

**CONDENSED INTERIM
FINANCIAL STATEMENTS
FOR THE THIRD QUARTER
ENDED MARCH 31, 2015**

(Un-Audited)

SFL LIMITED

SFL LIMITED

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COMPANY PROFILE**Board Of Directors**

Chairman	:	Mr. Mohammad Abdullah
Chief Executive	:	Mr. Shahid Abdullah
Director	:	Mr. Nadeem Abdullah Mr. Amer Abdullah Mr. Yousuf Abdullah Mr. Mohammad Yamin Mr. Mazhar Saleem, Independent Director

Audit Committee

	:	
Chairman	:	Mr. Nadeem Abdullah
Member	:	Mr. Amer Abdullah
Member	:	Mr. Mazhar Saleem

Human Resource & Remuneration Committee

	:	
Chairman	:	Mr. Yousuf Abdullah
Member	:	Mr. Mazhar Saleem
Member	:	Mr. Mohammad Yamin

Chief Financial Officer : Mr. Mujahid Akber Bozdar

Secretary : Mr. Shaukat Mahmud

Auditors : Hameed Chaudhri & Company
Chartered Accountants

Tax Consultants : Mushtaq & Company
Chartered Accountants

Legal Advisor : Mr. Saleem Ikram, Advocate

Bankers : Habib Bank Limited

Registered Office : 316, Cotton Exchange Building,
I. I. Chundrigar Road, Karachi.

Share Registrars : THK Associates (Pvt.) Ltd.
Second Floor, State Life Building-3,
Dr. Ziauddin Ahmed Road, Karachi.

DIRECTOR'S REPORT TO THE SHAREHOLDERS

The Board of Directors of SFL Limited have pleasure in presenting their report together with unaudited financial statements of the company for the nine months ended March 31, 2015.

OPERATIONS

The company earned dividend income, change in fair value of investments in funds and profit on redemption of investment in funds of Rs.112,653,649 during the period. After meeting administrative expenses of Rs.1,060,627 and provision for taxation of Rs. 11,002,365 net profit after tax comes to Rs. 100,590,657.

FUTURE OUTLOOK

The company has investments in the shares of associated companies and other listed companies and investment in mutual funds. Profitability of the company depends during the next quarter on the return on investments.

On behalf of the Board

Karachi
Dated :April 24, 2015

SHAHID ABDULLAH
Chief Executive

THIRD QUARTER ACCOUNTS MARCH 31, 2015

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED) AS AT MARCH 31, 2015

	Note	Un-audited March 31, 2015 Rupees	Audited June 30, 2014 Rupees
ASSETS			
Non current assets			
Land	5	68,103,000	-
Long term investments	6	403,816,350	366,255,000
Long term deposit		37,500	37,500
		<u>471,956,850</u>	<u>366,292,500</u>
Current assets			
Short term investments	7	46,772,284	66,073,275
Advance Against Purchase of Land	8	20,000,000	-
Taxation - net		-	157
Bank balances		850,935	3,274,301
		<u>67,623,220</u>	<u>69,347,733</u>
Total assets		<u>539,580,070</u>	<u>435,640,233</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital 20,200,000 (June 30, 2014: 20,200,000) ordinary shares of Rs.10 each		<u>202,000,000</u>	<u>202,000,000</u>
Issued, subscribed and paid-up capital 20,091,450 (June 30, 2014: 20,091,450) ordinary shares of Rs.10 each		200,914,500	200,914,500
Reserve arisen upon de-merger		165,340,500	165,340,500
Unappropriated profit		169,617,942	69,027,285
		<u>535,872,942</u>	<u>435,282,285</u>
Current liabilities			
Accrued and other liabilities		608,115	357,948
Taxation - net		3,099,013	-
Total liabilities		3,707,128	357,948
Contingencies and commitments	9		
Total equity and liabilities		<u>539,580,070</u>	<u>435,640,233</u>

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

Chief Executive

Director

THIRD QUARTER ACCOUNTS MARCH 31, 2015

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2015

	Quarter ended		Nine months ended	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	----- (Rupees) -----			
Revenue				
Dividend income	-	-	109,010,639	69,839,550
Profit On Redemption	1,056,033	-	1,056,033	-
Change in fair values of investments at fair value through profit or loss	(242,792)	1,123,914	2,586,977	1,996,165
	813,241	1,123,914	112,653,649	71,835,715
Administrative expenses	120,696	63,318	1,060,627	844,361
Profit before taxation	692,545	1,060,596	111,593,022	70,991,354
Taxation	101,300	-	11,002,365	6,983,955
Profit after taxation	591,245	1,060,596	100,590,657	64,007,399
Earnings per share- basic and diluted	0.03	0.05	5.01	3.19

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

Chief Executive

Director

THIRD QUARTER ACCOUNTS MARCH 31, 2015

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2015

	Quarter ended		Nine months ended	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	----- (Rupees) -----			
Profit after taxation	591,245	1,060,596	100,590,657	64,007,399
Other comprehensive income	-	-	-	-
Total comprehensive income	591,245	1,060,596	100,590,657	64,007,399

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

Chief Executive

Director

THIRD QUARTER ACCOUNTS MARCH 31, 2015

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2015

	Nine months ended	
	March 31, 2015 Rupees	March 31, 2014 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	111,593,022	70,991,354
Adjustments for non-cash items:		
Change in fair values of investments at fair value through profit or loss	(2,586,977)	(1,996,165)
Profit On Redemption	(1,056,033)	
Dividend income	(109,010,639)	(69,839,550)
Operating loss before working capital changes	(1,060,627)	(844,361)
Working capital changes		
(Decrease) / increase in accrued and other liabilities	250,167	(549,239)
Cash used in operations	(810,460)	(1,393,600)
Taxes paid	(7,254,593)	(7,036,213)
Net cash used in operating activities	(8,065,053)	(8,429,813)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Land	(68,751,600)	-
Advance against purchase of Land	(20,000,000)	-
Long term investment	(83,644)	-
Short Term Investment	22,944,000	(35,000,000)
Dividend received	71,532,932	69,839,550
Net cash generated from investing activities	5,641,688	34,839,550
CASH USED IN FINANCING ACTIVITIES		
Dividend paid	-	(20,091,450)
Net increase/(decrease) in cash and cash equivalents	(2,423,365)	6,318,287
Cash and cash equivalents - at beginning of the period	3,274,301	2,018,019
Cash and cash equivalents - at end of the period	850,936	8,336,307

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

Chief Executive

Director

THIRD QUARTER ACCOUNTS MARCH 31, 2015

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2015

	Issued, subscribed and paid-up capital	Reserve arisen upon de-merger	Unappro- priated profit	Total
	----- Rupees -----			
Balance as at July 1, 2013	200,914,500	165,340,500	23,983,989	390,238,989
Transaction with owners				
Cash dividend for the year ended June 30, 2013 at the rate of Re.1 per share	-	-	(20,091,450)	(20,091,450)
Total comprehensive income for the Period ended March 31,2014				
Profit for the Period	-	-	64,007,399	64,007,399
Other comprehensive income	-	-	-	-
	-	-	64,007,399	64,007,399
Balance as at March 31, 2014	200,914,500	165,340,500	67,899,937	434,154,937
Balance as at July 1, 2014	200,914,500	165,340,500	69,027,285	435,282,285
Total comprehensive income for the Period ended March 31,2015				
Profit for the Period	-	-	100,590,657	100,590,657
Other comprehensive income	-	-	-	-
	-	-	100,590,657	100,590,657
Balance as at March 31, 2015	200,914,500	165,340,500	169,617,942	535,872,942

The annexed notes 1 to 12 form an integral part of this condensed interim financial information.

Chief Executive

Director

THIRD QUARTER ACCOUNTS MARCH 31, 2015

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2015

1. THE COMPANY AND ITS OPERATIONS

SFL Limited (the Company) was incorporated as public limited company on April 26, 2010 and its shares has been listed on Karachi Stock Exchange Limited with effect from January 7, 2013. The registered office of the Company is located at 316 - Cotton Exchange Building, I.I. Chundrigar Road, Karachi. The main business of the Company is to invest in the shares of Associated Companies and other business as per the Memorandum of Association of the Company.

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited and is being submitted to the members in accordance with section 245 of the Companies Ordinance, 1984. It has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the audited annual financial statements of the Company for the year ended June 30, 2014.

3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2014 except as follows:

The Company has adopted all the new standards and amendments to standards, including any consequential amendments to other standards which are applicable for the financial year beginning on July 1, 2014. The adoption of these new and amended standards did not have any effect on this condensed interim financial information.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. However, actual results may differ from these estimates.

			Un-audited March 31, 2015 Rupees	Audited June 30, 2014 Rupees
5.	LAND	5.1	68,103,000	-
5.1	Land measuring (54K-1M) Located at Tehseel Cntt District Lahore purchased on 8th January, 2015 Valuing Rs. 68,103,000 .			

THIRD QUARTER ACCOUNTS MARCH 31, 2015

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2015

	Note	March 31, 2015 Rupees	June 30, 2014 Rupees
6. LONG TERM INVESTMENTS - at cost			
Investments in ordinary shares of			
- Subsidiary Company		100,000	100,000
- Associated Companies	6.1	403,716,351	366,155,000
		403,816,351	366,255,000

6.1 The Company, during the period, has received 510,019 and 47,602 ordinary shares of Reliance Cotton Spinning Mills Limited (an Associated Company) as specie dividend from Diamond Fabrics Limited and Amer Cotton Mills (Private) Limited respectively.

7. SHORT TERM INVESTMENTS
- At fair value through profit or loss

	March 31,2015 Units	June 30,2014 Units		March 31, 2015 Rupees	June 30, 2014 Rupees
<u>Mutual funds</u>					
154,763.9409	154,763.9409	154,763.9409	Pakistan Cash Management Fund	8,234,107	7,738,197
168,168.6416	168,168.6416	168,168.6416	UBL Liquidity Plus Fund	17,957,720	16,878,498
179,548.6930	413,236.8268	413,236.8268	HBL Money Market Fund	19,151,956	41,456,580
				45,343,784	66,073,275
<u>Listed company</u>					
50,000		-	Altern Energy Limited	1,428,500	-
				46,772,284	66,073,275

8. ADVANCE AGAINST PURCHASE OF LAND

Advance against purchase of Land	20,000,000	-
	20,000,000	-

9. CONTINGENCIES AND COMMITMENTS

There has been no significant change in the status of contingencies as reported in note 9 to the preceding audited annual financial statements of the Company for the year ended June 30, 2014.

There was no capital commitment as at March 31, 2015 and June 30, 2014.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2015

10. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

This condensed interim financial information does not include all financial risk management information and disclosures required in the audited annual financial statements and should be read in conjunction with the Company's audited annual financial statement as at June 30, 2014.

There have been no changes in the risk management policies since the year end.

11. TRANSACTIONS WITH RELATED PARTIES

There are no significant transactions with related parties during the current period except for dividend income aggregating Rs.109.011 million (March 31, 2014: Rs.69.839 million) received from Associated Companies.

12. GENERAL

12.1 Figures have been rounded off to the nearest rupee except stated otherwise.

12.2 This condensed interim financial information has been authorized for issue by the Board of Directors of the Company on April 24, 2015.

Chief Executive

Director

SFL LIMITED

Consolidated Accounts

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DIRECTOR'S REPORT TO THE SHAREHOLDERS

The Directors of the Holding Company of SFL Corporation (Private) Limited are pleased to place before you the Directors' report together with the un-audited Consolidated Financial Statements of SFL Limited and its subsidiary SFL Corporation (Private) Limited for the nine months ended March 31, 2015.

SFL Corporation (Private) Limited was incorporated for purpose given in the object clause of the Memorandum of Association which includes purchase and holding shares in other company having objects altogether or in part similar to those of this company. The company has not carried out any operational activity since its incorporation.

On behalf of the Board

Karachi
Dated :April 24, 2015

SHAHID ABDULLAH
Chief Executive

THIRD QUARTER ACCOUNTS MARCH 31, 2015

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015

	Note	Un-audited March 31, 2015 Rupees	Audited June 30, 2014 Rupees
ASSETS			
Non current assets			
Land	5	68,103,000	-
Long term investments	6	2,781,961,778	2,657,297,206
Long term deposit		37,500	37,500
		<u>2,850,102,278</u>	<u>2,657,334,706</u>
Current assets			
Short term investments	7	46,772,284	66,073,275
Advance Against Purchase of Land	8	20,000,000	-
Taxation - net		-	157
Cash and bank balances		938,535	3,364,951
		<u>67,710,819</u>	<u>69,438,383</u>
Total assets		<u>2,917,813,097</u>	<u>2,726,773,089</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized capital 20,200,000 (June 30, 2014: 20,200,000) ordinary shares of Rs.10 each		<u>202,000,000</u>	<u>202,000,000</u>
Issued, subscribed and paid-up capital 20,091,450 (June 30, 2014: 20,091,450) ordinary shares of Rs.10 each		200,914,500	200,914,500
Reserves		178,046,154	178,206,839
Unappropriated profit		<u>2,528,316,971</u>	<u>2,347,223,802</u>
		<u>2,907,277,625</u>	<u>2,726,345,141</u>
Non current liabilities			
Deferred taxation		6,758,344	-
Current liabilities			
Accrued and other liabilities		678,115	427,948
Taxation - net		3,099,013	-
		<u>3,777,128</u>	<u>427,948</u>
Total liabilities		<u>10,535,472</u>	<u>427,948</u>
Contingencies and commitments	9		
Total equity and liabilities		<u>2,917,813,097</u>	<u>2,726,773,089</u>

The annexed notes 1 to 13 form an integral part of this condensed interim consolidated financial information.

Chief Executive

Director

THIRD QUARTER ACCOUNTS MARCH 31, 2015

CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2015

	Quarter ended		Nine months ended	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	----- (Rupees) -----			
Change in fair values of investments at fair value through profit or loss	813,241	1,123,914	3,643,010	1,996,165
Administrative expenses	120,696	63,317	1,063,677	847,411
Profit from operations	692,545	1,060,597	2,579,333	1,148,754
Share of profit of Associated Companies	93,535,132	48,993,701	188,671,170	387,626,246
Profit before taxation	94,227,677	50,054,298	191,250,503	388,775,000
Taxation	169,791	-	17,760,709	6,983,955
Profit after taxation	94,057,886	50,054,298	173,489,794	381,791,045
Earnings per share - basic and diluted	4.68	2.49	8.64	19.00

The annexed notes 1 to 13 form an integral part of this condensed interim consolidated financial information.

Chief Executive

Director

THIRD QUARTER ACCOUNTS MARCH 31, 2015

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2015

	Quarter ended		Nine months ended	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
	----- (Rupees) -----			
Profit after taxation	94,057,886	50,054,298	173,489,794	381,791,045
Other comprehensive income				
Share of fair value gain/(loss) on re-measurement of available-for-sale investments of Associated Companies	(2,245,710)	1,504,258	(298,304)	3,918,671
Share of unrealised gain /(loss) on re-measurement of hedging instruments of Associated Companies	(1,309,978)	(32,794)	137,619	84,320
Other comprehensive income for the period	(3,555,688)	1,471,464	(160,685)	4,002,991
Total comprehensive income for the period	90,502,198	51,525,762	173,329,109	385,794,036

The annexed notes 1 to 13 form an integral part of this condensed interim consolidated financial information.

Chief Executive

Director

THIRD QUARTER ACCOUNTS MARCH 31, 2015

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2015

	<u>Nine months ended</u>	
	<u>March 31, 2015 Rupees</u>	<u>March 31, 2014 Rupees</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	191,250,503	388,775,000
Adjustments for non-cash items:		
Change in fair values of investments at fair value through profit or loss	(3,643,010)	(1,996,165)
Share of profit of Associated Companies	(188,671,170)	(387,626,246)
Operating loss before working capital changes	<u>(1,063,677)</u>	<u>(847,411)</u>
Working capital changes		
(Decrease) / increase in accrued and other liabilities	250,167	(633,454)
Cash used in operations	<u>(813,510)</u>	<u>(1,480,865)</u>
Taxes paid	(7,254,593)	(7,036,213)
Net cash used in operating activities	<u>(8,068,103)</u>	<u>(8,517,078)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Land	(68,751,600)	-
Advance against purchase of Land	(20,000,000)	(35,000,000)
Long term investment	(83,644)	69,839,550
Short Term Investment	22,944,000	
Dividend received	71,532,932	
Net cash generated from investing activities	<u>5,641,688</u>	<u>34,839,550</u>
CASH USED IN FINANCING ACTIVITIES		
Dividend paid	-	(20,007,234)
Net increase/(decrease) in cash and cash equivalents	<u>(2,426,415)</u>	<u>6,315,238</u>
Cash and cash equivalents - at beginning of the half year	<u>3,364,951</u>	<u>2,111,719</u>
Cash and cash equivalents - at end of the half year	<u><u>938,536</u></u>	<u><u>8,426,957</u></u>

The annexed notes 1 to 13 form an integral part of this condensed interim consolidated financial information.

Chief Executive

Director

THIRD QUARTER ACCOUNTS MARCH 31, 2015

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2015

	Reserves				Sub-total	Unappropriated profit	Total
	Issued, subscribed and paid-up capital	Reserve arisen upon de-merger	Unrealised gain/(loss) on available for sale investments	Unrealised gain on hedging instruments			
	----- (Rupees) -----						
Balance as at July 1, 2013	200,914,500	165,340,500	3,695,691	205,686	169,241,877	1,949,952,789	2,320,109,166
Transaction with owners							
Cash dividend for the year ended June 30, 2013 at the rate of Re.1 per share	-	-	-	-	-	(20,091,450)	(20,091,450)
Total comprehensive income for the Nine Months ended March 31, 2014							
Profit for the period	-	-	-	-	-	381,791,045	381,791,045
Other comprehensive income	-	-	3,918,671	84,320	4,002,991	-	4,002,991
	-	-	3,918,671	84,320	4,002,991	381,791,045	385,794,036
Effect of items directly credited in equity by the Associated Companies	-	-	-	-	-	10,250,227	10,250,227
Balance as at March 31, 2014	<u>200,914,500</u>	<u>165,340,500</u>	<u>7,614,362</u>	<u>290,006</u>	<u>173,244,868</u>	<u>2,321,902,611</u>	<u>2,696,061,979</u>
Balance as at July 1, 2014	200,914,500	165,340,500	9,443,000	3,423,339	178,206,839	2,347,223,802	2,726,345,141
Total comprehensive income for the Nine Months ended March 31, 2015							
Profit for the period	-	-	-	-	-	173,489,794	173,489,794
Other comprehensive income	-	-	(298,304)	137,619	(160,685)	-	(160,685)
	-	-	(298,304)	137,619	(160,685)	173,489,794	173,329,109
Effect of items directly credited in equity by the Associated Companies	-	-	-	-	-	7,603,375	7,603,375
Balance as at March 31, 2015	<u>200,914,500</u>	<u>165,340,500</u>	<u>9,144,696</u>	<u>3,560,958</u>	<u>178,046,154</u>	<u>2,528,316,971</u>	<u>2,907,277,625</u>

The annexed notes 1 to 13 form an integral part of this condensed interim consolidated financial information.

Chief Executive

Director

THIRD QUARTER ACCOUNTS MARCH 31, 2015

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2015

1. THE GROUP AND ITS OPERATIONS

The Group consists of SFL Limited (the Parent Company) and its wholly owned Subsidiary Company - SFL Corporation (Private) Limited.

SFL Limited (the Parent Company) was incorporated as public limited company on April 26, 2010 and its shares has been listed on Karachi Stock Exchange Limited with effect from January 7, 2013. The registered office of the Parent Company is located at 316 - Cotton Exchange Building, I.I. Chundrigar Road, Karachi. The main business of the Parent Company is to invest in the shares of Associated Companies and other business as per the Memorandum of Association of the Parent Company.

SFL Corporation (Private) Limited (the Subsidiary Company) was incorporated in Pakistan on October 4, 2011 as private limited company. The registered office of the Subsidiary Company is located at 307 - Cotton Exchange Building, I. I. Chundrigar Road, Karachi. The Main business of the Subsidiary Company is to invest in the shares and other business activities as per Memorandum of Association of the Subsidiary Company.

2. BASIS OF PREPARATION

This condensed interim consolidated financial information is un-audited and is being submitted to the members in accordance with section 245 of the Companies Ordinance, 1984. It has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

This condensed interim consolidated financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the audited annual consolidated financial statements of the Group for the year ended June 30, 2014.

3. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim consolidated financial information are consistent with those applied in the preparation of audited annual consolidated financial statements of the Group for the year ended June 30, 2014 except as follows:

The Group has adopted all the new standards and amendments to standards, including any consequential amendments to other standards which are applicable for the financial year beginning on July 1, 2014. The adoption of these new and amended standards did not have any effect on this condensed interim consolidated financial information.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim consolidated financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. However, actual results may differ from these estimates.

During the preparation of this condensed interim consolidated financial information, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the audited annual consolidated financial statements of the Group for the year ended June 30, 2014.

			Un-audited March 31, 2015	Audited June 30, 2014
	Note		Rupees	Rupees
5. LAND	5.1		68,103,000	-
5.1		Land measuring (54K-1M) Located at Tahsil Cntt District Lahore purchased on 8th January, 2015 Valuing Rs. 68,103,000.		

THIRD QUARTER ACCOUNTS MARCH 31, 2015

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2015

6. LONG TERM INVESTMENTS - at equity method	Un-audited	Audited
	March 31, 2015	June 30, 2014
	Rupees	Rupees
Note		
Associated Companies - unquoted		
Sapphire Finishing Mills Limited (SFML)		
25,809,000 (June 30, 2014: 25,809,000) ordinary shares of Rs.10 each - cost	258,090,000	258,090,000
Equity held: 28.05% (June 30, 2014: 28.05%)		
Share of post acquisition profit	713,551,020	610,872,737
Dividend received during the period / year	(38,713,500)	(24,518,550)
	932,927,520	844,444,187
Sapphire Dairies Limited (SDL)		
7,000,000 (June 30, 2014: 7,000,000) ordinary shares of Rs.10 each - cost	70,000,000	70,000,000
Equity held: 6.67% (June 30, 2014: 6.67%)		
Share of post acquisition loss	(2,436,004)	(432,054)
	67,563,996	69,567,946
Diamond Fabrics Limited (DFL)		
4,569,000 (June 30, 2014: 4,569,000) ordinary shares of Rs.10 each - cost	33,368,238	33,368,238
Equity held: 30.69% (June 30, 2014: 30.69%)		
Share of post acquisition profit	1,335,646,102	1,388,367,608
Dividend received during the period / year	(66,261,377)	(41,121,000)
	1,302,752,963	1,380,614,846
Amer Cotton Mills (Private) Limited (ACML)		
336,000 (June 30, 2014: 336,000) ordinary shares of Rs.10 each - cost	549,305	549,305
Equity held: 8.40% (June 30, 2014: 8.40%)		
Share of post acquisition profit	249,046,850	257,549,583
Dividend received during the period / year	(3,199,330)	(4,200,000)
	246,396,825	253,898,888
Amer Tex (Private) Limited (ATL)		
790,428 (June 30, 2014: 790,428) ordinary shares of Rs.10 each - cost	63,774,203	63,774,203
Equity held: 14.41% (June 30, 2014: 14.41%)		
Share of post acquisition profit	63,401,484	44,997,136
	127,175,687	108,771,339
Reliance Cotton Spinning Mills Limited (RCSML)		
557,621 (June 30, 2014: Nil) ordinary shares of Rs.10 each - cost	37,561,351	-
Equity held: 5.42% (June 30, 2014: Nil)		
Share of post acquisition profit	68,419,868	-
Dividend received during the period	(836,432)	-
	105,144,787	-
	2,781,961,778	2,657,297,206

THIRD QUARTER ACCOUNTS MARCH 31, 2015

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2015

- 6.1 The Group, during the period, has received 510,019 and 47,602 ordinary shares of Reliance Cotton Spinning Mills Limited (an Associated Company) as specie dividend from Diamond Fabrics Limited and Amer Cotton Mills (Private) Limited respectively.

7. SHORT TERM INVESTMENTS

- At fair value through profit or loss

Un-audited March 31, 2015 (Number of units)	Audited June 30, 2014		Un-audited March 31, 2015 Rupees	Audited June 30, 2014 Rupees
		Mutual funds		
154,763.9409	154,763.9409	Pakistan Cash Management Fund	8,234,107	7,738,197
168,168.6416	168,168.6416	UBL Liquidity Plus Fund	17,957,720	16,878,498
179,548.6930	413,236.8268	HBL Money Market Fund	19,151,956	41,456,580
			45,343,784	66,073,275
		Listed company		
(Number of shares)				
50,000	-	Altern Energy Limited	1,428,500	-
			46,772,284	66,073,275
			46,772,284	66,073,275

8. ADVANCE AGAINST PURCHASE OF LAND

Advance against purchase of Land	20,000,000	-
	20,000,000	-
	20,000,000	-

9. CONTINGENCIES AND COMMITMENTS

There has been no significant change in the status of contingencies as reported in note 9 to the audited annual consolidated financial statements of the Group for the year ended June 30, 2014.

There was no capital commitment as at March 31, 2015 and June 30, 2014.

10. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

This condensed interim consolidated financial information does not include all financial risk management information and disclosures required in the audited annual consolidated financial statements and should be read in conjunction with the Group's audited annual consolidated financial statement for the year ended June 30, 2014.

There have been no changes in the risk management policies since the year end.

THIRD QUARTER ACCOUNTS MARCH 31, 2015

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS ENDED MARCH 31, 2015

11. TRANSACTIONS WITH RELATED PARTIES

There are no significant transactions with related parties during the current period except for dividend aggregating Rs.109.011 million (March 31, 2014: Rs.69.839 million) received from Associated Companies.

12. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim consolidated balance sheet has been compared with the balances of audited annual consolidated financial statements of the Group for the year ended June 30, 2014, whereas, the condensed interim consolidated profit and loss account, condensed interim consolidated statement of comprehensive income, condensed interim consolidated cash flow statement and condensed interim consolidated statement of changes in equity have been compared with the balances of comparable period of condensed interim consolidated financial information of the Group for the half year ended March 31, 2014.

13. GENERAL

13.1 Figures have been rounded off to the nearest rupee except stated otherwise.

13.2 This condensed interim consolidated financial information has been authorized for issue by the Board of Directors of the Parent Company on April 24, 2015.

Chief Executive

Director

BOOK POST

Under Postal Certificate

If undelivered please return to :

SFL LIMITED

316, Cotton Exchange Building,
I. I. Chundrigar Road, Karachi - Pakistan.