

CORPORATE INFORMATION

Board of Directors

Mr. Sikandar Mustafa Khan
Chairman

Mr. Laeeq Uddin Ansari
Chief Executive

Mr. Latif Khalid Hashmi
Mr. Sohail Bashir Rana
Mian Muhammad Saleem
Rana Muhammad Siddique
Mr. Manzoor Ahmed
Mr. S.M. Tanvir
M.C.B. Nominee

Company Secretary

Mian Muhammad Saleem

Chief Financial Officer

Mr. Javed Munir

Auditors

M/s. A.F. Ferguson & Co.
Chartered Accountants

Legal Advisors

Walker Martineau Saleem
Advocates & Legal Consultants

Altaf and Altaf
Advocates

Company's Share Registrars

M/s Hameed Majeed Associates (Pvt) Ltd.
1st Floor, H.M. House,
7 - Bank Square, Lahore.

Bankers

Bank Alfalah Ltd.
Barclays Bank PLC, Pakistan
Habib Bank Ltd.
MCB Bank Ltd.
Meezan Bank Ltd.
RBS (formerly ABN Amro Bank)
Standard Chartered Bank
United Bank Ltd.

Registered Office and Plant

Sheikhupura Road, Distt. Sheikhupura
Tel: 042-37911021-25, 111-200-786
Fax: 042-37924166,37925835
Web Site: www.millat.com.pk
E-mail: info@millat.com.pk

Regional Offices

Karachi

3-A, Faiyaz Centre, Sindhi Muslim
Co-operative Housing Society
Tel: 021-34553752, 111-200-786
Fax: 021-34556321

Multan Cantt

Garden Town, (Daulatabad), Shershah Road
Tel: 061-6537371 Fax: 061-6539271

Islamabad

H. No. 22, St. No. 41, Sector F-6/1
Tel: 051-2271470, 111-200-786
Fax: 051-2270693

Sukkur

A-3, Professor Housing Society,
Shikarpur Road
Tel: 071-5633042
Fax: 071-5633187

DIRECTORS' REVIEW

I feel pleasure to present to you on behalf of Board of Directors' the un-audited accounts of Millat Tractors Limited for the nine months ended March 31, 2010 as required by the Companies Ordinance 1984.

The Company achieved a sales volume of 28,939 Tractors in these nine months as against 20,332 tractors for the corresponding period of last year, showing an increase of 42 %. During the nine months ended, 29,865 Tractors were produced as compared to 20,870 tractors for corresponding period last year, showing an increase of 8,995 tractors i.e. 43%. Load shedding of electricity and Gas is making life difficult for MTL and its Vending Associates; increasing cost of Production, rejections and maintaining supply schedules.

Tractor bookings have shown substantial increase of 133% over last year i.e. 38,134 tractors booked during the nine months against 16,355 of previous year. This milestone was achieved through our product superiority, reduced delivery time and subsidy schemes of the governments to the farming community.

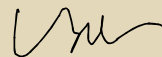
Pre-tax profit for the nine months amounts to Rs. 2,355 millions as compared to Rs. 904 millions of the corresponding period of previous year, thus showing an increase of 161%.

This remarkable achievement is attained through dedicated efforts of our team and improvements made in the production cycle and supply chain resources. Plans have been put to life to enhance the productivity with marked quality improvement.

We take this opportunity to pay our gratitude to our customers who have shown great confidence in Millat Brand and once again proved that Millat is the market leader in the industry.

We would like to thank our vendors, dealers and financial institutions for their extended co-operation. We also acknowledge the co-operation extended to us by our valued principals and convey our gratitude to employees of the Company for their loyalty, devotion and hard work.

For and on behalf of the Board



Sikandar Mustafa Khan
Chairman

Lahore:
April 27, 2010



ACCOUNTS

MILLAT TRACTORS LIMITED

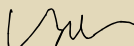
CONDENSED INTERIM BALANCE SHEET

	March 31, 2010	June 30, 2009
Note	(Rupees in thousand)	
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised capital 30,000,000 (June 30, 2009: 30,000,000) ordinary shares of Rs 10 each	300,000	300,000
Issued, subscribed and paid up capital	292,843	234,275
General reserves	2,467,776	2,220,776
Unappropriated profit	731,711	892,018
Fair value reserve	29,290	23,774
	3,521,620	3,370,843
NON-CURRENT LIABILITIES		
Security deposits	10,285	9,485
Deferred revenue	750	33,069
Deferred taxation	8,277	8,883
Accumulating compensated absences	33,618	31,618
	52,930	83,055
CURRENT LIABILITIES		
Current portion of deferred revenue	52,415	202,079
Trade and other payables	6,289,417	3,123,525
Mark-up accrued on short term borrowings	2,542	3,298
	6,344,374	3,328,902
	9,918,924	6,782,800

The annexed notes 1 to 16 form an integral part of the condensed interim financial information.

AS AT MARCH 31, 2010 (UN-AUDITED)

	Note	March 31, 2010 (Rupees in thousand)	June 30, 2009
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	415,807	405,618
Capital work-in-progress	9	156,896	104,335
Intangible assets		30,456	30,208
Investment property		273,203	273,203
Long term investments	10	292,420	286,904
Long term loans - considered good		4,662	3,375
		1,173,444	1,103,643
CURRENT ASSETS			
Stores and spares		59,596	77,244
Stock-in-trade		2,721,463	2,077,022
Trade debts		139,890	127,209
Loans and advances		626,894	101,790
Trade deposits and prepayments		28,908	15,879
Other receivables		1,305,444	1,107,934
Taxation - net		37,352	3,267
Short term investments	11	3,264,834	1,173,439
Cash and bank balances		561,099	995,373
		8,745,480	5,679,157
		<u>9,918,924</u>	<u>6,782,800</u>



Sikandar Mustafa Khan
Chairman



Laeeq Uddin Ansari
Chief Executive


CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

FOR THE NINE MONTHS ENDED MARCH 31, 2010 (UN-AUDITED)

Note	Quarter ended March 31		Nine months ended March 31	
	2010 (Rupees in thousand)	2009	2010 (Rupees in thousand)	2009
Sales - net	5,433,559	4,180,223	15,842,692	10,273,589
Cost of sales	4,375,216	3,598,794	12,915,134	8,949,363
Gross profit	1,058,343	581,429	2,927,558	1,324,226
Distribution and marketing expenses	190,079	106,363	500,173	279,167
Administrative expenses	58,672	81,096	189,393	183,337
	248,751	187,459	689,566	462,504
Operating profit	809,592	393,970	2,237,992	861,722
Other operating income	96,628	86,463	299,050	149,332
	906,220	480,433	2,537,042	1,011,054
Other operating expenses	62,345	37,775	174,547	73,262
Finance cost	2,665	13,735	7,378	33,574
	65,010	51,510	181,925	106,836
Profit before taxation	841,210	428,923	2,355,117	904,218
Taxation	267,453	125,999	745,639	277,968
Profit for the period	573,757	302,924	1,609,478	626,250
Earnings per share - basic and diluted (Rupees)	19.59	10.34	54.96	21.38

Appropriations have been reflected in the statement of changes in equity.

The annexed notes 1 to 16 form an integral part of the condensed interim financial information.



Sikandar Mustafa Khan
Chairman



Laeeq Uddin Ansari
Chief Executive

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED MARCH 31, 2010 (UN-AUDITED)

	Quarter ended March 31		Nine months ended March 31	
	2010 (Rupees in thousand)	2009	2010 (Rupees in thousand)	2009
Profit for the nine months ended March 31, 2010	573,757	302,924	1,609,478	626,250
Unrealized gain / (loss) on revaluation of investments	4,233	(35,598)	5,516	(41,050)
Total comprehensive income for the period	<u>577,990</u>	<u>267,326</u>	<u>1,614,994</u>	<u>585,200</u>

The annexed notes 1 to 16 form an integral part of the condensed interim financial information.



Sikandar Mustafa Khan
Chairman



Laeeq Uddin Ansari
Chief Executive

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE NINE MONTHS ENDED MARCH 31, 2010 (UN-AUDITED)

	Note	Nine months to March 31, 2010 (Rupees in thousand)	Nine months to March 31, 2009
Cash flows from operating activities			
Cash generated from/(used in) operations	12	3,112,491	(1,427,767)
Interest and mark-up paid		(8,134)	(27,229)
Net (increase)/decrease in long term loans to employees		(1,287)	537
Income tax paid		(780,330)	(323,650)
Increase in long term security deposits		800	-
Net decrease in deferred revenue		(181,983)	(3,130)
Net cash generated from/(used in) operating activities		2,141,557	(1,781,239)
Cash flows from investing activities			
Purchase of property, plant and equipment		(107,213)	(64,786)
Purchase of intangible assets		(248)	(12,348)
Sale / (Purchase) of short term investments		(1,878,937)	2,005,289
Proceeds from sale of property, plant and equipment		6,754	4,991
Profit on bank deposits		23,503	16,965
Purchase of Investment in associated company		-	(11,246)
Dividend received		31,174	19,154
Net cash generated from/(used in) investing activities		(1,924,967)	1,958,019
Cash flows from financing activities			
Dividend paid		(650,863)	(371,104)
Net cash used in financing activities		(650,863)	(371,104)
Net increase/(decrease) in cash and cash equivalents		(434,274)	(194,325)
Cash and cash equivalents at the beginning of the period		995,373	249,358
Cash and cash equivalents at the end of the period	12.2	561,099	55,033

The annexed notes 1 to 16 form an integral part of the condensed interim financial information.



Sikandar Mustafa Khan
Chairman



Laeeq Uddin Ansari
Chief Executive

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY


FOR THE NINE MONTHS ENDED MARCH 31, 2010 (UN-AUDITED)

	<u>Revenue Reserves</u>				Total
	Share capital	General reserves	Unappropriated profit	Fair value reserve	
	(Rupees in thousand)				
Balance as on July 01, 2008	187,420	2,211,000	576,917	63,542	3,038,879
Final dividend for the year ended June 30, 2008 @ Rs 20 per share	-	-	(374,839)	-	(374,839)
Issue of ordinary shares of Rs. 10 each as fully paid bonus shares	46,855	-	(46,855)	-	-
Transferred from profit and loss account	-	155,000	(155,000)	-	-
Interim dividend @ Rs 20 per share	-	(145,224)	(323,325)	-	(468,549)
Total comprehensive income for the nine months ended March 31, 2009	-	-	626,250	(41,050)	585,200
Balance as on March 31, 2009	234,275	2,220,776	303,148	22,492	2,780,691
Total comprehensive income for the three months ended June 30, 2009	-	-	588,870	1,282	590,152
Balance as on June 30, 2009	234,275	2,220,776	892,018	23,774	3,370,843
Final dividend for the year ended June 30, 2009 @ Rs 25 per share	-	-	(585,687)	-	(585,687)
Issue of ordinary shares of Rs. 10 each as fully paid bonus shares	58,568	-	(58,568)	-	-
Transferred from profit and loss account	-	247,000	(247,000)	-	-
Interim dividend @ Rs 20 per share	-	-	(878,530)	-	(878,530)
Total comprehensive income for the nine months ended March 31, 2010	-	-	1,609,478	5,516	1,614,994
Balance as on March 31, 2010	292,843	2,467,776	731,711	29,290	3,521,620

The annexed notes 1 to 16 form an integral part of the condensed interim financial information.



Sikandar Mustafa Khan
Chairman



Laeeq Uddin Ansari
Chief Executive

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

1. The Company is a public limited Company incorporated in Pakistan under the Companies Ordinance, 1984, and is listed on Karachi, Islamabad and Lahore Stock Exchanges. The registered office of the Company is situated at Sheikhpura Road, District Sheikhpura. It is engaged in assembly and manufacture of agricultural tractors, implements and equipments.
2. This condensed interim financial information is un-audited and is being submitted to shareholders, as required by section 245 of the Companies Ordinance, 1984.
3. The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended June 30, 2009.

The following amendments to standards are mandatory for the first time for the financial year beginning July 1, 2009.

- IAS 1 (Revised), 'Presentation of financial statements'. The revised standard prohibits the presentation of items of income and expenses (that is, non-owner changes in equity) in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity' are required to be shown in performance statement. Companies can choose whether to present one performance statement (the statement of comprehensive income) or two statements (profit and loss account and statement of comprehensive income).

The company has preferred to present two statements; a profit and loss account and a statement of comprehensive income. The condensed interim financial information has been prepared under revised disclosure requirements.

- In addition to above IAS 23 'Borrowing Costs' are mandatory for the first time for the financial year beginning July 1, 2009 however, its adoption did not have any significant impact on the financial information of the company.
4. This condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim financial reporting".
 5. Judgments and estimates made by the management in the preparation of the condensed interim financial information are the same as those applied in preparation of preceding annual published financial statements of the company for the year ended June 30, 2009.
 6. Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

7. Contingencies and commitments

There has been no significant change in the contingencies since the date of preceding published annual financial statements.

Commitments in respect of outstanding letters of credit are Rs. 1,534,000 thousand (June 30, 2009: Rs 837,800 thousand).

	March 31, 2010	June 30, 2009
	(Rupees in thousand)	
8. Property, plant and equipment		
Opening book value	405,618	298,219
Add: Additions during the period	-note 8.1 54,652	168,938
	<u>460,270</u>	<u>467,157</u>
Less: Disposals during the period (at book value)	(6,754)	(11,095)
Depreciation charged during the period	(37,709)	(50,444)
	<u>(44,463)</u>	<u>(61,539)</u>
Closing book value	<u>415,807</u>	<u>405,618</u>
8.1 Additions during the period		
- Building on freehold land	2,597	2,421
- Plant and machinery	14,392	131,543
- Tools and equipments	1,565	3,120
- Furniture, fixture and office equipment	2,115	4,407
- Vehicles	31,614	27,361
- Computers	2,370	86
	<u>54,652</u>	<u>168,938</u>
9. Capital work-in-progress		
Plant and machinery	1,306	14,938
Advance for purchase of office space	151,830	83,230
Others	3,760	6,167
	<u>156,896</u>	<u>104,335</u>
10. Long term investments - Equities		
Related parties		
Investment at cost		
- Subsidiary - unquoted	57,375	57,375
- Associates - quoted	76,610	76,610
- Associates- unquoted	117,000	117,000
	<u>250,985</u>	<u>250,985</u>
Others		
Available for sale - quoted		
Cost	12,145	12,145
Surplus on revaluation of investment	29,290	23,774
	<u>41,435</u>	<u>35,919</u>
	<u>292,420</u>	<u>286,904</u>
11. Short term investments		
Financial assets at fair value through profit and loss - Mutual fund units at cost	3,180,504	1,153,999
Surplus on revaluation of investments	84,330	19,440
	<u>3,264,834</u>	<u>1,173,439</u>

Nine months ended
March 31
2010 2009
(Rupees in thousand)

12. Cash (used in)/generated from operations

Profit before taxation	2,355,117	904,218
Adjustment for:		
- Depreciation on property, plant and equipment	37,709	37,164
- Bad debts written off	-	7,467
- Provision for accumulating compensated absences	2,000	1,185
- Gain on investment at fair value through profit and loss	(212,457)	(71,887)
- Profit on bank deposits	(18,379)	(16,832)
- Dividend	(31,174)	(19,154)
- Finance cost	7,378	33,574
- Working capital changes	note 12.1 972,297	(2,303,502)
	3,112,491	(1,427,767)

12.1 Working capital changes

(Increase)/decrease in current assets

- Stores and spares	17,648	934
- Stock-in-trade	(644,441)	(989,314)
- Trade debts	(12,681)	(470)
- Loan and advances	(525,104)	(25,277)
- Trade deposits and prepayments	(13,029)	(9,663)
- Other receivables	(202,634)	(97,079)

Increase/(decrease) in current liabilities

- Trade and other payables	2,352,538	(1,182,633)
	972,297	(2,303,502)

12.2 Cash and cash equivalents

Cash and bank balances	561,099	55,033
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13. Transactions with related parties

Purchases from related parties	1,500,741	1,750,960
Dividened Income	29,250	19,154
Payable to related parties	255,833	157,003
Receivable from related parties	3,660	262
Payments to fund:		
- Pension	7,356	7,324
- Gratuity	7,843	7,331
- Benevolent	209	168

14. Events after balance sheet date

The Board of Directors' have declared an interim dividend of Rs. nil per share (June 30, 2009: Rs 25 per share) at their meeting held on April 27, 2010, while appropriation to general reserve and issuance of bonus shares made after the balance sheet date amounts to Rs. nil (2009: Rs 247,000 thousand and 58,569 thousand respectively).

15. Date of authorisation for issue

This condensed interim financial information was authorised for issue on April 27, 2010 by the Board of Directors' of the company.

16 Corresponding figures

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.



Sikandar Mustafa Khan
Chairman



Laeeq Uddin Ansari
Chief Executive

CONSOLIDATED CONDENSED INTERIM BALANCE SHEET

	March 31, 2010	June 30, 2009
Note	(Rupees in thousand)	
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised capital 30,000,000 (June 30, 2009: 30,000,000) ordinary shares of Rs 10 each	300,000	300,000
Issued, subscribed and paid up capital	292,843	234,275
General reserves	2,467,776	2,220,776
Unappropriated profit	983,196	1,062,420
Unrealized gain on revaluation of investments	15,953	10,437
Equity attributable to equity holders of the parent	3,759,768	3,527,908
Non-controlling interest	39,377	31,038
	3,799,145	3,558,946
NON-CURRENT LIABILITIES		
Security deposits	10,285	9,485
Deferred revenue	750	33,069
Deferred taxation	8,790	9,396
Accumulating compensated absences	33,618	31,618
	53,443	83,568
CURRENT LIABILITIES		
Current portion of deferred revenue	52,415	202,079
Trade and other payables	6,301,201	3,141,848
Mark-up accrued on short term borrowings	2,558	3,691
Provision for taxation	4,457	695
	6,360,631	3,348,313
	10,213,219	6,990,827


The annexed notes 1 to 16 form an integral part of the consolidated condensed interim financial information.

AS AT MARCH 31, 2010 (UN-AUDITED)

	Note	March 31, 2010 (Rupees in thousand)	June 30, 2009
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	449,855	439,208
Capital work-in-progress	9	156,896	104,335
Intangible assets		30,456	30,208
Investment property		273,203	273,203
Long term investments	10	450,594	381,662
Long term loans - considered good		4,662	3,375
		1,365,666	1,231,991
CURRENT ASSETS			
Stores and spares		62,681	78,844
Stock-in-trade		2,757,131	2,110,211
Trade debts		166,589	148,677
Loans and advances		636,636	107,222
Trade deposits and prepayments		29,501	16,631
Other receivables		1,307,366	1,107,934
Taxation - net		37,352	5,189
Short term investments	11	3,279,834	1,173,439
Cash and bank balances		570,463	1,010,689
		8,847,553	5,758,836
		10,213,219	6,990,827



Sikandar Mustafa Khan
Chairman



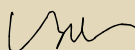
Laeeq Uddin Ansari
Chief Executive

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS ENDED MARCH 31, 2010 (UN-AUDITED)

	Quarter ended March 31		Nine months ended March 31	
	2010 (Rupees in thousand)	2009	2010 (Rupees in thousand)	2009
Sales - net	5,498,845	4,219,968	16,007,006	10,391,781
Cost of sales	<u>4,419,406</u>	<u>3,617,407</u>	<u>13,017,526</u>	<u>9,024,810</u>
Gross profit	1,079,439	602,561	2,989,480	1,366,971
Distribution and marketing expenses	193,883	108,928	509,528	285,380
Administrative expenses	63,111	84,988	201,185	194,135
	<u>256,994</u>	<u>193,916</u>	<u>710,713</u>	<u>479,515</u>
Operating profit	822,445	408,645	2,278,767	887,456
Other operating income	96,912	68,986	270,112	131,903
	919,357	477,631	2,548,879	1,019,359
Other operating expenses	63,314	54,101	177,357	74,331
Finance cost	2,740	(713)	7,739	38,053
	66,054	53,388	185,096	112,384
Share of profit and loss of associated companies	63,590	2,302	141,975	7,262
Profit before taxation	916,893	426,545	2,505,758	914,237
Taxation				
Group	271,508	125,999	757,548	277,968
Associated companies	21,901	5	49,310	2,095
	<u>293,409</u>	<u>126,004</u>	<u>806,858</u>	<u>280,063</u>
Profit for the period	623,484	300,541	1,698,900	634,174
Attributable to:				
Equity holders of the parent	621,599	295,919	1,690,561	626,881
Non-controlling interest	1,885	4,622	8,339	7,293
	<u>623,484</u>	<u>300,541</u>	<u>1,698,900</u>	<u>634,174</u>
Earnings per share - basic and diluted (Rupees)	21.23	10.10	57.73	21.41

Appropriations have been reflected in the statement of changes in equity.

The annexed notes 1 to 16 form an integral part of the consolidated condensed interim financial information.



Sikandar Mustafa Khan
Chairman



Laeeq Uddin Ansari
Chief Executive

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED MARCH 31, 2010 (UN-AUDITED)

	Quarter ended March 31		Nine months ended March 31	
	2010 (Rupees in thousand)	2009 (Rupees in thousand)	2010 (Rupees in thousand)	2009 (Rupees in thousand)
Profit for the nine months ended March 31, 2010	623,484	300,541	1,698,900	634,174
Unrealized gain / (loss) on revaluation of investments	4,233	(35,598)	5,516	(41,050)
Total comprehensive income for the period	<u>627,717</u>	<u>264,943</u>	<u>1,704,416</u>	<u>593,124</u>
Non-controlling interest	(1,885)	(4,622)	(8,339)	(7,293)
Equity holders of the parent	<u>625,832</u>	<u>260,321</u>	<u>1,696,077</u>	<u>585,831</u>

The annexed notes 1 to 16 form an integral part of the condensed interim financial information.



Sikandar Mustafa Khan
Chairman



Laeeq Uddin Ansari
Chief Executive

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE NINE MONTHS ENDED MARCH 31, 2010 (UN-AUDITED)

	Note	Nine months to March 31, 2010 (Rupees in thousand)	Nine months to March 31, 2009
Cash flows from operating activities			
Cash generated from operations	12	3,131,900	(1,417,539)
Interest and mark-up paid		(8,872)	(32,230)
Net decrease/(increase) in long term loans to employees		(1,287)	537
Income tax paid		(786,555)	(326,138)
Net decrease in deferred revenue		(181,983)	(3,130)
Net cash (used in)/generated from operating activities		2,154,002	(1,778,500)
Cash flows from investing activities			
Purchase of property, plant and equipment		(110,611)	(68,879)
Purchase of intangible assets		(248)	(12,348)
Sale / (Purchase) of short term investments		(1,893,937)	2,005,289
Proceeds from sale of property, plant and equipment		6,754	5,418
Profit on bank deposits		23,503	16,965
Purchase of investment in associated company		-	(11,246)
Dividend income		31,174	19,154
(Net cash used) in investing activities		(1,943,365)	1,954,353
Cash flows from financing activities			
Dividend paid		(650,863)	(371,104)
(Net cash used) in financing activities		(650,863)	(371,104)
Net decrease in cash and cash equivalents		(440,226)	(195,251)
Cash and cash equivalents at the beginning of the period		1,010,689	228,027
Cash and cash equivalents at the end of the period	12.2	570,463	32,776

The annexed notes 1 to 16 form an integral part of the consolidated condensed interim financial information.



Sikandar Mustafa Khan
Chairman

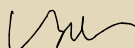


Laeeq Uddin Ansari
Chief Executive

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2010 (UN-AUDITED)

	<u>Revenue Reserves</u>					Total
	Share capital	General reserves	Unappropriated profit	Fair value reserve	Non-controlling interest	
	(Rupees in thousand)					
Balance as on July 01, 2008	187,420	2,211,000	682,216	50,205	17,211	3,148,052
Final dividend for the year ended June 30, 2008 Rs. 20 per share	-	-	(374,839)	-	-	(374,839)
Issue of ordinary shares of Rs.10 each as fully paid as bonus shares	46,855	-	(46,855)	-	-	-
Transferred from profit and loss account	-	155,000	(155,000)	-	-	-
Interim dividend @ Rs. 20 per share	-	(145,224)	(323,325)	-	-	(468,549)
Total comprehensive income for the nine months ended March 31, 2009	-	-	626,881	(41,050)	7,293	593,124
Balance as on March 31, 2009	234,275	2,220,776	409,078	9,155	24,504	2,897,788
Total comprehensive income for the three months ended June 30, 2009	-	-	653,342	1,282	6,534	661,158
Balance as on June 30, 2009	234,275	2,220,776	1,062,420	10,437	31,038	3,558,946
Final dividend for the year ended June 30, 2009 @ Rs. 25 per share	-	-	(585,687)	-	-	(585,687)
Issue of ordinary shares of Rs. 10 each as fully paid bonus shares	58,568	-	(58,568)	-	-	-
Transferred from profit and loss account	-	247,000	(247,000)	-	-	-
Interim dividend @ Rs 30 per share	-	-	(878,530)	-	-	(878,530)
Total Comprehensive income for the nine months ended March 31, 2010	-	-	1,690,561	5,516	8,339	1,704,416
Balance as on March 31, 2010	292,843	2,467,776	983,196	15,953	39,377	3,799,145

The annexed notes 1 to 16 form an integral part of the consolidated condensed interim financial information.



Sikandar Mustafa Khan
Chairman



Laeeq Uddin Ansari
Chief Executive

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

1. The company is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984, and is listed on Karachi, Islamabad and Lahore Stock Exchanges. The registered office of the company is situated at Sheikhpura Road, District Sheikhpura. It is engaged in assembly and manufacture of agricultural tractors, implements and equipments. Millat Industrial Products Limited (MIPL) is a subsidiary of Millat Tractors Limited and is engaged in business of manufacturing vehicles, industrial and domestic batteries, cells and components thereof.
2. This consolidated condensed interim financial information is un-audited and is being submitted to shareholders, as required by section 245 of the Companies Ordinance, 1984.
3. The accounting policies adopted for the preparation of this consolidated condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the group for the year ended June 30, 2009.

The following amendments to standards are mandatory for the first time for the financial year beginning July 1, 2009.

- IAS 1 (Revised), 'Presentation of financial statements'. The revised standard prohibits the presentation of items of income and expenses (that is, non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity' are required to be shown in performance statement. Companies can choose whether to present one performance statement (the statement of comprehensive income) or two statements (profit and loss account and statement of comprehensive income).

The group has preferred to present two statements; a profit and loss account and a statement of comprehensive income. The condensed interim financial information has been prepared under revised disclosure requirements.

- In addition to above IAS 23 'Borrowing Costs' are mandatory for the first time for the financial year beginning July 1, 2009 however, its adoption did not have any significant impact on the financial information of the group.
4. This consolidated condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim financial reporting".
 5. Judgments and estimates made by the management in the preparation of the consolidated condensed interim financial information are the same as those applied in preparation of preceding annual published financial statements of the group for the year ended June 30, 2009.
 6. Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.
 7. **Contingencies and commitments**

There has been no significant change in the contingencies since the date of preceding published annual financial statements.

Commitments in respect of outstanding letters of credit are Rs. 1,534,930 thousand (June 30, 2009: Rs 843,286 thousand).

	March 31, 2010	June 30, 2009
	(Rupees in thousand)	
8. Property, plant and equipment		
Opening book value	439,208	329,151
Add: Additions during the period	-note 8.1 58,050	175,576
	<u>497,258</u>	<u>504,727</u>
Less: Disposals during the period (at book value)	(6,754)	(48,604)
Depreciation charged during the period	(40,649)	(16,915)
	<u>(47,403)</u>	<u>(65,519)</u>
Closing book value	<u>449,855</u>	<u>439,208</u>
8.1 Additions during the period		
- Building on freehold land	2,720	2,657
- Plant and machinery	15,763	133,067
- Tools and equipments	2,544	5,820
- Furniture, fixture and office equipment	2,282	4,753
- Vehicles	32,193	29,073
- Computers	2,548	206
	<u>58,050</u>	<u>175,576</u>
9. Capital work-in-progress		
Plant and machinery	1,306	14,938
Advance for purchase of office space	151,830	83,230
Others	3,760	6,167
	<u>156,896</u>	<u>104,335</u>
10. Long term investments - Equities		
Related parties		
Investment at cost		
Related parties		
- Associates -quoted	191,715	173,526
- Associates-unquoted	217,445	172,217
	409,160	345,743
Others		
Available for sale - quoted		
Cost	25,481	25,481
Surplus on revaluation of investment	15,953	10,438
	<u>41,434</u>	<u>35,919</u>
	<u>450,594</u>	<u>381,662</u>
11. Short term investments		
Financial assets at fair value through profit and loss - Mutual fund units at cost	3,195,504	1,153,999
Surplus on revaluation of investments	84,330	19,440
	<u>3,279,834</u>	<u>1,173,439</u>

	Nine months ended	
	March 31	
	2010	2009
	(Rupees in thousand)	
12. Cash (used in)/generated from operations		
Profit before taxation	2,505,758	914,237
Adjustment for:		
- Depreciation on property, plant and equipment	40,649	39,830
- Bad debts written off	-	7,467
- Amortization of pre-operating expenses	-	774
- Provision for accumulating compensated absences	2,000	1,185
- Unrealized (gain) on investment at fair value through profit and loss	(212,457)	(71,887)
- Profit on bank deposits	(18,379)	(16,832)
Dividend income	(1,924)	(1,604)
- Finance cost	7,739	38,053
- Share of loss / (profit) of associates	(141,975)	(7,262)
- Working capital changes	note 12.1 950,489	(2,321,500)
	<u>3,131,900</u>	<u>(1,417,539)</u>
12.1 Working capital changes		
(Increase)/decrease in current assets		
- Stores and spares	16,163	466
- Stock-in-trade	(646,920)	(997,543)
- Trade debts	(17,912)	(6,569)
- Loan and advances	(529,414)	(27,038)
- Trade deposits and prepayments	(12,870)	(9,419)
- Other receivables	(204,557)	(95,430)
Increase/(decrease) in current liabilities		
- Trade and other payables	2,345,999	(1,185,967)
	<u>950,489</u>	<u>(2,321,500)</u>
12.2 Cash and cash equivalents		
Cash and bank balances	570,463	57,378
Short term running finance	-	(24,602)
	<u>570,463</u>	<u>32,776</u>
13. Transactions with related parties		
Purchases from related parties	1,443,754	1,750,960
Dividened Income	29,250	19,154
Payable to related parties	255,833	157,003
Receivable from related parties	3,660	262
Payments to fund:		
- Pension	7,356	7,324
- Gratuity	7,843	7,331
- Benevolent	209	168

14. Events after balance sheet date

Interim dividend declared by the MTL after the balance sheet date Rs. nil per share (June 30, 2009: Rs. 25 per share) at their meeting held on April 27, 2010, while appropriations to general reserve and issuance of bonus shares made after the balance sheet date amounts to Rs. nil (June 30, 2009: Rs. 247,000 thousand and 58,569 thousand respectively).

15. Date of authorisation for issue

This consolidated condensed interim financial information was authorised for issue on April 27, 2010 by the Board of Directors.

16. Corresponding figures

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.



Sikandar Mustafa Khan
Chairman



Laeeq Uddin Ansari
Chief Executive

