

Grays of Cambridge (Pak) Limited.



(A PAK-BRITISH JOINT ENTERPRISE)

February 28, 2008

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



FORM-7
KARACHI STOCK EXCHANGE
CORPORATE ANNOUNCEMENT

Date: 28/2/08

Received at: 11:56 Initial: US

Announcement at: 11:57 Initial: US

Subject: Financial Results for the Half Year Ended December 31, 2007

Dear Sir

We have to inform you that the Board of Directors of our company in their meeting held on February 28, 2008 at 10.0 a.m. at Small Industries Estate, Sialkot has approved the un-audited accounts for the half year ended December 31, 2007 with nil declaration.

The financial results of the Company are as follow:

| | Half Year Ended | | Quarter Ended | |
|---|------------------|------------------|------------------|------------------|
| | 31 December 2007 | 31 December 2006 | 31 December 2007 | 31 December 2006 |
| SALES | 59,471,050 | 66,069,661 | 26,718,005 | 31,338,054 |
| COST OF SALES | 41,000,630 | 42,167,642 | 19,140,014 | 20,132,378 |
| GROSS PROFIT | 18,470,520 | 22,941,909 | 8,577,991 | 11,205,678 |
| DISTRIBUTION COST | 8,310,369 | 8,444,028 | 4,181,705 | 5,026,831 |
| ADMINISTRATIVE EXPENSES | 7,774,213 | 6,634,215 | 3,807,425 | 3,120,456 |
| OTHER OPERATING EXPENSES | 362,233 | 1,101,163 | (367,666) | 661,975 |
| | 18,449,815 | 18,080,004 | 7,711,464 | 8,709,266 |
| | 2,020,705 | 8,861,906 | (1,133,473) | 2,496,412 |
| OTHER OPERATING INCOME | 3,121,581 | 3,422,888 | 1,330,050 | 1,730,680 |
| PROFIT FROM OPERATIONS | 4,142,286 | 10,284,793 | 196,577 | 4,227,062 |
| FINANCE COSTS | 331,036 | 336,037 | 146,078 | 176,240 |
| | 3,811,250 | 9,948,756 | 50,499 | 4,050,822 |
| SHARE OF (LOSS) / PROFIT OF ASSOCIATE | (2,570,174) | 6,674,067 | (5,962,583) | 3,146,832 |
| PROFIT / (LOSS) BEFORE TAXATION | 1,241,076 | 16,622,823 | (5,532,064) | 7,197,064 |
| PROVISION FOR TAXATION | | | | |
| -Current | 1,444,597 | 1,865,039 | 618,926 | 888,024 |
| -Share of tax of associate | (477,410) | 1,964,106 | (1,286,472) | 898,474 |
| | 967,187 | 3,623,145 | (947,547) | 1,686,498 |
| PROFIT / (LOSS) AFTER TAXATION | 273,889 | 12,799,678 | (4,684,537) | 5,611,186 |
| EARNINGS PER SHARE - BASIC AND DILUTED | 0.17 | 7.83 | (2.99) | 3.44 |

We will be sending you 300 copies of the printed accounts for distribution amongst the Members of the Exchange.

Yours faithfully

(Muhammad Ashraf Butt)
Company Secretary

Handwritten signature

P.O. Box: 98, Small Industries Estate, Sialkot - 4, Pakistan,
Tel: +92-52-3563051-52 / 3555338 Fax: +92-52-3551252 / 3553609
E-mail: info@grayspak.com