

SQUARE TEXTILES LIMITED
Consolidated Statement of Financial Position (Unaudited)
as of Sept 30, 2014

	Sept 30, 2014	December 31, 2013
NET ASSETS:		
Fixed Asset :	3,397,543,908	3,201,946,753
At Cost Less Depreciation	3,341,260,148	3,145,662,993
Goodwill	56,283,760	56,283,760
Current Assets :	5,463,050,782	5,310,436,702
Stocks	1,868,085,799	1,799,599,933
Trade Debtors	2,386,092,328	2,512,022,250
Short Term Loan	98,219,585	158,344,925
Advance , Deposit & Prepayments	439,192,465	334,249,036
Cash & Bank Balance	671,460,605	506,220,558
Current Liabilities :	2,309,423,065	2,359,399,763
Short Term Bank Loan	1,538,742,635	1,675,510,992
Sundry Creditors	65,493,501	74,793,419
Other Current Liabilities	344,152,705	367,409,713
Provision for income Tax	361,034,224	241,685,639
Net Current Assets	3,153,627,717	2,951,036,939
Deferred Tax Liability	200,376,397	186,685,909
	<u>6,350,795,228</u>	<u>5,966,297,783</u>
FINANCED BY :		
Share Holders Equity :	6,339,022,318	5,957,711,911
Share Capital	1,478,622,980	1,344,202,710
General Reserve and Surplus	4,860,399,338	4,613,509,201
Non controlling Interest	11,772,910	8,585,872
	<u>6,350,795,228</u>	<u>5,966,297,783</u>
Net Asset Value Per Share	42.87	40.29

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Consolidated Statement of Comprehensive Income (Unaudited)

For the Third Quarter Ended on Sept 30, 2014

	Nine Month Ended		3rd Quarter	
	Sept 30, 2014	Sept 30, 2013	July to Sept , 2014	July to Sept , 2013
Sales	5,994,160,899	5,904,983,592	1,767,332,150	1,912,612,468
Cost of Goods Sold	4,966,854,233	4,883,918,286	1,481,471,146	1,613,516,262
Gross Profit	1,027,306,666	1,021,065,306	285,861,004	299,096,206
Operating Expenses	175,511,026	181,053,108	55,492,856	60,996,006
Finance Cost	30,340,342	37,480,875	4,482,509	4,493,688
Operating Income	821,455,298	802,531,323	225,885,639	233,606,512
Other Income	4,240,612	9,787,166	831,882	1,611,942
Net Income before W.P.P & W.F	825,695,910	812,318,489	226,717,521	235,218,454
Allocation for W.P.P & W.F	39,318,852	38,681,833	10,796,072	11,200,879
Net Income before Tax	786,377,058	773,636,656	215,921,449	224,017,575
Provision for Income Tax	119,348,583	118,124,865	32,936,902	35,682,003
Provision for Deferred Income Tax	13,690,488	9,027,410	4,758,715	1,043,367
Net Profit after Tax	653,337,987	646,484,381	178,225,832	187,292,205
Non-Controlling Interest	3,187,038	1,609,279	926,864	721,066
Net Income for the Year	650,150,949	644,875,102	177,298,968	186,571,139
Earning Per Share(EPS)	4.40	4.36	1.20	1.26

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Consolidated Statement of Changes in Equity (Unaudited) For the Quarter ended on Sept 30, 2014

Particulars	Share Capital	Reserve & Surplus	Total
As at December 31,2013	1,344,202,710	4,613,509,201	5,957,711,911
Net Profit for 3rd Quarter Ended ,2014	-	650,150,949	650,150,949
Cash Dividend for 2013	-	- 268,840,542	- 268,840,542
Stock Dividend for 2013	134,420,270	- 134,420,270	-
Balance as at Sept 30,2014	1,478,622,980	4,860,399,338	6,339,022,318

SQUARE TEXTILES LIMITED

Consolidated Statement of Changes in Equity (Unaudited) For the Quarter ended on Sept 30, 2013

Particulars	Share Capital	Reserve & Surplus	Total
As at December 31,2012	1,168,871,920	4,162,344,676	5,331,216,596
Net Profit for 3rd Quarter Ended ,2013	-	644,875,102	644,875,102
Cash Dividend for 2012	-	- 210,396,946	- 210,396,946
Stock Dividend for 2012	175,330,790	- 175,330,790	-
Balance as at Sept 30,2013	1,344,202,710	4,421,492,042	5,765,694,752

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Statement of Consolidated Cash Flows

For the quarter ended Sept 30, 2014

	3rd Quarter Ended	
	Sept 30, 2014	Sept 30, 2013
Cash Flow From Operating Activities:		
Total Receipts	6,120,180,473	6,025,374,350
Cash from Sales Revenue	6,120,090,819	6,025,311,368
Cash from Other Income	89,654	62,982
Total Payments	(5,189,332,245)	(5,231,831,156)
Purchase for Raw & Packing Materials	(3,722,386,032)	(3,889,154,856)
Manufacturing and Operating Exp.	(1,274,627,340)	(1,127,964,850)
Interest Expenses	(26,094,188)	(36,142,017)
Income Tax	(120,179,279)	(123,253,614)
Workers Profit Participation Fund	(46,045,406)	(55,315,819)
Net Cash Flow From Operating Activities	930,848,228	793,543,194
Cash Flow From Investing Activities		
Purchase of Fixed Assets	(409,047,815)	(446,553,630)
Net Cash Flow From Investing Activities	(409,047,815)	(446,553,630)
Cash Flow From Financing Activity		
Shor Term Bank Loan recived(Repaid)	(136,768,357)	(69,439,019)
Short Term Loan From (To) Inter Co.	49,048,533	(168,463,409)
Dividend Payment	(268,840,542)	(210,396,946)
Net Cash Flow From Financing Activities	(356,560,366)	(448,299,374)
Net Cash Position	165,240,047	(101,309,810)
Opening Cash in Hand	506,220,558	473,076,464
Closing Cash in Hand	671,460,605	371,766,654
Net Operating Cash Flow Per Share	6.30	5.37

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Office

SQUARE TEXTILES LIMITED
Statement of Financial Position (Unaudited)
As of Sept 30, 2014

	Sept 30, 2014	December 31, 2013
NET ASSETS:		
Fixed Asset :	2,325,149,038	2,262,854,293
At Cost Less Depreciation	1,740,815,159	1,678,520,414
Investment-Long Term(At Cost)	160,783,760	160,783,760
Share Money Deposit	423,550,119	423,550,119
Current Assets :	4,029,255,667	4,095,602,705
Stocks	1,351,271,809	1,243,943,446
Trade Debtors	1,772,059,048	1,879,244,296
Short Term Loan	218,789,775	459,680,590
Advance , Deposit & Prepayments	330,868,690	271,092,185
Cash & Bank Balance	356,266,345	241,642,188
Current Liabilities :	1,200,755,840	1,363,962,388
Short Term Bank Loan	688,783,458	907,105,852
Sundry Creditors	43,807,697	50,586,313
Other Current Liabilities	277,977,400	293,249,108
Provision for income Tax	190,187,285	113,021,115
Net Current Assets	2,828,499,827	2,731,640,317
Deferred Tax Liability	110,056,463	108,123,167
Tk.	<u>5,043,592,402</u>	<u>4,886,371,443</u>
FINANCED BY :		
Share Holders Equity :	5,043,592,402	4,886,371,443
Share Capital	1,478,622,980	1,344,202,710
General Reserve and Surplus	3,564,969,422	3,542,168,733
Tk.	<u>5,043,592,402</u>	<u>4,886,371,443</u>
Net Asset Value Per Share	34.11	33.05

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED
Statement of Comprehensive Income (Unaudited)
For the Third Quarter Ended on Sept 30, 2014

	Nine Month Ended		3rd Quarter	
	Sept 30, 2014	Sept 30, 2013	July to Sept , 2014	July to Sept , 2013
Sales	3,871,062,026	3,932,395,103	1,234,978,468	1,279,161,605
Cost of Goods Sold	3,199,543,875	3,224,172,757	1,039,687,053	1,061,988,384
Gross Profit	671,518,151	708,222,346	195,291,415	217,173,221
Operating Expenses	136,703,275	156,122,481	43,112,780	50,823,814
Finance Cost	15,532,063	17,629,374	3,440,090	5,407,999
Operating Income	519,282,813	534,470,491	148,738,545	160,941,408
Other Income	11,136,202	16,634,939	4,389,482	6,455,277
Net Income before W.P.P & W.F	530,419,015	551,105,430	153,128,027	167,396,685
Allocation for W.P.P & W.F	25,258,048	26,243,116	7,291,811	7,971,271
Net Income before Tax	505,160,967	524,862,314	145,836,216	159,425,414
Provision for Tax (Current)	77,166,170	80,808,714	22,424,118	25,993,179
Provision for Tax (Deferred)	1,933,296	-	681,547	-
Net Income for the Year	426,061,501	444,053,600	122,730,551	133,432,235

Earning Per Share(EPS)	2.88	3.00	0.83	0.90
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Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED
Statement of Changes in Equity (Unaudited)
For the Quarter Ended on Sept 30, 2014

Particulars	Share Capital	Reserve & Surplus	Total
As at December 31,2013	1,344,202,710	3,542,168,733	4,886,371,443
Net Profit for 3rd Quarter Ended ,2014	-	426,061,501	426,061,501
Cash Dividend for 2013	-	- 268,840,542	- 268,840,542
Stock Dividend for 2013	134,420,270	- 134,420,270	-
Balance as at Sept 30,2014	1,478,622,980	3,564,969,422	5,043,592,402

SQUARE TEXTILES LIMITED
Statement of Changes in Equity (Unaudited)
For the Quarter Ended on Sept 30, 2013

Particulars	Share Capital	Reserve & Surplus	Total
As at December 31,2012	1,168,871,920	3,340,114,433	4,508,986,353
Net Profit for 3rd Quarter Ended ,2013	-	444,053,600	444,053,600
Cash Dividend for 2012	-	- 210,396,946	- 210,396,946
Stock Dividend for 2012	175,330,790	- 175,330,790	-
Balance as at Sept 30,2013	1,344,202,710	3,398,440,297	4,742,643,007

Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED

Statement of Cash flows For the Quarter Ended on Sept 30, 2014

Particulars	3rd Quarter Ended	
	Sept 30, 2014	Sept 30, 2013
Cash Flow From Operating Activities:		
Total Receipts	3,978,336,928	4,064,515,931
Cash From Sales Revenue	3,978,247,274	4,064,452,949
Cash from Other Income	89,654	62,982
Total Payments	(3,444,772,879)	(3,475,376,794)
Paid to Suppliers	(2,498,978,566)	(2,456,254,529)
Paid for Operating & No-operating Expenses	(812,671,803)	(848,431,351)
Interest Expenses	(17,013,648)	(16,340,003)
Income Tax	(79,265,798)	(105,196,126)
Workers Profit Participation Fund	(36,843,064)	(49,154,785)
Net Cash Received (Used) From Operating Activities	533,564,049	589,139,137
Cash Flow From Investing Activities		
Purchase of Fixed Assets	(171,524,671)	(88,366,011)
Net Cash Received (Used) From Investing Activities	(171,524,671)	(88,366,011)
Cash Flow From Financing Activity		
Shor Term Bank Loan	(218,322,394)	(53,418,125)
Short Term Loan From (To) Inter Co.	239,747,715	(347,156,602)
Payment of Dividend	(268,840,542)	(210,396,946)
Net Cash Received (Used) From Financing Activities	(247,415,221)	(610,971,673)
Net Cash Increased (Decreased)	114,624,157	(110,198,547)
Opening Cash in Hand	241,642,188	299,649,897
Closing Cash in Hand	356,266,345	189,451,350

Net Operating Cash Flow Per Share	3.61	3.98
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Sd/-
Tapan Chowdhury
Managing Director

Sd/-
Md. Alamgir Hossain
Chief Financial Officer

SQUARE TEXTILES LIMITED AND ITS SUBSIDIARIES

Notes to the Interim Financial Statements For the period ended September 30, 2014

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 3rd quarter ended September 30, 2014 (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, 2013, 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.

All L/C liabilities are re-grouped as Short Term Bank Loan instead of Sundry Creditors.

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, 2013 is in process @ 20% cash and 10% stock (10 shares for every 100 shares) that approved by the shareholders in AGM held on June 16, 2014.

The Company has no reportable operating segments as per requirement of IFRS 8, operating segment.

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. 26.82 crore and Tk. 36.64 crore from / to Square Pharmaceuticals Ltd., Tk. 20.41 crore & Tk. 22.73 crore from / to Square Yarns Ltd. and Tk. 34.45 crore & Tk. 44.19 crore paid from / to Square Texcom Limited.

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

The contingent liability of the company as on September 30, 2014 is as follows;

For Sight and Deferred LCs for the group Tk. 70.17 crore only. Out of which Tk. 37.86 crore for Square Textiles Limited, Tk. 21.53 crore only for Square Yarns Limited and Tk. 10.78 crore only for Square Texcom Limited.

Provision for deferred tax newly created by TK 1.37 crore.