



Gulistan Spinning Mills Limited

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09 March 2015

The General Manager
Karachi Stock Exchange Ltd
Stock Exchange Building
Stock Exchange Road
Karachi

SUB: FINANCIAL RESULTS FOR THE HALF YEAR ENDED DECEMBER 31, 2014

Dear Sir

We have to inform you that the Board of Directors of our Company in their meeting held on Monday, March 09, 2015 at 04:00 P.M. at the Lahore Office of the Company at 4th Floor, The Enterprise, Building No. 1, 1-KM, Thokar Niaz Baig, Multan Road, Lahore, recommend the following:

- | | | |
|-------|----------------------|------------|
| (I) | CASH DIVIDEND | NIL |
| (II) | BONUS SHARES | NIL |
| (III) | RIGHT SHARES | NIL |

The Financial Results of the Company are as follows:

	Gulistan Spinning Mills Limited			
	Quarter ended		Six months ended	
	31-Dec-14 RUPEES	31-Dec-13 RUPEES	31-Dec-14 RUPEES	31-Dec-13 RUPEES
Sales - net	-	190,090,123	-	263,585,326
Cost of sales	19,352,124	200,808,241	40,000,241	289,739,382
Gross (Loss)/Profit	(19,352,124)	(10,718,118)	(40,000,241)	(26,154,056)
Selling and distribution expenses	1,117,373	320,478	1,117,373	320,478
Administrative and general expenses	5,195,372	6,624,611	6,614,361	13,518,515
Other operating expenses	-	3,408,765	-	3,425,175
Net other income	589,413	596,550	1,118,295	1,130,809
Operating (loss) / profit	(25,075,455)	(20,475,442)	(49,513,679)	(42,287,415)
Finance cost	2,249,272	698,437	3,879,727	810,868
Share of (loss) / profit of associated companies	-	(29,728)	-	(29,728)
(Loss)/Profit before Taxation	(27,324,728)	(21,203,608)	(53,393,406)	(43,128,012)
Taxation	(3,076,638)	(3,264,640)	(6,163,275)	(6,727,136)
(Loss)/Profit after taxation	(24,248,090)	(17,938,968)	(47,240,131)	(36,400,876)
(Loss)/Earnings per share	(1.68)	(1.23)	(3.23)	(2.49)

The auditors have mentioned observation on the following matters :

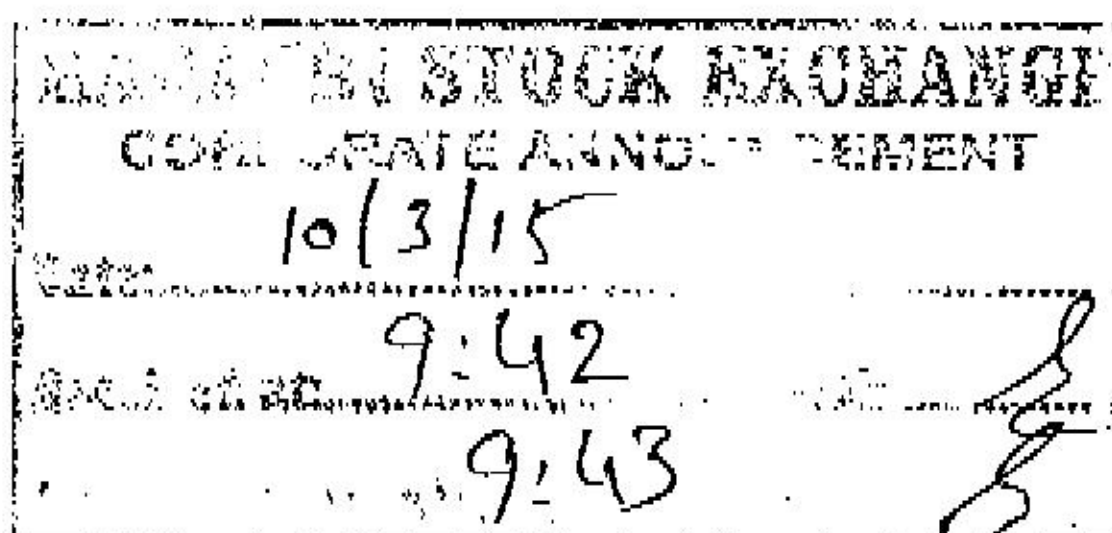
Due to net losses, net current liabilities position and uncertainty related to the outcome of the law suits filed against the company indicate existence of material uncertainty about its ability to continue as a going concern. These financial statements have been prepared on going concern basis on the assumptions as detailed in financial statements.

Due to pending litigations in the court mark-up / interest has not been accrued and balance confirmation letters from financial institutions have not been received.

We will be sending you 200 copies of printed audited accounts for distribution amongst the members of the Exchange separately.

Yours Faithfully,
For Gulistan Spinning Mills Limited

Javaid Iqbal
Javaid Iqbal
COMPANY SECRETARY



09-03-15