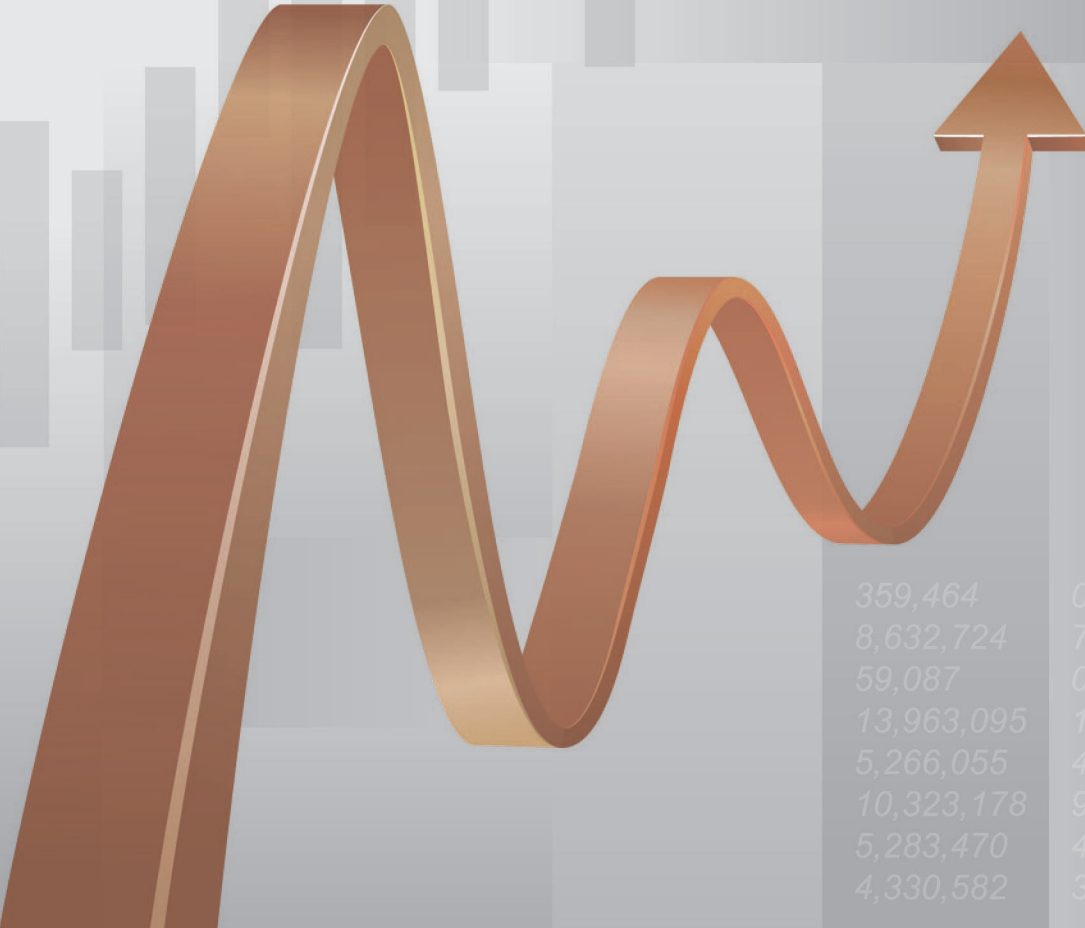




First Treet Manufacturing Modaraba
(Managed & Controlled by Global Econo Trade(Pvt.) Ltd.)

Quarterly Report

First Quarter ended September 30, 2010



359,464	0.3%
8,632,724	7.7%
59,087	0.1%
13,963,095	12.4%
5,266,055	4.7%
10,323,178	9.2%
5,283,470	4.7%
4,330,582	3.8%

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Corporate Information

Principal Place of Business	72-B, Kotlakhpat, Industrial Area, Lahore
Modaraba Company and Registered Office	Global Econo Trade (Private) Limited 72-B, Kotlakhpat, Industrial Area, Lahore
Packaging Solutions - Plant Location	Kacha Tiba Rohi Nala, 22-KM, Ferozpur Road, Lahore
Paper & Board Mill - Plant Location	31-KM Sheikhpura Road, Sheikhpura
Soap – Plant Location	Ghakkar [under Toll Manufacturing Arrangement]
Chief Executive Officer	Syed Shahid Ali
Directors	Syed Sheharyar Ali Muhammad Shafique Anjum Shahid Zia
Auditors of the Modaraba	Hyder Bhimji & Company Chartered Accountants
Auditors of the Modaraba Company	KPMG Taseer Hadi & Co. Chartered Accountants
Audit Committee	<ul style="list-style-type: none"> ● Muhammad Shafique Anjum - Chairman ● Syed Shahid Ali - Member ● Shahid Zia - Member
Share Registrar	Scarlet I.T. Systems (Private) Limited Hassan Plaza, 6/A Jail Road, Lahore Phone: (042) 37087113, 37570202 Fax: (042) 37570303 E-mail: treet@scarletsystem.com
Legal Advisors	Saleem & Baig - Advocates
Bankers to the Modaraba	<ol style="list-style-type: none"> 1. NIB Bank Limited 2. MCB Bank Limited 3. Allied Bank Limited 4. Habib Bank Limited 5. Barclays Bank PLC, Pakistan 6. United Bank Limited 7. BankIslami Pakistan Limited
Chief Accountant – Modaraba Company	Sohail Habib
Chief Accountant – Modaraba	Sajjad Haider Khan
Company Secretary	Ayaz Ahmed

Directors' Review

Board of Directors of Global Econo Trade (Private) Limited (GET), the Management Company of First Treet Manufacturing Modaraba (FTMM), is pleased to present un-audited financial statements for the **1st Quarter** ending on September 30, 2010.

Financial Results

Rs. in 000'	2010-2011	2009-2010
Net Sales	375,560	365,407
Gross Profit	24,828	47,838
Net Profit	3,644	34,975
Profit per Certificate	0.07	0.70
Transfer to Statutory Reserve	Nil	Nil
Book Value per Modaraba Certificate	9.76	9.27

Margins are generally squeezed across the board due to the following reasons:

- Increase in raw material prices;
- Increase in depreciation due to addition in fixed assets;
- Increase in power tariffs and in-house power generations;
- General inflationary pressure in the economy;

But management of your Modaraba is confident to restore the margins in the coming months because of better sales stratagem, price rationalization and raw material sourcing.

Acknowledgement

The Board would like to take this opportunity to express gratitude and thanks to our valuable customers for their patronage and support, the Securities and Exchange Commission of Pakistan, the Lahore Stock Exchange (Guarantee) Limited and Modaraba Association of Pakistan for their continuous support and guidance.

Special thanks to our certificate holders for the trust and confidence reposed in us.

For and on behalf of the Board



Syed Shahid Ali
Chief Executive Officer

Dated: October 28, 2010
Lahore


Condensed Interim Balance Sheet

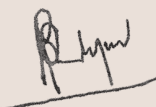
As at September 30, 2010 (Un-audited)

	Note	Sept. 2010 Un-audited (Rupees in thousand)	June 2010 Audited
Property, plant and equipment		326,653	323,704
Long term deposits		21,452	14,974
		348,105	338,678
CURRENT ASSETS			
Stores and spares		37,792	39,422
Stock in trade		189,472	182,444
Trade debts - unsecured considered good		307,637	238,858
Loans, advances, deposits, prepayments and other receivables		143,335	109,983
Cash and bank balances		49,468	38,627
		727,704	609,334
CURRENT LIABILITIES			
Finance under mark-up-arrangements - secured		-	200,000
Trade and other payables		295,364	271,211
		295,364	471,211
NET CURRENT ASSETS		432,340	138,123
NET ASSETS		780,445	476,801
FINANCED BY:			
Issued, subscribed and paid-up capital		800,000	500,000
Statutory Reserve		24,258	24,258
Accumulated loss		(43,813)	(47,457)
SHARE HOLDERS' EQUITY		780,445	476,801
Contingencies and commitments	5	-	-
		780,445	476,801

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

LAHORE:
October 28, 2010


Syed Shahid Ali
Chief Executive Officer


Muhammad Shafique Anjum
Director


Condensed Interim Profit and Loss Account

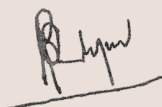
For the Quarter and 3 Months ended September 30, 2010 (Un-audited)

	Note	3 Months ended	
		July to Sept. 2010 (Rupees in thousand)	July to Sept. 2009
Net sales	6	375,560	365,407
Cost of Goods Sold	7	(350,732)	(317,569)
Gross Profit		24,828	47,838
Operating expenses :			
- Administrative expenses		(4,048)	(1,427)
- Selling & distribution expenses		(12,388)	(6,112)
		(16,436)	(7,539)
Operating Profit		8,392	40,299
Other income		2,048	1,436
		10,440	41,735
Financial expenses		(6,796)	(6,760)
Profit before taxation		3,644	34,975
Taxation		-	-
Profit after taxation		3,644	34,975
Earnings per Modaraba Certificate		0.07	0.70

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

LAHORE:
October 28, 2010


Syed Shahid Ali
Chief Executive Officer



Muhammad Shafique Anjum
Director

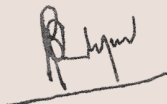
Condensed Interim Cash Flow Statement

For the Quarter and 3 Months ended September 30, 2010 (Un-audited)

	July to September 2010 (Rupees in thousand)	July to September 2009
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	3,644	34,975
Adjustments for non cash items :		
Financial charges for the period	6,796	6,760
Depreciation on property, plant and equipment	6,585	3,004
Profit on bank deposits	(1,155)	(1,232)
	12,226	8,532
Operating profit before working capital changes	15,870	43,507
(Increase) / decrease in operating assets:		
Stores and spares	1,630	(1,705)
Stock-in-trade	(7,028)	(29,887)
Trade debts	(68,779)	(37,709)
Loans, advances, deposits, prepayments and other receivables	(31,018)	(11,739)
	(105,195)	(81,040)
Increase / (decrease) in operating liabilities		
Trade and other payables	25,191	46,960
Cash generated from operations	(64,134)	9,427
Financial charges paid	(6,796)	(6,760)
Taxes paid	(3,372)	(1,010)
	(10,168)	(7,770)
Net cash from operating activities	(74,302)	1,657
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure incurred	(9,534)	(17,468)
Long term deposits	(6,478)	(6,673)
Profit received on bank deposits	1,155	1,637
Net cash outflow from investing activities	(14,857)	(22,504)
CASH FLOW FROM FINANCING ACTIVITIES		
Modaraba Certificates	300,000	-
Net cash from financing activities	300,000	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	210,841	(20,847)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	(161,373)	(235,225)
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	49,468	(256,072)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	49,468	43,928
Finance under mark-up arrangements	-	(300,000)
	49,468	(256,072)

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

LAHORE:
October 28, 2010

Syed Shahid Ali
 Chief Executive Officer


Muhammad Shafique Anjum
 Director


Condensed Interim Statement of Changes in Equity

For the Quarter and 3 Months ended September 30, 2010 (Un-audited)

	Certificate Capital	Statutory Reserve	Unappropriated Profit / (Loss)	Total
Rupees in '000				
Balance as at June 30, 2009	500,000	-	(71,715)	428,285
Net Profit for the period	-	-	34,975	34,975
	500,000	-	(36,740)	463,260
Balance as at June 30, 2010	500,000	24,258	(47,457)	476,801
Net Profit for the period	-	-	3,644	3,644
Balance as on September 30, 2010	500,000	24,258	(43,813)	480,445

The attached notes 1 to 11 form an integral part of this condensed interim financial information.

LAHORE:
 October 28, 2010


Syed Shahid Ali
 Chief Executive Officer


Muhammad Shafique Anjum
 Director

Notes to the Condensed Interim Financial Information

For the Quarter and 3 Months ended September 30, 2010 (Un-audited)

1. LEGAL STATUS AND NATURE OF BUSINESS

First Treet Manufacturing Modaraba “the Modaraba” is a multi purpose, perpetual and multi dimensional Modaraba formed on July 27, 2005 under the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980 and Rules framed there-under and is managed by Global Econo Trade (Pvt.), Limited (a wholly owned subsidiary of Treet Corporation Limited), incorporated in Pakistan under the Companies Ordinance, 1984 and registered with the Registrar of Modaraba Companies. The registered office of the Modaraba is situated at 72 - B, Industrial Area Kotlakhpat, Lahore. The Modaraba is listed on Lahore Stock Exchange (Guarantee) Limited.

A packaging plant under the name of “Packaging Solutions” has been set up by the Modaraba. The principal activity of “Packaging Solutions” is to manufacture and sell, all kinds of corrugated boxes and packaging.

The Modaraba is also engaged in the business of manufacturing and sale of soaps. The soap operation was started from July 01, 2009.

A paper and board plant under the name of “Packaging Solutions - Paper and Board Mill” has also been setup under the Modaraba.

2. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standards “34-Interim Financial Reporting” as applicable in Pakistan and the requirements of the Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980, Modaraba Companies and Modaraba Rules, 1981 and Prudential Regulations issued by the Securities and Exchange Commission of Pakistan (the Modaraba Regulations). These should be read in conjunction with financial statements of the Modaraba for the year ended June 30, 2010.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these interim condensed financial information are consistent with those followed in the preparation of the Modaraba’s annual financial statements for the year ended June 30, 2010, except for adoption of revised IAS 1 as noted below:

IAS 1 (Revised), ‘Presentation of financial statements’ (effective from January 01, 2009), was issued in September 2007. The revised standard prohibits the preparation of items of income and expenses (that is, ‘non - owner changes in equity’) in the statement of changes in equity, requiring ‘non-owner equity’ to be presented separately from owner changes in equity. All non-owner changes in equity are required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income).

The Modaraba has chosen to present all non-owner changes in equity in one performance statement - statement of comprehensive income (profit and loss account). The modaraba does not have any items of income and expenses representing other comprehensive income. Accordingly, the adoption of the above standard does not have significant impact on the presentation of the Modaraba’s financial statements and does not require the restatement or reclassification of comparative information.”

4. SIGNIFICANT ESTIMATES

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by management in applying the Modaraba’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual audited and published financial statements for the year ended June 30, 2010.

5. CONTINGENCIES AND COMMITMENTS

There is no material change in the position of contingent liabilities since the last annual balance sheet.

		3 Months ended	
		July to Sept. 2010	July to Sept. 2009
		(Rupees in thousand)	
	Note		
6. SALES			
Packaging products	6.1	218,583	220,745
Paper and board	6.2	9,865	-
Soaps	6.3	147,112	144,662
		375,560	365,407
6.1 Packaging Products			
Local Sales		255,629	258,799
Less: sales tax		(37,046)	(38,054)
		218,583	220,745
6.2 Paper and Board			
Local Sales		11,542	-
Less: sales tax		(1,677)	-
		9,865	-
6.3 Soaps			
Local Sales		178,551	170,652
Less: sales tax		(31,439)	(25,990)
		147,112	144,662
7. COST OF SALES			
Packaging products	7.1	135,760	204,678
Paper and board	7.2	87,298	-
Soaps	7.3	127,674	112,891
		350,732	317,569

	3 Months ended	
	July to Sept. 2010	July to Sept. 2009
	(Rupees in thousand)	
7.1 Packaging Products		
Raw and packing material consumed	94,502	178,940
Stores and spares consumed	6,554	3,302
Salaries, wages and other benefits	14,499	14,624
Fuel and power	8,276	4,302
Depreciation	3,374	3,004
Other expenses	5,542	4,965
	132,747	209,137
Opening stock of work in process	5,108	1,914
Closing stock of work in process	(4,048)	(2,649)
Cost of goods manufactured	133,807	208,402
Opening stock of finished goods	3,549	4,095
Closing stock of finished goods	(1,596)	(7,819)
	135,760	204,678
7.2 Paper and board		
Raw and packing material consumed	47,167	-
Stores and spares consumed	2,560	-
Salaries, wages and other benefits	8,787	-
Fuel and power	23,332	-
Depreciation	3,211	-
Other expenses	1,838	-
	86,895	-
Opening stock of work in process	-	-
Closing stock of work in process	(141)	-
Cost of goods manufactured	86,754	-
Opening stock of finished goods	2,897	-
Closing stock of finished goods	(2,353)	-
	87,298	-
7.3 Soaps		
Raw material consumed	93,851	128,755
Stores and spares consumed	1,244	2,122
Salaries, wages and other benefits	4,454	2,469
Fuel and power	9,053	799
Plant rental	1,800	1,800
Other expenses	1,270	1,086
	111,672	137,031
Opening stock of work in process	23,868	-
Closing stock of work in process	(17,871)	(18,417)
Cost of goods manufactured	117,669	118,614
Opening stock of finished goods	18,752	-
Closing stock of finished goods	(8,747)	(5,723)
	127,674	112,891

	3 Months ended	
	July to Sept. 2010	July to Sept. 2009
	(Rupees in thousand)	
8. TRANSACTIONS WITH RELATED PARTIES		
Purchases and services received	41,184	46,447
Goods sold and services rendered	144,124	133,335

The Company enters into transactions with related parties in the normal course of business on an arm's length basis. Prices for transactions with related parties are determined using admissible valuation methods.

9. NON-ADJUSTING POST BALANCE SHEET EVENT

The board of directors of the management company Global Econo Trade (Private) Limited have declared a cash dividend of Rs. 0.27 per Certificate (2009: Nil) amounting to Rs. 21.840 million (2009: Nil) in their meeting held on October 04, 2010. This dividend has not been accounted for in this condensed interim financial information.


10. This condensed interim financial information was authorized for issue by the board of directors of the Modaraba Comapny on October 28, 2010.

11. Amounts have been rounded off to thousand rupees.

LAHORE:
 October 28, 2010



Syed Shahid Ali
 Chief Executive Officer



Muhammad Shafique Anjum
 Director