

Half-yearly Financial Report 2013

Dear Shareholders

We are pleased to present the unaudited half-yearly Financial Report 2013 of the Company and its Subsidiaries containing the consolidated and separate Statement of Financial Position as at June 30, 2013, Statement of Comprehensive Income, Statements of changes in equity and Statement of Cash Flows for the half-year ended June 30, 2013.


Tapan Chowdhury
Managing Director

SQUARE TEXTILES LIMITED

Consolidated Statement of Financial Position (Unaudited)
As of June 30, 2013

	June 30, 2013	December 31, 2012
	Tk.' 000	Tk.' 000
NET ASSETS:		
Fixed Asset :	2,945,259	2,631,811
At Cost Less Depreciation	2,888,975	2,575,527
Goodwill	56,284	56,284
Current Assets :	5,577,073	5,450,698
Stocks	1,497,163	1,651,754
Trade Debtors	2,261,263	2,656,904
Short Term Loan	643,106	253,321
Advance, Deposit & Prepayments	603,666	415,643
Cash & Bank Balance	571,875	473,076
Less : Current Liabilities :	2,773,107	2,584,352
Short Term Bank Loan	42,691	121,326
Sundry Creditors	1,855,770	1,797,488
Other Current Liabilities	407,370	286,416
Provision for income Tax	467,276	379,122
Net Current Assets	2,803,966	2,866,346
Deferred Tax Liability	185,732	183,459
	5,563,493	5,314,698
FINANCED BY :		
Share Holders Equity :	5,556,139	5,308,232
Share Capital	1,344,203	1,168,872
General Reserve and Surplus	4,211,936	4,139,360
Non controlling Interest	7,354	6,466
	5,563,493	5,314,698

Attached notes of page 4-5 form parts of these Financial Statements.


Tapan Chowdhury
Managing Director


Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Consolidated Statement of Comprehensive Income (Unaudited)
For the period Ended June 30, 2013

	Six Months Ended		2nd Quarter Ended	
	June 30, 2013	June 30, 2012	April 01 to June 30 2013	April 01 to June 30 2012
	Tk.' 000	Tk.' 000	Tk.' 000	Tk.' 000
Sales	3,992,371	4,548,314	2,037,188	2,134,145
Cost of Goods Sold	3,270,402	3,826,317	1,648,479	1,779,696
Gross Profit	721,969	721,997	388,709	354,449
Operating Expenses	120,057	109,201	65,894	60,569
Finance Cost	32,987	51,343	18,337	23,609
Operating Income	568,925	561,453	304,478	270,271
Other Income	8,175	1,280	4,690	1,280
Net Income before WPP & WF	577,100	562,733	309,168	271,551
Allocation for WPP & WF	27,481	26,797	14,722	12,931
Net Income before Tax	549,619	535,936	294,446	258,620
Provision for Income Tax	82,443	80,390	44,167	38,793
Provision for Deferred Tax	7,984	1,564	7,984	782
Net Profit after Tax	459,192	453,982	242,295	219,045
Non-Controlling Interest	888	1,016	496	506
Net Income for the Period	458,304	452,966	241,799	218,539

(Transferred to the Consolidated Statement of Changes in Equity)

Earning Per Share (EPS)	3.41	3.37	1.80	1.63
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Attached notes of page 4-5 form parts of these Financial Statements.


Tapan Chowdhury
Managing Director


Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Consolidated Statement of Changes in Equity (Unaudited)
For the Period Ended June 30, 2013

	Share Capital	General Reserve and Surplus	Tk.'000 Total
As at December 31, 2012	1,168,872	4,139,360	5,308,232
Net Profit for 1st Half 2013	-	458,304	458,304
Cash Dividend for 2012	-	(210,397)	(210,397)
Stock Dividend for 2012	175,331	(175,331)	-
Balance As at June 30, 2013	1,344,203	4,211,936	5,556,139

Consolidated Statement of Changes in Equity (Unaudited)
For the period ended June 30, 2012

	Share Capital	General Reserve and Surplus	Tk.'000 Total
As at December 31, 2011	974,060	3,661,028	4,635,088
Net Profit for 1st Half 2012	-	452,966	452,966
Cash Dividend for 2011	-	(155,850)	(155,850)
Stock Dividend for 2011	194,812	(194,812)	-
Balance As at June 30, 2012	1,168,872	3,763,332	4,932,204

Attached notes of page 4-5 form parts of these Financial Statements.


Tapan Chowdhury
Managing Director


Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Consolidated Statement of Cash Flows (Unaudited)
For the Period Ended June 30, 2013

	Six Months Ended	
	June 30, 2013	June 30, 2012
	Tk.'000	
Cash Flow From Operating Activities:		
Receipts :		
Cash From Sales Revenue	4,388,012	4,877,318
Cash From Other Income	56	1,280
Total Cash Receipts	4,388,068	4,878,598
Payments :		
Purchase for Raw & Packing Materials	(2,288,747)	(3,175,841)
Manufacturing and Operating Exp.	(716,707)	(480,040)
Income Tax	(92,479)	(80,277)
Workers Profit Participation Fund	(47,806)	(27,864)
Total Payments	(3,145,739)	(3,764,022)
Net Cash Flow From Operating Activities	1,242,329	1,114,576
Cash Flow From Investing Activities :		
Purchase of Fixed Assets	(523,871)	(327,584)
Sales/Transfer of Fixed Assets	51,038	-
Net Cash Flow From Investing Activities	(472,833)	(327,584)
Cash Flow From Financing Activities		
Shor term Bank Loan Received/(Repaid)	(78,635)	(335,253)
Shor term Loan from (to) Sister Concern	(381,665)	(508,022)
Dividend Payment	(210,397)	(155,850)
Net Cash Flow From Financing Activities	(670,697)	(999,125)
Net Cash Position	98,799	(212,133)
Opening Cash and Bank Balance	473,076	480,986
Closing Cash and Bank Balance	571,875	268,853

Attached notes of page 4-5 form parts of these Financial Statements.


Tapan Chowdhury
Managing Director


Md. Alamgir Hossain
Chief Financial Officer



SQUARE TEXTILES LIMITED AND ITS SUBSIDIARIES

Notes to the Interim Financial Statements
For the period ended June 30, 2013

Basis of preparation of the Interim Financial Statements:

These Financial Statements (They) are the unaudited interim financial statements (hereafter 'the Interim Financial Statements') of Square Textiles Limited, Square Yarns limited & Square Texcom Limited, Companies incorporated in Bangladesh under Companies Act 1994, for the half year ended June 30, 2013 (hereafter 'the interim period'). They are prepared in accordance with the International Accounting Standard (IAS 34) 'Interim Financial reporting'. These financial statements should read in conjunction with the Annual Financial Statements as of December 31, 2012, as they provide an update of previously reported information.

The accounting policies and presentation used are consistent with those used in the Annual Financial Statements, except where noted below. Where necessary, the comparatives have been reclassified or extended from the previously reported Interim Financial Statements to take into account any presentational changes made in the Annual Financial Statements or in these Interim Financial Statements.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets, liabilities and disclosure of contingent liabilities at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the interim financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

The company operates in industries where significant seasonal or cyclical variations in total sales are not experienced during the reporting period.

Income tax expense is recognized based upon the best estimate of the weighted average income tax rate expected for the reporting period.

Dividend payment for the year ended December 31, 2012 is in process @ 18% cash of par value of share and 15 (Fifteen) stock dividend for holding 100 (One Hundred) shares that approved by the shareholders in AGM held on June 13, 2013.

The Company has no reportable segments as per requirement of IAS 14, segment reporting.

There is no significant event to the end of the interim period that has to be reflected in the financial statements for the interim period.

The Company did not carry out any related party transaction other than Square Pharmaceuticals Limited, Square Yarns Limited & Square Texcom Limited. During the reporting period total received & total payment was Tk. 72.45 crore and Tk. 8.14 crore from / to Square Pharmaceuticals Ltd., Tk. 68.45 crore & Tk. 80.12 crore from / to Square Yarns Ltd. and Tk. 55.61 crore & Tk. 2.51 crore paid from / to Square Texcom Limited.

Figures have been rounded off to the nearest Tk.'000.

The contingent liabilities of the company as on June 30, 2013 is as follows;

For Sight and Deferred LCs for the group Tk. 79.92 crore only. Out of which Tk. 61.49 crore for Square Textiles Limited, Tk. 18.11 crore only for Square Yarns Limited and Tk. 0.32 crore only for Square Texcom Limited.

Provision for deferred tax is adjusted for Tk .57 crore for the adjustable temporary difference upto June 30, 2013.


Tapan Chowdhury
Managing Director


Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Statement of Financial Position (Unaudited)
As of June 30, 2013

	June 30, 2013 Tk.'000	December 31, 2012 Tk.'000
NET ASSETS:		
Fixed Asset :	1,748,284	1,763,531
At Cost Less Depreciation	1,529,881	1,545,128
Investment- Long Term (At Cost)	160,784	160,784
Share Money Deposit	57,619	57,619
Current Assets :	4,653,215	4,389,591
Stocks	985,136	1,156,435
Trade Debtors	1,564,279	2,033,491
Short Term Loan	1,174,024	606,599
Advance , Deposit & Prepayments	475,955	293,416
Cash & Bank Balance	453,821	299,650
Less : Current Liabilities :	1,708,108	1,554,244
Short Term Bank Loan	13,548	86,340
Short Term Loan	116,675	-
Sundry Creditors	952,354	1,001,945
Other Current Liabilities	345,617	246,571
Provision for income Tax	279,914	219,388
Net Current Assets	2,945,107	2,835,347
Deferred Tax Liability	106,436	112,147
	4,586,955	4,486,731
FINANCED BY :		
Share Holders Equity :	4,586,955	4,486,731
Share Capital	1,344,203	1,168,872
General Reserve and Surplus	3,242,752	3,317,859
	4,586,955	4,486,731

Attached notes of page 4-5 form part of these Financial Statements.


Tapan Chowdhury
Managing Director


Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Statement of Comprehensive Income (Unaudited)
For the period Ended June 30, 2013

	Six Months Ended		2nd Quarter Ended	
	June 30, 2013	June 30, 2012	April 01 to June 30 2013	April 01 to June 30 2012
	Tk.'000	Tk.'000	Tk.'000	Tk.'000
Sales	2,653,233	3,001,694	1,314,667	1,418,303
Cost of Goods Sold	2,162,184	2,494,628	1,058,632	1,189,085
Gross Profit	491,049	507,066	256,035	229,218
Operating Expenses	105,299	93,461	58,862	50,530
Finance Cost	12,221	37,121	5,948	12,663
Operating Income	373,529	376,484	191,225	166,025
Other Income	10,180	1,280	5,352	1,280
Net Income before WPP & WF	383,709	377,764	196,577	167,305
Allocation for WPP & WF	18,272	17,989	9,361	7,967
Net Income before Tax	365,437	359,775	187,216	159,338
Provision for Income Tax	54,816	53,966	28,083	23,900
Net Income for the Period	310,621	305,809	159,133	135,438
Earning Per Share (EPS)	2.31	2.28	1.18	1.01

Attached notes of page 4-5 form parts of these Financial Statements.


Tapan Chowdhury
Managing Director


Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Statement of Changes in Equity (Unaudited)
For the Period Ended June 30, 2013

	Share Capital	General Reserve and Surplus	Tk. '000 Total
As at December 31, 2012	1,168,872	3,317,859	4,486,731
Net Profit for 1st Half 2013	-	310,621	310,621
Cash Dividend for 2012	-	(210,397)	(210,397)
Stock Dividend for 2012	175,331	(175,331)	-
Balance As at June 30, 2013	1,344,203	3,242,752	4,586,955

Statement of Changes in Equity (Unaudited)
For the period ended June 30, 2012

	Share Capital	General Reserve and Surplus	Tk. '000 Total
As at December 31, 2011	974,060	3,087,482	4,061,542
Net Profit for 1st Half 2012	-	305,809	305,809
Cash Dividend for 2011	-	(155,850)	(155,850)
Stock Dividend for 2011	194,812	(194,812)	-
Balance As at June 30, 2012	1,168,872	3,042,629	4,211,501

Attached notes of page 4-5 form parts of these Financial Statements.


Tapan Chowdhury
Managing Director


Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Statement of Cash Flows (Unaudited)
For the Period Ended June 30, 2013

	Six Months Ended	
	June 30, 2013	June 30, 2012
	Tk. '000	Tk. '000
Cash Flow From Operating Activities:		
Receipts:		
Cash From Sales Revenue	3,122,446	2,889,156
Cash From Other Income	56	1,280
Total Cash Receipts	3,122,502	2,890,436
Payments:		
Paid to Suppliers	(1,493,907)	(2,157,856)
Paid for Operating & Non Operating Exp.	(542,149)	(339,373)
Income Tax	(84,295)	(64,125)
Workers Profit Participation Fund	(44,544)	(23,199)
Total Payments	(2,164,895)	(2,584,553)
Net Cash Received (Used) From Operating Activities	957,607	305,883
Cash Flow From Investing Activities:		
Purchase of Fixed Assets	(105,157)	(266,015)
sales/Transfer of Fixed Assets	25,535	-
Net Cash Received (Used) From Investing Activities	(79,622)	(266,015)
Cash Flow From Financing Activities		
Short Term Bank Loan	(72,791)	(529,862)
Short Term Loan from (to) Sister Company	(440,626)	506,734
Payment of Dividend	(210,397)	(155,850)
Net Cash Received (Used) from Financing Activities	(723,814)	(178,978)
Net Cash Position	154,171	(139,110)
Opening Cash and Bank Balance	299,650	321,816
Closing Cash and Bank Balance	453,821	182,706

Attached notes of page 4-5 form parts of these Financial Statements.


Tapan Chowdhury
Managing Director


Md. Alamgir Hossain
Chief Financial Officer

SQUARE YARNS LIMITED

Statement of Financial Position (Unaudited)
As of June 30, 2013

	June 30, 2013	December 31, 2012
	Tk.'000	Tk.'000
NET ASSETS:		
Fixed Asset :	834,476	894,607
At Cost Less Depreciation	834,476	894,607
Current Assets :	1,294,292	1,239,101
Stocks	435,465	437,303
Trade Debtors	595,618	573,950
Short Term Loan	116,675	-
Advance , Deposit & Prepayments	97,119	84,442
Cash & Bank Balance	49,415	143,406
Less : Current Liabilities:	1,014,259	1,165,305
Short Term Bank Loan	28,787	23,988
Short Term Loan	-	245,584
Sundry Creditors	764,364	713,811
Other Current Liabilities	41,283	27,880
Provision for income Tax	179,825	154,042
Net Current Assets	280,033	73,796
Deferred Tax Liability	71,312	71,312
	1,043,197	897,091
FINANCED BY :		
Share Holders Equity :	1,043,197	897,091
Share Capital	95,500	95,500
General Reserve and Surplus	947,697	801,591
	1,043,197	897,091

Attached notes of page 4-5 form part of these Financial Statements.


Samuel S. Chowdhury
Managing Director


Md. Alamgir Hossain
Chief Financial Officer

SQUARE YARNS LIMITED

Statement of Comprehensive Income (Unaudited)
For the period Ended June 30, 2013

	Six Months Ended		2nd Quarter Ended	
	June 30, 2013	June 30, 2012	April 01 to June 30 2013	April 01 to June 30 2012
	Tk.'000	Tk.'000	Tk.'000	Tk.'000
Sales	1,145,966	1,454,781	600,517	708,989
Cost of Goods Sold	944,842	1,251,283	487,237	590,253
Gross Profit	201,124	203,498	113,280	118,736
Operating Expenses	9,628	11,917	4,399	6,399
Finance Cost	11,013	13,239	7,822	9,964
Net Income Before WPPF & WF	180,483	178,342	101,059	102,373
Allocation for WPPF & WF	8,594	8,492	4,812	4,875
Net Profit before Tax	171,889	169,850	96,247	97,498
Income Tax - Current	25,783	25,477	14,437	14,624
Income Tax - Deferred	-	1,564	-	782
Net Profit for the Period	146,106	142,809	81,810	82,092
Earning Per Share (EPS)	152.99	149.54	85.66	85.96

Attached notes of page 4-5 form parts of these Financial Statements.


Samuel S. Chowdhury
Managing Director


Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXCOM LIMITED

Statement of Financial Position (Unaudited)
As of June 30, 2013

	June 30, 2013	December 31, 2012
	Tk.'000	Tk.'000
NET ASSETS:		
Fixed Asset :	524,618	135,793
At Cost Less Depreciation	509,650	120,825
Pre Operative Expenses	14,968	14,968
Current Assets :	277,159	175,286
Stocks	76,561	58,017
Accounts Receivable	101,366	49,463
Advance , Deposit & Prepayments	30,592	37,785
Cash & Bank Balance	68,640	30,021
Less : Current Liabilities :	698,333	218,084
Short Term Bank Loan	356	10,999
Short Term Loan	530,918	107,695
Sundry Creditors	139,052	81,732
Other Current Liabilities	20,470	11,965
Provision for Income Tax	7,537	5,693
Net Current Assets	(421,174)	(42,798)
Deferred Tax Liability	7,984	-
	95,460	92,995
FINANCED BY :		
Share Holders Equity :	95,460	92,995
Share Capital	10,000	10,000
Share Money Deposit	57,619	57,619
General Reserve and Surplus	27,841	25,376
	95,460	92,995

Attached notes of page 4-5 form part of these Financial Statements.


Anjan Chowdhury
Managing Director


Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXCOM LIMITED

Statement of Comprehensive Income (Unaudited)
For the period Ended June 30, 2013

	Six Months Ended		2nd Quarter Ended	
	June 30, 2013	June 30, 2012	April 01 to June 30 2013	April 01 to June 30 2012
	Tk.'000	Tk.'000	Tk.'000	Tk.'000
Sales	193,172	91,839	122,004	6,855
Cost of Goods Sold	163,376	80,406	102,610	358
Gross Profit	29,796	11,433	19,394	6,497
Operating Expenses	5,131	3,823	2,634	3,640
Finance Cost	11,758	983	5,229	983
Net Profit Before WPPF & WF	12,907	6,627	11,531	1,874
Allocation for WPPF & WF	615	316	550	90
Net Profit Before Tax	12,292	6,311	10,981	1,784
Income Tax-Current	1,844	947	1,648	268
Income Tax-Deferred	7,984	-	7,984	-
Net Profit for the Period	2,464	5,364	1,349	1,516
Earning Per Share (EPS)	24.64	53.64	13.49	15.16

Attached notes of page 4-5 form parts of these Financial Statements.


Anjan Chowdhury
Managing Director


Md. Alamgir Hossain
Chief Financial Officer

Corporate Headquarters

Square Centre
48, Mohakhali Commercial Area,
Dhaka 1212, Bangladesh.