

Habib Sugar Mills Limited

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

Ref: HSM/SD/6559 /2008

July 31, 2008

Fax No: 111-573-329

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

Dear Sir,

INTERIM CONDENSED FINANCIAL RESULTS FOR THE QUARTER AND CUMULATIVE FOR THREE QUARTERS ENDED JUNE 30, 2008 (UNAUDITED)


We have to inform you that the Board of Directors of the Company in their meeting held at 3.00 pm on Thursday, July 31, 2008, approved the following :

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

The financial results of the Company are as follows :

	Three quarters ended		Quarter ended	
	June 30, 2008	June 30, 2007	June 30, 2008	June 30, 2007
	(Rupees in thousands)			
Segment operating results				
Net sales and services	3,046,158	1,983,457	1,517,194	831,077
Cost of sales	(2,547,542)	(1,693,877)	(1,315,569)	(739,686)
Gross Profit	498,616	289,580	201,625	91,391
Distribution and marketing expenses	(104,535)	(60,717)	(46,321)	(25,483)
Administrative expenses	(55,802)	(52,797)	(20,872)	(19,093)
Other operating expenses	(25,596)	(13,790)	(10,043)	(2,805)
Other operating income	40,256	42,925	15,900	6,681
	(145,677)	(84,379)	(61,336)	(40,700)
Operating profit	352,939	205,201	140,289	50,691
Finance (cost) / Income - net	(12,884)	(21,988)	(6,869)	(13,422)
Profit before taxation	340,055	183,213	133,420	37,269
Taxation	(65,000)	(30,000)	(25,000)	(5,000)
Net profit for the period	275,055	153,213	108,420	32,269
Earnings per share - basic and diluted Rs.	3.82	(Restated) 2.13	1.51	(Restated) 0.45

Yours faithfully


CAWAS R. SETHNA
Company Secretary
Habib Sugar Mills Ltd.