

DEWAN SALMAN FIBRE MILLS LIMITED

3-A, Lalazar, Beach Hotel Road, Karachi-Pakistan

DSFL/CS/HYA/KSE-LSE-ISE/2006-01

February 27, 2006

The General Manager,
Karachi Stock Exchange (G) Limited
Stock Exchange Building
I.I. Chundrigar Road
Karachi-74000

Fax: (021) 2415763/2437560

Dear Sir

We have to inform you that the Board of Directors of our company in their meeting held on February 27 at Karachi recommended the following:

(i)	<u>CASH DIVIDEND</u>	=Nil=
(ii)	<u>BONUS SHARES</u>	=Nil=
(iii)	<u>RIGHT SHARES</u>	=Nil=
(iv)	<u>ANY OTHER ENTITLEMENT /CORPORATE ACTION</u>	=Nil=
(v)	<u>ANY OTHER PRICE -SENSITIVE INFORMATION</u>	=Nil=

The financial results of the company are as follows:

	December 31, 2005	December 31, 2004
	(Rupees in '000)	
Sales	8,867,497	10,880,085
Sales tax and Commission	1,089	1,272,459
Net Sales	8,866,408	9,607,626
Cost of Sales	8,201,664	8,775,499
Gross profit	664,744	832,127
Distribution Cost	116,190	133,981
Administration Expenses	83,801	139,344
Less Amortization of Negative Goodwill	(2,890)	(2,890)
	197,101	270,435
Operating Profit	467,643	561,692
Finance Cost	338,571	297,045
Gain on disposal of fixed assets	(1,156)	-
Workers' Profit Participation Fund	6,511	13,233
	343,926	310,278
Profit before taxation	123,717	251,414
Taxation		
Current	44,332	48,038
Deferred	36,609	110,367
	80,941	158,405
Profit after taxation	42,776	93,009
Earnings per share - Basic (Rupees)	0.12	0.25
Earnings per share - Diluted (Rupees)	0.11	0.25