

GUL AHMED TEXTILE MILLS LTD.

FINANCE DIVISION Telephones : (9221) 501 8831 to 34
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 Karachi-75120 Email : finance@gulahmed.com
 Pakistan

GUL/SD/KSE-LSE/2/2009

February 26, 2009

The General Manager
 Karachi Stock Exchange (Guarantee) Limited
 Stock Exchange Building
 Stock Exchange Road
 KARACHI.
 Fax: 111-573-329

The Secretary
 Lahore Stock Exchange (Guarantee) Limited
 19, Khayaban-e-Aiwan-e-Iqbal
 LAHORE.
 Fax: (042) 111-441-441

Dear Sir,

SUBJECT: FINANCIAL RESULTS FOR THE HALF YEAR ENDED DECEMBER 31, 2008

We have to inform you that the Board of Directors of our Company in their meeting held on Thursday, February 26, 2009 at 3:00 p.m. has recommended the following.

RIGHT SHARES :

The Board has approved the issue of 15% Right Shares on the existing paid-up capital of the Company at an issue price of Rs.40/- per share including a premium of Rs.30/- per share in the ratio of Fifteen Shares for every Hundred Shares held to the Shareholders whose names shall appear in the members register as on March 24, 2009.

In this respect, we enclose herewith the following:

1. Announcement of Right Shares.
2. Copy of Auditors certificate regarding Free Reserves.

The financial results of the Company for the half year ended December 31, 2008 are as follows:

The separate profit and loss account of the Company is as follows:-

	Rs.000s			
	FOR THE QUARTER		FOR THE HALF YEAR	
	Oct – Dec 2008	Oct – Dec 2007	Jul – Dec 2008	Jul – Dec 2007
Sales	3,522,940	2,519,409	6,671,264	5,230,801
Cost of Sales	2,925,073	2,191,769	5,602,190	4,485,886
Gross Profit	597,867	327,640	1,069,074	744,915
Operating Expenses	264,686	182,596	471,030	372,468
Operating Profit	333,181	145,044	598,044	372,447
Other Income	4,284	3,165	11,716	8,497
	337,465	148,209	609,760	380,944
Financial Expenses and Other Charges	288,538	135,324	514,752	265,659
Profit Before Taxation	48,927	12,885	95,008	115,285
Provision for Taxation	25,000	3,866	45,000	34,586
Profit/(Loss) after Taxation	23,927	9,019	50,008	80,699
Earnings per share (Rs.)	0.43	0.16	0.91	1.46