



Habib Sugar Mills Limited

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

Ref: HSM/SD/6584/2008

December 24, 2008

Fax No: 111-573-329

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

Dear Sir,

FINANCIAL RESULTS FOR THE YEAR ENDED SEPTEMBER 30, 2008

We have to inform you that the Board of Directors of our Company in their meeting held at 12.00 noon on Wednesday, December 24, 2008, recommended the following :

- (i) CASH DIVIDEND
A final cash dividend for the year ended September 30, 2008 @ Re.1.25 per share, i.e. 25%.
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 three ordinary shares held, i.e. 33.33%.
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 :

	2008 (Rupees in thousands)	2007
Net sales and services	4,175,804	2,838,960
Cost of sales	3,440,978	2,488,787
Gross Profit	734,826	370,173
Distribution and marketing expenses	(146,702)	(85,228)
Administrative expenses	(72,698)	(68,045)
Other operating expenses	(62,808)	(19,836)
Other operating income	61,127	81,386
	(221,081)	(91,723)
Operating Profit	513,745	278,450
Finance costs	(9,998)	(22,237)
Profit before taxation	503,747	256,213
Taxation	(100,000)	(40,000)
Profit after taxation	403,747	216,213
Earnings per share - Basic and diluted	Rs. 5.61	(Restated) Rs. 3.00

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