



Habib Sugar Mills Limited

3rd/4th FLOOR, IMPERIAL COURT, DR. ZIAUDDIN AHMED ROAD, KARACHI-75330 (PAKISTAN)

Ref: HSM/SD/6617 /2009

January 29, 2009

Fax No: 111-573-329

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

Dear Sir,

FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2008

We have to inform you that the Board of Directors of our Company in their meeting held at 12.00 noon on Thursday, January 29, 2009, 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 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 :

	Dec. 31, 2008	Dec. 31, 2007
	(Rupees in thousands)	
Net sales and services	939,327	640,792
Cost of sales	(829,337)	(560,938)
Gross profit	109,990	79,854
Distribution and marketing expenses	(25,313)	(26,244)
Administrative expenses	(21,620)	(18,774)
Other operating expenses	(5,101)	(2,864)
Impairment on long term investments	(24,630)	-
Other operating income	2,290	2,694
	(74,374)	(45,188)
Operating Profit	35,616	34,666
Finance (costs) / income	23,132	3,387
Profit before taxation	58,748	38,053
Taxation	(25,000)	(12,000)
Profit after taxation	33,748	26,053
		(Restated)
Earnings per share - Basic and diluted (Rupees)	0.47	0.36

Yours faithfully

CAWAS R. SETHNA
Company Secretary