



Habib Sugar Mills Limited

3rd/4th FLOOR, IMPERIAL COURT, DR. ZIAUDDIN AHMED ROAD, KARACHI-75530 (PAKISTAN)

Ref: HSM/SD/ 6537 /2007

December 19, 2007

Fax No: 2415763/2437560

The Managing Director
Karachi Stock Exchange
(Guarantee) Limited
Karachi.

Dear Sir,

FINANCIAL RESULTS FOR THE YEAR ENDED SEPTEMBER 30, 2007

We have to inform you that the Board of Directors of our Company in their meeting held at 12.00 noon on Wednesday, December 19, 2007, recommended the following :

- (i) CASH DIVIDEND
A final cash dividend for the year ended September 30, 2007 @ Re.1 per share, i.e. 20%.
AND/OR
- (ii) BONUS ISSUE
It has also been recommended by the Board of Directors to issue Bonus shares in the proportion of one bonus share for every four ordinary shares held, i.e. 25%.
AND/OR
- (iii) RIGHT SHARES - Nil
AND/OR
- (iv) ANY OTHER ENTITLEMENT/CORPORATE ACTION - N/A
AND/OR
- (v) ANY OTHER PRICE-SENSITIVE INFORMATION - N/A

The financial results of the Company are as follows :

	2007 (Rupees in thousands)	2006
Net sales and services	2,838,960	4,019,324
Cost of sales	2,468,787	3,601,775
Gross Profit	370,173	417,549
Distribution and marketing expenses	(85,228)	(61,280)
Administrative expenses	(68,045)	(62,658)
Other operating expenses	(19,836)	(34,637)
Other operating income	81,386	50,651
	(91,723)	(107,924)
Operating Profit	278,450	309,625
Finance cost	(22,237)	(49,036)
Profit before Taxation	256,213	260,589
Taxation	(40,000)	(45,000)
Profit after Taxation	216,213	215,589
Earnings per share - Basic and diluted	Rs. 3.75	(Restated) Rs. 3.74

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