

SALMAN NOMAN ENTERPRISES LIMITED

DIRECTORS' REPORT TO THE SHARE HOLDERS

The Directors have the pleasure to submit un-audited accounts for the Quarter ended on 31st March, 2011.

During the period under review the company produced 1,739,375 Kgs. of blended yarn as compared to 1,549,770 Kgs. in the corresponding period of the last year. AL HAMDO LILLAH , we have increased our production by 12.23%.

The financial results are as under:-

PARTICULARS	QUARTER ENDING 31-03-2011 RUPEES IN MILLION	QUARTER ENDING 31-03-2010 RUPEES IN MILLION
Sales	529.138	312.600
Cost of Sales	(504.702)	(279.889)
Gross Profit	24.436	32.711
Other operating income	0.758	0.020
Distribution cost	(0.657)	(0.156)
Administrative expenses	(3.115)	(4.710)
Other operating expenses	(0.190)	(6.216)
Finance cost	(18.179)	(14.186)
Profit Before Taxation	3.053	7.463

The period under review has been badly damaged by energy crises, higher rates of raw material and petroleum products. Resultantly profitability of the company has decreased.

Increasing trend of raw material prices, both Cotton and Polyester Fibre coupled with heavy energy crises will badly affect our production and cost of production in the ensuing period.

Directors of the company would like to place on record their appreciation of the hard work and dedications shown by executive, staff members and workers of the company in the performance of their duties.

FOR AND ON BEHALF OF THE BOARD

Lahore:
April 29, 2011

(NAUMAN ALMAS)
Chief Executive