



Habib Sugar Mills Limited

Ref: HSM/SD/6556/2008 ^{3rd/4th FLOOR, IMPERIAL COURT, DR. ZIAUDDIN AHMED ROAD, KARACHI-75530 (PAKISTAN)}

May 28, 2008

Fax No: 111-573-329

The General Manager
Karachi Stock Exchange
(Guarantee) Limited
Karachi.

Dear Sir,

INTERIM CONDENSED FINANCIAL RESULTS FOR THE HALF YEAR ENDED MARCH 31, 2008 (UNAUDITED)

We have to inform you that the Board of Directors of our Company in their meeting held at 12.00 noon on Wednesday, May 28, 2008, approved the following :

- | | | |
|-------|---|-------|
| (i) | <u>CASH DIVIDEND</u> | - Nil |
| | AND/OR | |
| (ii) | <u>BONUS ISSUE</u> | - Nil |
| | AND/OR | |
| (iii) | <u>RIGHT SHARES</u> | - Nil |
| | AND/OR | |
| (iv) | <u>ANY OTHER ENTITLEMENT/CORPORATE ACTION</u> | - N/A |
| | AND/OR | |
| (v) | <u>ANY OTHER PRICE-SENSITIVE INFORMATION</u> | - N/A |

The financial results of the Company are as follows :

	Half year ended		Quarter ended	
	March 31, 2008	March 31, 2007	March 31, 2008	March 31, 2007
	(Rupees in thousands)			
Segment operating results				
Net sales and services	1,528,964	1,152,380	888,172	693,824
Cost of sales	(1,231,973)	(954,191)	(671,035)	(541,368)
Gross profit	296,991	198,189	217,137	152,456
Distribution and marketing expenses	(58,214)	(35,234)	(31,970)	(24,136)
Administrative expenses	(34,930)	(33,704)	(16,156)	(15,256)
Other operating expenses	(15,553)	(10,985)	(12,689)	(7,932)
Other operating income	24,356	36,244	21,662	9,965
	(84,341)	(43,679)	(39,153)	(37,363)
Operating profit	212,650	154,510	177,984	115,093
Finance (cost) / income - net	(6,015)	(8,566)	(9,402)	(9,717)
Profit before taxation	206,635	145,944	168,582	105,376
Taxation	(40,000)	(25,000)	(28,000)	(17,500)
Net profit for the period	166,635	120,944	140,582	87,876
Earnings per share - Basic and diluted Rs.	2.31	(Restated) 1.68	1.95	(Restated) 1.22

Yours faithfully

CAWAS R. SETHNA
Company Secretary
Habib Sugar Mills Ltd.