



The General Manager
Karachi Stock Exchange Ltd.
Stock Exchange Building
Stock Exchange Road
Karachi.

The General Manager
Lahore Stock Exchange Ltd.
19-Khayaban-e-Aiwan-e-Iqbal
Lahore.

Ref: CGL/390/05-14
Date: May 27, 2014

Sub: FINANCIAL RESULT FOR THE HALF YEAR ENDED 31st MARCH 2014

Dear Sir,

We have to inform you that the Board of Directors of our Company in their meeting held on 27th May 2014 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) | <u>Cash Dividend</u> | NIL |
| (ii) | <u>Bonus Issue</u> | NIL |
| (iii) | <u>Right Issue</u> | NIL |

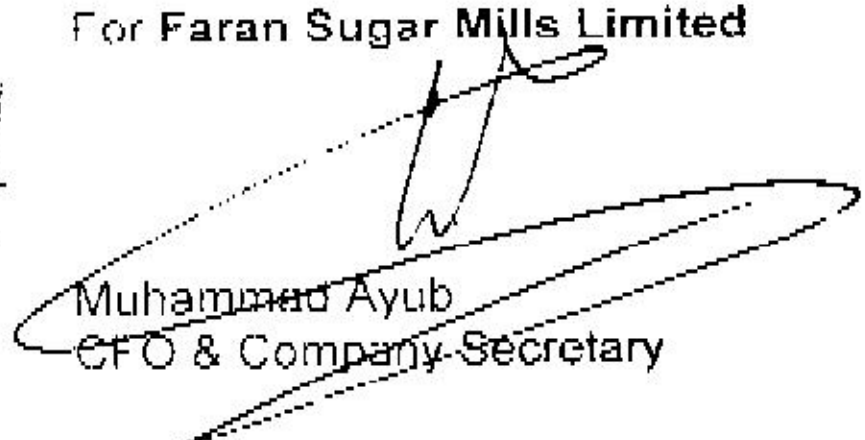
The financial results of the Company are as follows:

| | HALF YEAR ENDED | | QUARTER ENDED | |
|---|--------------------------|---------------------------|--------------------------|--------------------------|
| | MAR - 2014 | MAR - 2013 | MAR - 2014 | MAR - 2013 |
| | Rupees | | Rupees | |
| Sales - net | 2,906,839,993 | 2,000,192,747 | 1,748,661,735 | 1,226,001,720 |
| Cost of sales | <u>(2,705,218,350)</u> | <u>(1,851,018,143)</u> | <u>(1,600,228,912)</u> | <u>(1,110,087,481)</u> |
| Gross profit | 201,621,643 | 149,174,604 | 148,432,823 | 115,914,239 |
| Operating expenses | | | | |
| Administrative expenses | <u>(39,442,606)</u> | <u>(35,278,096)</u> | <u>(19,610,492)</u> | <u>(18,164,978)</u> |
| Selling and distribution cost | <u>(55,001,549)</u> | <u>(33,000,281)</u> | <u>(48,682,858)</u> | <u>(19,727,689)</u> |
| Other charges | <u>(6,400,602)</u> | <u>(6,740,875)</u> | <u>(4,743,772)</u> | <u>(5,065,639)</u> |
| Other income | <u>3,147,567</u> | <u>27,306,370</u> | <u>824,443</u> | <u>23,268,987</u> |
| Operating profit | 103,924,453 | 101,461,722 | 76,220,144 | 96,224,920 |
| Share in profit of associate - net | <u>47,469,000</u> | <u>89,569,333</u> | <u>36,760,572</u> | <u>34,436,000</u> |
| | 151,393,453 | 191,031,055 | 112,980,716 | 130,660,920 |
| Finance cost | <u>(38,558,579)</u> | <u>(40,336,338)</u> | <u>(32,726,491)</u> | <u>(32,345,716)</u> |
| Profit before taxation | 112,834,874 | 150,694,717 | 80,254,225 | 98,315,204 |
| Taxation | <u>(29,643,754)</u> | <u>(10,941,304)</u> | <u>(18,037,804)</u> | <u>(5,188,408)</u> |
| Profit after taxation | <u>83,191,120</u> | <u>139,753,413</u> | <u>62,216,421</u> | <u>93,126,796</u> |
| Earnings per share - basic and diluted | 3.33 | Restated 5.59 | 2.49 | Restated 3.72 |

We will send you 200 copies of printed accounts for distribution among the members of the Exchange in due course of time.

Yours sincerely,

For Faran Sugar Mills Limited


Muhammad Ayub
CFO & Company Secretary

FARAN SUGAR MILLS LTD.

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