



Ref: CR/433/10
Date: May 28, 2010

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

Sub: FINANCIAL RESULT FOR THE HALF YEAR ENDED 31st MARCH 2010

Dear Sir,

We have to inform you that the Board of Directors of our Company in their meeting held on 28th May, 2010 at 3:45 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) | <u>Cash Dividend</u> | NIL |
| (ii) | <u>Bonus Issue</u> | NIL |
| (iii) | <u>Right Issue</u> | NIL |

The financial results of the Company are as follows:

	HALF YEAR ENDED		QUARTER ENDED	
	MAR - 2010	MAR - 2009	MAR - 2010	MAR - 2009
	Rupees		Rupees	
Sales - net	1,980,519,318	952,608,187	1,013,502,865	474,367,122
Cost of sales	<u>(1,848,658,277)</u>	<u>(899,200,185)</u>	<u>(1,001,693,565)</u>	<u>(477,448,484)</u>
Gross profit	131,861,041	53,408,002	11,809,300	(3,081,362)
Operating expenses				
Administrative expenses	<u>(23,541,253)</u>	(20,684,974)	<u>(13,179,753)</u>	(12,934,274)
Distribution cost	<u>(3,717,376)</u>	(5,112,289)	<u>(2,397,911)</u>	(2,985,133)
Other charges	<u>(8,280,242)</u>	(1,403,255)	<u>(536,428)</u>	(315,289)
Other income	<u>18,657,278</u>	1,270,796	<u>11,850,287</u>	<u>5,295,219</u>
Operating profit	114,979,448	27,478,280	7,545,495	(14,020,839)
Share in profit of associate - net	<u>8,510,053</u>	<u>22,786,377</u>	<u>(1,929,833)</u>	<u>(25,642,993)</u>
	123,489,501	50,264,657	5,615,662	(39,663,832)
Finance cost	<u>(21,812,854)</u>	<u>(16,777,207)</u>	<u>(18,321,607)</u>	<u>(13,611,497)</u>
Profit before tax / loss	101,676,647	33,487,450	(12,705,945)	(53,275,329)
Taxation	<u>(32,570,508)</u>	<u>(4,905,057)</u>	<u>(5,953,685)</u>	8,511,636
Profit after tax / loss	<u>69,106,139</u>	<u>28,582,393</u>	<u>(18,659,630)</u>	<u>(44,763,693)</u>
Earnings per share - basic and diluted	3.19	1.32	(0.86)	(2.07)

We will send you 300 copies of printed accounts for distribution among the members of the Exchange in due course of time.

Yours sincerely,

For Faran Sugar Mills Ltd.

Muhammad Ayub
CFO & Company Secretary

FARAN SUGAR MILLS LTD.

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