



Habib Sugar Mills Limited

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

Ref: HSM/SD/6725/2009

December 16, 2009

Fax No: 111-573-329

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

Dear Sir,

FINANCIAL RESULTS FOR THE YEAR ENDED SEPTEMBER 30, 2009

We have to inform you that the Board of Directors of our Company in their meeting held at 12.00 noon on Wednesday, December 16, 2009, recommended the following :

- (i) CASH DIVIDEND
A final cash dividend for the year ended September 30, 2009 @ Rs.1.75 per share, i.e. 35%.
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 :

	2009 (Rupees in thousands)	2008
Net sales and services	4,584,186	4,175,804
Cost of sales	3,720,221	3,440,978
Gross Profit	863,965	734,826
Distribution and marketing expenses	(141,118)	(146,702)
Administrative expenses	(79,678)	(72,698)
Other operating expenses	(49,287)	(37,916)
Impairment on long-term investments - available for sale	(27,134)	(24,892)
Other operating income	26,258	61,127
	(270,959)	(221,081)
Operating Profit	593,006	513,745
Finance income / (cost) - net	61,810	(9,998)
Profit before taxation	654,816	503,747
Taxation	(165,000)	(100,000)
Profit after taxation	489,816	403,747
Earnings per share - Basic and diluted	Rs. 5.10	(Restated) Rs. 4.21

[Signature] /12