



FARAN SUGAR MILLS LIMITED

3rd Floor, Bank House No. 1, Habib Square, M.A. Jinnah Road, P.O. Box No. 13530 Karachi-74000, Pakistan.
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December 4, 2007

The General Manager
Karachi Stock Exchange (Guarantee) Ltd
Stock Exchange Building
Stock Exchange Road
Karachi

Sub: FINANCIAL RESULT FOR THE YEAR ENDED SEPTEMBER 30, 2007.

Dear Sir

We have to inform you that the Board of Directors of our company in their meeting held on December 4, 2007 at 4:00 P.M at our registered office of the company 2nd Floor Bank House No 1, Habib Square, M.A. Jinnah Road, Karachi recommended the following:-

- i) CASH DIVIDEND
NIL
- ii) BONUS SHARES
NIL
- iii) RIGHT SHARES
NIL
- iv) THE FINANCIAL RESULTS OF THE COMPANY ARE AS FOLLOWS.

	2007	2006
Net sales	1,809,361,197	2,432,652,263
Less: COST OF SALES	<u>1,731,695,981</u>	<u>2,159,437,511</u>
Gross Profit	75,665,216	273,214,752
<u>OPERATING EXPENSE:</u>		
Selling Administrative expenses	<u>29,396,955</u>	<u>24,065,021</u>
Distribution expenses	<u>3,729,585</u>	<u>5,542,790</u>
	<u>33,126,540</u>	<u>29,607,811</u>
Operating Profit	42,538,676	243,606,938
Financial Cost	<u>28,285,413</u>	<u>53,449,288</u>
Other Charges	<u>1,648,957</u>	<u>3,656,330</u>
Other Income	<u>(14,224,148)</u>	<u>(4,417,450)</u>
Worker's Profit Participation Fund	<u>1,341,421</u>	<u>9,545,940</u>
	17,051,673	62,234,078
Shares in Loss of Associate	<u>(5,762,894)</u>	<u>-</u>
Profit before Taxation	<u>19,724,109</u>	<u>181,372,869</u>
Less: Taxation	<u>9,564,954</u>	<u>77,021,037</u>
Profit after Taxation	<u>10,159,155</u>	<u>104,351,822</u>
Earnings Per Share:	0.54	5.54