	-	2,547,331
	<u>2,886,942</u>	<u>2,918,819</u>	<u>2,923,930</u>	<u>2,960,861</u>

Less:

Book value of deletions during the period/year (Note 7.1.2)	1,757	1,688	1,757	4,703
Depreciation charged during the period/year	24,085	40,396	27,514	42,435
	<u>25,842</u>	<u>42,084</u>	<u>29,271</u>	<u>47,138</u>
Book value at the end of the period/year	<u>2,861,100</u>	<u>2,876,735</u>	<u>2,894,659</u>	<u>2,913,723</u>

(RUPEES IN THOUSAND)

	THE COMPANY		CONSOLIDATED	
	30 June 2011	30 September 2010	30 June 2011	30 September 2010
7.1.1 Additions/transfer during the period/year				
Plant and machinery	7,533	32,484	7,533	32,484
Tools and equipment	19	1,851	19	1,851
Furniture and fixture	180	219	180	219
Vehicles	2,334	475	2,334	475
Office equipment	141	219	141	219
	<u>10,207</u>	<u>35,248</u>	<u>10,207</u>	<u>35,248</u>

7.1.2 Deletions during the period/year

Freehold land	-	3	-	3
Leasehold land	-	-	-	1,968
Building & roads	-	-	-	242
Plant and machinery	586	1,666	586	2,104
Electric installations	-	-	-	33
Tools and equipment	542	-	542	-
Furniture and fixtures	-	-	-	33
Vehicles	627	19	627	13
Office equipment	-	-	-	307
Service equipment	2	-	2	-
	<u>1,757</u>	<u>1,688</u>	<u>1,757</u>	<u>4,703</u>

8. LONG TERM INVESTMENTS

In associates:				
Cost	-	-	47,434	49,247
Share of post acquisition profit:				
At the beginning of the period/year	-	-	187,463	164,424
Share of profit during the period/year	-	-	15,157	23,039
	-	-	202,620	187,463
	-	-	250,054	236,710
Available for sale:				
Unquoted - Subsidiary company	14,747	22,182	-	-
Quoted - Associated companies	1,411	1,607	-	-
Quoted - Others	1,485	1,500	1,486	1,500
Unquoted - Associated companies	2,500	2,500	-	-
Unquoted - Others	11,104	11,635	1,300	1,831
	31,247	39,424	2,786	3,331
Less: Impairment loss charged to profit and loss account	-	(8,162)	-	(531)
Add: Fair value adjustment	3,901	5,765	330	2,461
	<u>35,148</u>	<u>37,027</u>	<u>3,116</u>	<u>5,261</u>
	<u>35,148</u>	<u>37,027</u>	<u>253,170</u>	<u>241,971</u>

9. SHORT TERM INVESTMENTS - Available for sale

Quoted - Associated companies	29,778	43,026	-	-
Quoted - Others	9,002	18,403	9,002	18,402
	<u>38,780</u>	<u>61,429</u>	<u>9,002</u>	<u>18,402</u>
Less: Impairment loss charged to profit and loss account	(497)	(20,835)	(497)	(9,400)
Add: Fair value adjustment	30,951	53,670	-	-
	<u>69,234</u>	<u>94,264</u>	<u>8,505</u>	<u>9,002</u>

10. NON CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

The non current assets classified as held for sale under International Financial Reporting Standard (IFRS) 5 'Non Current Assets Held for Sale and Discontinued Operations' in their respective categories are summarized hereunder:

	(RUPEES IN THOUSAND)	
	THE COMPANY	
	30 June 2011	30 September 2010
(a) Non-current assets classified as held for sale		
Property, plant and equipment		
Plant and machinery	52,818	-
Tools and equipment	1,517	-
Electric installation	235	-
Service equipment	10	-
	<u>54,580</u>	<u>-</u>

Property, plant and equipment related to Sugar Unit and Distillery Unit have been presented as held for sale following the approval of the management of the Company and shareholders in Annual General Meeting held on 31 January 2011 and Extra Ordinary General Meeting held on May 14, 2011 respectively, regarding the disposal of plant and machinery and related equipment of Sugar and Distillery Units of the Company. The Company is in process to take all necessary steps including negotiation and signing of documents, deeds, papers, agreements and all other documents as may be necessary for the completion of the transaction. Fair value of the plant and machinery and related equipment is Rupees 530 million. The completion of the transaction is expected within 12 months from the balance sheet date.

	(RUPEES IN THOUSAND)	
	THE COMPANY	
	30 June 2011	30 June 2010
(b) Analysis of the result of discontinued operations		
SALES	51,036	450,532
COST OF GOODS SOLD	(73,215)	(546,734)
GROSS LOSS	<u>(22,179)</u>	<u>(96,202)</u>
DISTRIBUTION COST	(1,181)	(1,324)
ADMINISTRATIVE EXPENSES	(17,432)	(25,935)
OTHER OPERATING EXPENSES	(498)	(490)
	<u>(19,111)</u>	<u>(27,749)</u>
	<u>(41,290)</u>	<u>(123,951)</u>
OTHER OPERATING INCOME	20,144	7,653
LOSS FROM DISCONTINUED OPERATION	<u>(21,146)</u>	<u>(116,298)</u>
FINANCE COST	(9,906)	(18,230)
LOSS BEFORE TAXATION FROM DISCONTINUED OPERATIONS	<u>(31,052)</u>	<u>(134,528)</u>
PROVISION FOR TAXATION	(510)	(2,253)
LOSS AFTER TAXATION FROM DISCONTINUED OPERATIONS	<u>(31,562)</u>	<u>(136,781)</u>

(RUPEES IN THOUSAND)

	THE COMPANY				CONSOLIDATED			
	NINE MONTHS ENDED		QUARTER ENDED		NINE MONTHS ENDED		QUARTER ENDED	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
11. COST OF SALES								
Raw material consumed	2,606,343	1,208,825	787,203	431,810	2,606,343	1,208,825	787,203	431,810
Salaries, wages and other benefits	132,941	114,726	42,295	38,444	132,941	114,726	42,295	38,444
Stores, spare parts and loose tools	60,862	51,311	20,428	19,994	60,862	51,311	20,428	19,994
Fuel and power	226,702	178,547	70,036	68,375	226,702	178,547	70,036	68,375
Other manufacturing overheads	2,944	2,551	842	861	2,944	2,551	842	861
Insurance	2,642	2,364	811	788	2,642	2,364	811	788
Repair and maintenance	2,112	1,706	134	438	2,112	1,706	134	438
Depreciation and amortization	21,294	23,806	7,136	7,980	21,294	23,806	7,136	7,980
	<u>3,055,840</u>	<u>1,583,836</u>	<u>928,885</u>	<u>568,690</u>	<u>3,055,840</u>	<u>1,583,836</u>	<u>928,885</u>	<u>568,690</u>
Work-in-process:								
Opening stock	17,383	13,264	26,534	12,513	17,383	13,264	26,534	12,513
Closing stock	(24,641)	(14,280)	(24,641)	(14,280)	(24,641)	(14,280)	(24,641)	(14,280)
	<u>(7,258)</u>	<u>(1,016)</u>	<u>1,893</u>	<u>(1,767)</u>	<u>(7,258)</u>	<u>(1,016)</u>	<u>1,893</u>	<u>(1,767)</u>
Cost of goods manufactured	<u>3,048,582</u>	<u>1,582,820</u>	<u>930,778</u>	<u>566,923</u>	<u>3,048,582</u>	<u>1,582,820</u>	<u>930,778</u>	<u>566,923</u>
Cost of goods purchased	<u>367,174</u>	<u>38,794</u>	<u>312,990</u>	<u>9,257</u>	<u>367,174</u>	<u>38,794</u>	<u>312,990</u>	<u>9,257</u>
	<u>3,415,756</u>	<u>1,621,614</u>	<u>1,243,768</u>	<u>576,180</u>	<u>3,415,756</u>	<u>1,621,614</u>	<u>1,243,768</u>	<u>576,180</u>
Finished goods:								
Opening stock	25,536	18,657	36,170	17,532	25,536	18,657	36,170	17,532
Closing stock	(176,577)	(35,762)	(176,577)	(35,762)	(176,577)	(35,762)	(176,577)	(35,762)
	<u>(151,041)</u>	<u>(17,105)</u>	<u>(140,407)</u>	<u>(18,230)</u>	<u>(151,041)</u>	<u>(17,105)</u>	<u>(140,407)</u>	<u>(18,230)</u>
	<u>3,264,715</u>	<u>1,604,509</u>	<u>1,103,361</u>	<u>557,950</u>	<u>3,264,715</u>	<u>1,604,509</u>	<u>1,103,361</u>	<u>557,950</u>
12. OTHER OPERATING INCOME								
Gain on sale of investments	18,171	10,082	-	10,082	18,171	10,082	-	10,082
Dividend income	4,562	1,828	467	1,828	526	-	454	-
Stores, scrap and mud sales	915	553	168	134	915	553	168	239
	<u>23,648</u>	<u>12,463</u>	<u>635</u>	<u>12,044</u>	<u>19,612</u>	<u>10,635</u>	<u>622</u>	<u>10,321</u>

(RUPEES IN THOUSAND)

	THE COMPANY		CONSOLIDATED	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
13. CASH UTILIZED IN OPERATIONS				
Profit before taxation	98,141	76,587	110,771	99,144
Adjustments for non-cash charges and other items:				
Depreciation	24,085	20,210	27,514	20,436
Provision for gratuity	3,725	4,200	3,725	(532)
Gain on disposal of property, plant and equipment	(17,010)	(5,197)	(17,010)	(5,197)
Gain on sale of investments	(18,171)	(8,804)	(18,171)	(8,804)
Credit balances added back	449	1,765	449	1,765
Impairment loss on investments	497	8,175	497	3,481
Share of profit from associated companies	-	-	(15,157)	(19,274)
Finance cost	57,804	38,758	57,804	38,758
Working Capital Changes (Note 13.1)	(27,012)	(228,109)	(27,829)	(229,131)
	<u>122,508</u>	<u>(92,415)</u>	<u>122,593</u>	<u>(99,354)</u>

13.1 Working capital changes**Decrease / (increase) in current assets**

Stores, spare parts and loose tools	5,672	(1,238)	5,717	(897)
Stock in trade	(138,838)	(395,099)	(138,838)	(395,099)
Trade debts	(52,765)	13,563	(52,766)	42,944
Loans and advances	65,143	(8,311)	65,143	(8,071)
Prepayments and balances with statutory authorities	(5,700)	(1,746)	(5,700)	27
Other receivables	(1,472)	2,276	(1,472)	18,013

Increase in current liabilities

Trade and other payables	100,948	162,446	100,087	113,952
	<u>(27,012)</u>	<u>(228,109)</u>	<u>(27,829)</u>	<u>(229,131)</u>

14. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, subsidiary company, companies in which directors are interested, staff retirement funds, directors and key management personnel. Significant transactions with related parties and associated companies are as under:

DESCRIPTION	(RUPEES IN THOUSAND)							
	THE COMPANY				CONSOLIDATED			
	NINE MONTHS ENDED		QUARTER ENDED		NINE MONTHS ENDED		QUARTER ENDED	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010	30 June 2011	30 June 2010
Subsidiary Company								
Rental expense	720	720	240	240	-	-	-	-
Associated Companies								
Sales	15,279	8,000	-	8,000	15,279	8,000	-	8,000
Insurance charges	4,979	4,576	(81)	-	4,979	4,576	(81)	-
Others								
Employees' Provident Fund Trust	1,184	1,181	357	265	1,184	1,181	357	265
Loans received from directors/sponsors	13,062	11,909	3,409	3,505	13,062	11,909	3,409	3,505
Loans repaid to directors/sponsors	7,632	6,577	2,176	2,565	7,632	6,577	2,176	2,565
Remuneration paid to key management personnel	18,528	18,584	6,176	6,195	18,528	18,584	6,176	6,195

15. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding auditing annual financial statements of the Company for the year ended 30 September 2010.

16. DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue on July 30, 2011 by the Board of Directors of the Company.

17. CORRESPONDING FIGURES

Comparative figures have been re-arranged/reclassified, wherever necessary for the purpose of comparison. However, no significant rearrangements/reclassification has been made.

18. GENERAL

Figures have been rounded off to the nearest thousand rupees.



MUHAMMAD ARSHAD
CHIEF EXECUTIVE OFFICER



ABID MEHMOOD
DIRECTOR

BOOK POST
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