



Ref: CR/538/10  
Date: December 30, 2010

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

**Sub: FINANCIAL RESULT FOR THE YEAR ENDED 30<sup>TH</sup> SEPTEMBER 2010**

Dear Sir,

We have to inform you that the Board of Directors of our Company in their meeting held on 30<sup>th</sup> December, 2010 at 3:30 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:

**CASH DIVIDEND**

Cash Dividend for the year ended September 30, 2010 at Rs. 2.5 per share i.e. 25/.

**BONUS SHARES**

It has been recommended by the Board of Directors to issue Bonus Shares in the proportion of Nil share(s) for every Nil share(s) held i.e. Nil %.

**RIGHT SHARES**

NIL

THE FINANCIAL RESULTS OF THE COMPANY ARE AS FOLLOWS:

	2010	2009
	Rupees	
Sales - net	3,989,927,964	2,409,498,357
Cost of sales	(3,746,036,221)	(2,218,840,761)
<b>Gross profit</b>	<b>243,891,743</b>	<b>190,657,596</b>
<b>Operating expenses</b>		
Administrative expenses	(49,008,628)	(51,316,298)
Distribution cost	(4,205,686)	(6,070,946)
	(53,214,314)	(57,387,244)
<b>Operating profit</b>	<b>190,677,429</b>	<b>133,270,352</b>
Other charges	(3,025,419)	(4,135,340)
Workers' welfare fund	(3,041,445)	(1,706,285)
Workers' profit participation fund	(8,003,802)	(4,490,223)
Other income	24,372,850	9,460,096
	200,979,613	132,398,600
Share in profit of associate - net	8,286,135	32,534,107
	209,265,748	164,932,707
Finance cost	(51,948,812)	(48,790,645)
<b>Profit before taxation</b>	<b>157,316,936</b>	<b>116,142,062</b>
Taxation	(49,411,987)	(30,466,503)
<b>Profit after taxation</b>	<b>107,904,949</b>	<b>85,675,559</b>
<b>Earnings per share - basic and diluted</b>	<b>4.98</b>	<b>3.97</b>

**FARAN SUGAR MILLS LTD.**

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