

**SALMAN NOMAN ENTERPRISES LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2011**

|   | <b>Quarter ended</b>          |                               |
|---|-------------------------------|-------------------------------|
|   | <b>September 30,<br/>2011</b> | <b>September 30,<br/>2010</b> |
|   | -----Rupees-----              |                               |
| <b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>                   |                               |                               |
| Net profit before tax   | 2,219,802                     | 4,365,374                     |
| Depreciation on property, plant and equipment                   | 8,817,881                     | 7,606,909                     |
| Provision for staff retirement benefits - gratuity              | 1,750,200                     | 1,560,000                     |
| Finance cost  | 15,210,926                    | 15,961,528                    |
| Amortization of deferred income                                 | (549,591)                     | (549,591)                     |
| <b>Profit before working capital changes</b>                    | <b>27,449,218</b>             | <b>28,944,220</b>             |
| <b>Changes in working capital</b>                               |                               |                               |
| <b>(Increase) / Decrease in current assets</b>                  |                               |                               |
| Stores, spare parts and loose tools                             | 198,775                       | (5,796,385)                   |
| Stock in trade  | 4,511,603                     | (132,849,493)                 |
| Trade debts   | 17,439,110                    | (9,302,625)                   |
| Loans and advances  | (26,976,152)                  | (17,706,705)                  |
| Trade deposits and short term prepayments                       | (1,484,094)                   | (1,157,362)                   |
| Tax refund due from Government                                  | (3,102,051)                   | (2,936,844)                   |
| <b>Increase / (Decrease) in current liabilities</b>             | <b>23,896,469</b>             | <b>13,098,845</b>             |
| Trade and other payables  | 14,483,660                    | (156,650,569)                 |
| <b>Cash (used) / generated from operations</b>                  | <b>41,932,878</b>             | <b>(127,706,349)</b>          |
| Finance cost paid   | (15,407,012)                  | (11,058,693)                  |
| Staff retirement benefits - gratuity paid                       | (1,334,497)                   | (1,123,177)                   |
| Income taxes (paid) / refunded                                  | (119,778)                     | 1,578,077                     |
|   | (16,861,287)                  | (10,603,793)                  |
| <b>Net cash (used) / generated from operating activities</b>    | <b>25,071,591</b>             | <b>(138,310,142)</b>          |
| <b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>                   |                               |                               |
| Purchase of property, plant and equipment                       | (995,306)                     | (6,027,475)                   |
| Long term deposits  | -                             | 3,360,150                     |
| <b>Net cash used in investing activities</b>                    | <b>(995,306)</b>              | <b>(2,667,325)</b>            |
| <b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>                   |                               |                               |
| <i>Increase in:</i>   |                               |                               |
| Long term loan obtained from directors                          | 10,479,530                    | 7,624,889                     |
| <i>Payments for:</i>  |                               |                               |
| Long term financing   | (8,832,634)                   | -                             |
| Liabilities against assets subject to finance lease             | (5,274,796)                   | (3,553,472)                   |
| Long term murabaha finance                                      | (3,977,125)                   | (3,977,125)                   |
| Short term borrowings - net                                     | (8,542,945)                   | 142,897,138                   |
| <b>Net cash (used) / generated from financing activities</b>    | <b>(16,147,970)</b>           | <b>142,991,430</b>            |
| <b>Net increase in cash and cash equivalents (A+B+C)</b>        | <b>7,928,315</b>              | <b>2,013,963</b>              |
| <b>Cash and cash equivalents at the beginning of the period</b> | <b>7,975,067</b>              | <b>6,952,148</b>              |
| <b>Cash and cash equivalents at the end of the period</b>       | <b>15,903,382</b>             | <b>8,966,111</b>              |

*The annexed notes form an integral part of these condensed interim financial statements*

Lahore:  
Dated: October 31, 2011

( NAUMAN ALMAS )  
CHIEF EXECUTIVE

( MRS. SHAMIM AKHTAR )  
DIRECTOR