



Habib Sugar Mills Limited

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

May 26, 2010

Ref. HSM/SD/ 683/ 12010

Fax No: 111-573-329

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

Dear Sir,

CONDENSED INTERIM FINANCIAL RESULTS FOR THE HALF YEAR ENDED MARCH 31, 2010 (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 26, 2010, 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, 2010 | March 31, 2009 | March 31, 2010 | March 31, 2009 |
| | (Rupees in thousands) | | | |
| Segment operating results | | | | |
| Net sales and services | 2,834,320 | 2,130,625 | 1,992,879 | 1,191,298 |
| Cost of sales | (2,359,949) | (1,728,560) | (1,623,317) | (899,223) |
| Gross profit | 474,371 | 402,065 | 369,562 | 292,075 |
| Distribution and marketing expenses | (66,345) | (68,781) | (52,349) | (43,468) |
| Administrative expenses | (45,634) | (40,258) | (21,848) | (18,638) |
| Other operating expenses | (27,591) | (22,867) | (21,179) | (17,766) |
| (Impairment) / reversal of impairment on long-term investments | - | (13,456) | - | 11,174 |
| Other operating income | 26,833 | 17,693 | 24,070 | 15,403 |
| | (112,737) | (127,669) | (71,306) | (53,295) |
| Operating Profit | 361,634 | 274,396 | 298,256 | 238,780 |
| Finance Income / (cost) - net | 12,597 | 24,916 | (15,752) | 1,784 |
| Profit before taxation | 374,231 | 299,312 | 282,504 | 240,564 |
| Taxation | (115,000) | (65,000) | (80,000) | (40,000) |
| Profit after taxation | 259,231 | 234,312 | 202,504 | 200,564 |
| | | (Restated) | | (Restated) |
| Earnings per share - Basic and diluted Rs. | 2.16 | 1.95 | 1.69 | 1.67 |

Yours faithfully

W. Sethna
CAWAS R. SETHNA
Company Secretary
Habib Sugar Mills Ltd.