

KARIM COTTON MILLS LIMITED

14/E, 2nd, FLOOR, WRITERS CHAMBERS,
MUMTAZ HASSAN ROAD, KARACHI
Phone # 2427603

UNDER SEALED COVER

January 26, 2008

The General Manager,
Karachi Stock Exchange (Guarantee) Ltd.,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Subject: FINANCIAL RESULTS FOR THE HALF YEAR ENDED 31st, DECEMBER' 07.

Dear Sir,

We have to inform you that the board of Directors of our Company in their meeting held on January 26, 2008 at 4.30 p.m. at 14/E, 2nd, floor, Writers Chambers, Mumtaz Hassan Road, Karachi, recommended an interim dividend for the half year ended December 31, 2007 at Rs. **NIL** per share i.e. **Nil** %.

The financial results of company for the above period are as follows.

	<u>FOR THE HALF YEAR ENDED</u> (UNAUDITED)		<u>FOR QUARTER ENDED</u> (UNAUDITED)	
	<u>Dec. 31,</u> <u>2007</u>	<u>Dec. 31,</u> <u>2006</u>	<u>Dec. 31,</u> <u>2007</u>	<u>Dec. 31,</u> <u>2006</u>
Sales (Net)	-	-	-	-
Less: Cost of Sales	-	-	-	-
Gross Profit	-	-	-	-
<u>OPERATING EXPENSES</u>				
Administrative	43,590	38,680	43,440	3,637
Financial	368	300	368	300
	43,958	38,980	43,808	3,937
Operating Loss before Taxation	(43,958)	(38,980)	(43,808)	(3,937)
Taxation	-	-	-	-
Loss after Taxation	(43,958)	(38,980)	(43,808)	(3,937)
(Loss) / Earning per share	(0.04)	(0.03)	(0.04)	(0.003)