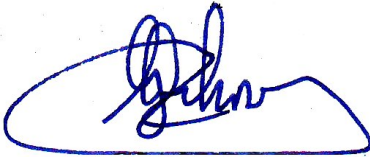


*Dear Shareholders*

*We are pleased to present the un-audited 1<sup>st</sup> Quarter ended 30 September Financial Report 2013 of the Company and separate Statement of Financial Position as at September 30, 2013, Statement of Comprehensive Income, Statements of changes in equity and Statement of Cash Flows for the Quarter ended 30 September, 2013*



*Giasuddin Quader Chowdhury  
Managing Director*

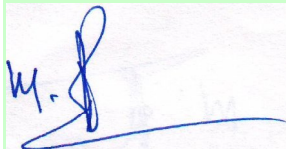


***1<sup>st</sup> Quarter Un-Audited Report, 2013  
For the period July to September***

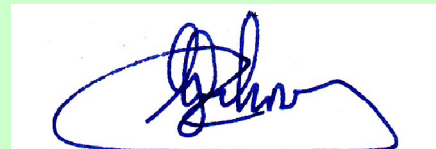
**The Dacca Dyeing & Manufacturing Company Limited**  
**Statement of Financial Position ( Un-audited )**

As at 30 September, 2013

	30.09.13 Taka	30.06.13 Taka
<b>Assets</b>		
<b>Non-Current Assets :</b>		
Property, plant and equipment	2,327,805,021	2,351,151,590
Investment in shares	10,050,000	10,050,000
<b>Total non current assets</b>	<b>2,337,855,021</b>	<b>2,361,201,590</b>
<b>Current Assets :</b>		
Inventories	435,714,416	444,726,069
Trade and other receivables	423,707,605	440,593,666
Advance, deposits & prepayments	285,925,213	303,853,105
Cash & bank balances	2,101,050	846,754
<b>Total current assets</b>	<b>1,147,448,284</b>	<b>1,190,019,594</b>
<b>Total Assets</b>	<b>3,485,303,305</b>	<b>3,551,221,184</b>
<b>Equity and Liabilities :</b>		
Equity attributable to owners of the company		
Share capital	654,796,800	654,796,800
Tax holiday reserve	3,804,291	44,636
Assets revaluation reserve	1,128,093,580	1,133,576,400
Other Capital reserve	44,636	3,804,291
Retained earnings	90,563,078	70,340,196
<b>Total equity</b>	<b>1,877,302,385</b>	<b>1,862,562,323</b>
<b>Non-Current Liabilities :</b>		
Long term borrowings	535,271,050	535,271,050
Deferred tax liability	261,063,673	259,898,797
Loan from Directors	16,800,826	16,800,826
<b>Total non current liabilities</b>	<b>813,135,549</b>	<b>811,970,673</b>
<b>Current Liabilities :</b>		
Trade and other payables	102,565,619	182,523,500
Current maturity of long term borrowings	296,921,114	296,847,278
Short term borrowings	382,218,347	383,849,157
Provision for current tax	11,750,742	12,058,704
Share application account	1,409,549	1,409,549
<b>Total current liabilities</b>	<b>794,865,371</b>	<b>876,688,188</b>
<b>Total liabilities</b>	<b>1,608,000,920</b>	<b>1,688,658,861</b>
<b>Total Equity and Liabilities</b>	<b>3,485,303,305</b>	<b>3,551,221,184</b>
<b>Net Asset Value ( NAV ) Per Share of Tk 10.00 each</b> ( With revaluation reserve )	<b>28.67</b>	<b>28.44</b>
<b>Restated for proposed bonus share</b>	<b>26.06</b>	<b>25.86</b>
<b>Net Asset Value ( NAV ) Per Share of Tk 10.00 each</b> ( Without revaluation reserve )	<b>11.44</b>	<b>11.13</b>
<b>Restated for proposed bonus share</b>	<b>10.40</b>	<b>10.12</b>



**Md. Majibur Rahman**  
Company Secretary

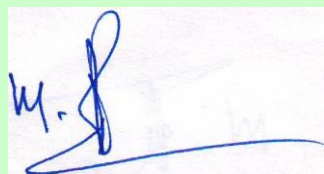


**Giasuddin Quader Chowdhury**  
Managing Director

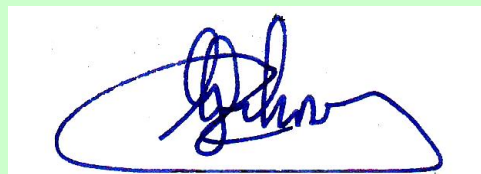
**The Dacca Dyeing & Manufacturing Company Limited**  
**Statement of Comprehensive Income ( Un-audited )**

for the 1st quarter ended 30 Sept, 2013

<b>Particulars</b>	<b>01.07.13 to 30.09.13 Taka</b>	<b>01.07.12 to 30.09.12 Taka</b>
Revenue	203,873,094	242,323,650
Cost of revenue	(121,292,356)	(149,710,090)
<b>Gross profit</b>	<b>82,580,738</b>	<b>92,613,560</b>
Other income	9,759	6,475
<b>Operating expenses:</b>	<b>(57,609,290)</b>	<b>(44,479,209)</b>
Administrative expenses	(7,209,057)	(7,480,840)
Selling and distribution expenses	(3,340,277)	(4,139,438)
Financial charges	(47,059,956)	(32,858,931)
<b>Operating profit</b>	<b>24,981,207</b>	<b>48,140,826</b>
Contribution to WPPF & WWF	(1,189,581)	(2,292,420)
<b>Profit before income tax</b>	<b>23,791,626</b>	<b>45,848,406</b>
<b>Provision for income tax</b>	<b>(3,568,744)</b>	<b>(6,877,261)</b>
Current tax	(1,436,311)	(4,678,978)
Deferred tax	(2,132,433)	(2,198,283)
<b>Net profit after tax</b>	<b>20,222,882</b>	<b>38,971,145</b>
<b>Earning per share of Tk. 10.00 each</b>	<b>0.31</b>	<b>0.60</b>
<b>Restated for proposed bonus share</b>	<b>0.28</b>	<b>0.54</b>



**Md. Majibur Rahman**  
Company Secretary



**Giasuddin Quader Chowdhury**  
Managing Director

**The Dacca Dyeing & Manufacturing Company Limited**

**Statement of Changes in Equity ( Un-audited )**

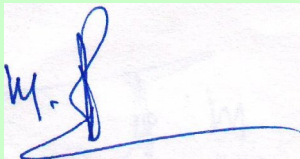
for the 1st quarter ended 30 Sept, 2013

Particulars	Ordinary Share Capital	Tax Holiday Reserve	Asset Revaluation Reserve	Other Capital Reserve	Retained Earnings	Total Equity
<b>Balance at 1st July 2013</b>	<b>654,796,800</b>	<b>3,804,291</b>	<b>1,133,576,400</b>	<b>44,636</b>	<b>70,340,196</b>	<b>1,862,562,323</b>
Net profit after tax					20,222,882	20,222,882
Adjustment for deferred tax on revaluation reserve			967,557			967,557
Adjustment for Depreciation on revalued assets			(6,450,377)			(6,450,377)
<b>Balance at September 30, 2013</b>	<b>654,796,800</b>	<b>3,804,291</b>	<b>1,128,093,580</b>	<b>44,636</b>	<b>90,563,078</b>	<b>1,877,302,385</b>

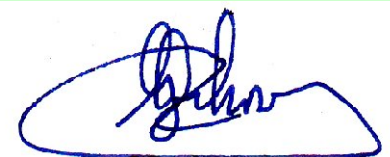
**Statement of Changes in Equity ( Un-audited )**

for the 1st quarter ended 30 Sept, 2012

Particulars	Ordinary Share Capital	Tax Holiday Reserve	Asset Revaluation Reserve	Other Capital Reserve	Retained Earnings	Total Equity
<b>Balance at 1st July 2012</b>	<b>584,640,000</b>	<b>3,804,291</b>	<b>1,157,777,983</b>	<b>44,636</b>	<b>73,909,832</b>	<b>1,820,176,742</b>
Net profit after tax					38,971,145	38,971,145
Adjustment for Depreciation on revalued assets			(7,123,995)			(7,123,995)
Adjustment for deferred tax on revaluation reserve			1,068,599			1,068,599
<b>Balance at September 30, 2012</b>	<b>584,640,000</b>	<b>3,804,291</b>	<b>1,151,722,587</b>	<b>44,636</b>	<b>112,880,977</b>	<b>1,853,092,491</b>



**Md. Majibur Rahman**  
Company Secretary



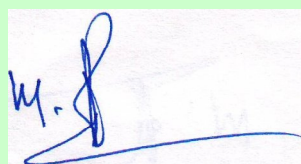
**Giasuddin Quader Chowdhury**  
Managing Director

**The Dacca Dyeing & Manufacturing Company Limited**

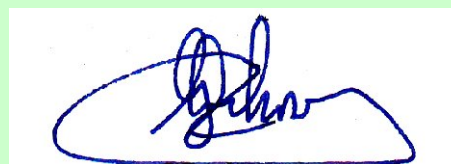
**Statement of Cash Flow ( Un-audited )**

for the 1st quarter ended 30 Sept, 2013

Particulars	01.07.13	01.07.12
	to	to
	30.09.13	30.09.12
	Taka	Taka
<b>Cash flows from operating activities</b>		
Receipts from customers	220,759,155	215,023,950
Other income	9,759	6,475
Payment to suppliers and employees	(171,467,505)	(173,270,980)
<b>Cash generated from operation</b>	<b>49,301,409</b>	<b>41,759,445</b>
Interest (Short term loan) & bank charges paid	(19,372,392)	(9,458,313)
Income tax paid	(2,305,915)	(695,309)
<b>Net cash flows / (used) operating activities</b>	<b>27,623,102</b>	<b>31,605,823</b>
<b>Cash flows from investing activities</b>		
Acquisition of capital work-in-progress		(31,822,546)
<b>Net cash used in investing activities</b>	<b>-</b>	<b>(31,822,546)</b>
<b>Cash flows from financing activities</b>		
Increase /(Decrease) in short term loan	(25,156,806)	7,361,093
Interest & bank charges on Long term loan	(1,285,836)	(1,535,531)
Increase /(Decrease) of Long term loan	73,836	(2,894,392)
<b>Net cash flows in financing activities</b>	<b>(26,368,806)</b>	<b>2,931,170</b>
<b>Net increase / (Decrease) in cash and cash equivalent</b>	<b>1,254,296</b>	<b>2,714,447</b>
Cash and cash equivalent at the beginning	846,754	11,998,985
<b>Cash and cash equivalent at the end</b>	<b>2,101,050</b>	<b>14,713,432</b>
<b>Net Operating Cash Flow per Share of Tk. 10.00 each</b>	<b>0.42</b>	<b>0.48</b>
<b>Restated for proposed bonus share</b>	<b>0.38</b>	<b>0.44</b>



**Md. Majibur Rahman**  
Company Secretary



**Giasuddin Quader Chowdhury**  
Managing Director

## THE DACCA DYEING & MANUFACTURING COMPANY LTD.

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

#### 1. Basis of Preparation of Interim Financial Statements:

These Financial Statements are prepared in accordance with the Bangladesh Accounting Standard (BAS 34) 'Interim Financial Reporting'. These Financial Statements should read in conjunction with the Annual Financial Statements as of June 30, 2013 as they provide an update of previously reported information.

#### 2. Accounting Policies and Presentation:

The accounting policies and presentation used are consistent with those used in the Annual Financial Statements. Where necessary, the comparatives have been reclassified, restated 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.

#### 3. Income Tax:

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

	30.09.13 Taka	30.09.12 Taka
<b>4. Revenue :</b>		
Export sales	14,020,110	84,081,333
Incentive *	701,005	2,942,846
Local sales, net of VAT	189,151,979	155,299,471
	<u>203,873,094</u>	<u>242,323,650</u>

\* Incentive in the form of cash subsidy has been allowed by Bangladesh Bank against export at the rate of 5%.

	30.09.13 Taka	30.06.13 Taka
<b>5. Inventories</b>		
Finished Goods	224,472,753	225,255,095
Work In process	116,332,082	119,964,112
Dyes and Chemicals	13,957,178	14,459,189
Stock of Yarn	45,889,614	47,934,738
Stores, Spares, Packing materials & others	35,062,789	37,112,935
	<u>435,714,416</u>	<u>444,726,069</u>

	30.09.13 Taka	30.06.13 Taka
<b>6. Assets revaluation reserve :</b>		
Balance as on 1st July	1,133,576,400	1,157,797,983
Add : Addition during the period	-	-
	<u>1,133,576,400</u>	<u>1,157,797,983</u>
Adjustment for depreciation	(6,450,377)	(28,495,980)
Add: Adjustment for deferred tax	967,557	4,274,397
Balance as on 30th September	<u>1,128,093,580</u>	<u>1,133,576,400</u>

	30.09.13 Taka	30.06.13 Taka
<b>7. Deferred tax liability:</b>		
<b>a) For normal operation</b>		
Balance as on 1st July	59,855,904	48,178,619
Add : Amount provided for the period	2,132,433	11,677,285
Balance as on 30th September	<u>61,988,337</u>	<u>59,855,904</u>
<b>b) For revaluation reserve</b>		
Balance as on 1st July	200,042,893	204,317,290
Less: Adjustment for depreciation on revalued assets	(967,557)	(4,274,397)
Balance as on 30th September	<u>199,075,336</u>	<u>200,042,893</u>
<b>Total Deferred tax liability ( a+b )</b>	<u>261,063,673</u>	<u>259,898,797</u>

	30.09.13 Taka	30.09.12 Taka
<b>8. Provision for income tax :</b>		
Profit before tax as per financial accounts	23,791,626	45,848,405
Less : Depreciation as per tax base than financial accounts	(27,419,620)	(28,409,909)
Add : Depreciation charge as per financial statement	13,203,402	13,754,688
<b>Profit / (Loss) before tax as per tax base</b>	<u>9,575,408</u>	<u>31,193,185</u>
Tax rate	15%	15%
<b>Provision for income tax</b>	<u>1,436,311</u>	<u>4,678,978</u>

	30.09.13 Taka	30.09.12 Taka
<b>9. Provision for deferred tax</b>		
Depreciation charge as per tax base	27,419,620	28,409,909
Depreciation charge as per financial accounts	13,203,402	13,754,688
<b>Temporary difference at the end of the period</b>	<u>14,216,218</u>	<u>14,655,221</u>
Tax rate	15%	15%
<b>Deferred tax liability for the period</b>	<u>2,132,433</u>	<u>2,198,283</u>