

PAKISTAN PAPERSACK CORPORATION LIMITED
PROFIT & LOSS ACCOUNT
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2006
(UN-AUDITED)

| | <u>For the Nine Months Ended</u> | | <u>For the Quarter Ended</u> | |
|------------------------------------|---------------------------------------------|---------------------------------------------|-------------------------------------|-------------------------------------|
| | <u>July - March</u> <u>(2005-2006)</u> | <u>July - March</u> <u>(2004-2005)</u> | <u>Jan - Mar</u> <u>(2006)</u> | <u>Jan - Mar</u> <u>(2005)</u> |
| ------(Rupees in thousands)----- | | | | |
| Net sales | 778,861 | 638,929 | 254,373 | 219,787 |
| Cost of sales | (666,615) | (539,015) | (215,508) | (190,200) |
| Gross profit | 112,246 | 99,914 | 38,865 | 29,587 |
| Administrative expenses | (38,995) | (38,366) | (12,027) | (13,340) |
| Selling & distribution cost | (39,232) | (33,579) | (11,560) | (10,175) |
| Other income | 40,992 | 24,605 | 17,508 | 1,259 |
| Profit on trading | 7,572 | 1,174 | 323 | 160 |
| | (29,663) | (46,166) | (5,756) | (22,096) |
| Operating profit | 82,583 | 53,748 | 33,109 | 7,491 |
| Financial charges | (3,406) | (2,805) | (1,236) | (1,304) |
| Other charges: | | | | |
| Workers' profit participation fund | (3,959) | (2,548) | (1,594) | (300) |
| Workers' welfare fund | (729) | (1,000) | (280) | (138) |
| | (8,094) | (6,353) | (3,110) | (1,742) |
| Net Profit before taxation | 74,489 | 47,395 | 29,999 | 5,749 |
| Taxation | (14,442) | (11,026) | (5,609) | (1,899) |
| Net Profit after taxation | 60,047 | 36,369 | 24,390 | 3,850 |
| Basic earnings per share - Rupees. | 4.35 | 2.64 | 1.77 | 0.28 |

The annexed notes from 1 to 10 form an integral part of these financial statements.

Mazhar Valjee
Chief Executive Officer

S. Z. Kazmi
Vice Chairman & Director