

LANDMARK SPINNING INDUSTRIES LIMITED

Fax # 111 573 328
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The Deputy Manager
Karachi Stock Exchange (Guarantee) Ltd.
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Subject: FINANCIAL RESULT FOR THE HALF-YEAR ENDED 31ST DECEMBER 2008.

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on 28th February 2009, at 03.30 P.M. at 108 Cotton Exchange Building I.I. Chundrigar Road Karachi approved the Financial Statements for the half year ended 31st December 2008.

No dividend has been declared.

Profit & Loss account with comparative figures are attached herewith.

Following points indicated by Auditors' in their Auditors' Review report for the half yearly accounts under review:

- '(a) The Company has incurred a net loss of Rs. 505,521/= during the period ended December 31, 2008; and as of that date it has accumulated loss of Rs. 168,701,561 which have been have eroded its capital and the company's current liabilities exceeded its current assets by Rs. 785,861/= and its total liabilities exceeded its total assets by Rs. 47,464,561/=, the company has not started its production for last many years despite representation made by the management to revive the production. Continues breakdown in electricity and non availability of gas line for gas generator is a major problem to run the factory at Winder Balochistan. These conditions indicates the existence of a material uncertainty which may cast significant doubt the Company's ability to continue as a going concern and therefore it may be unable to realize its assets and discharge its liabilities in the normal course of business.
- '(b) The depreciation has not been charged on fixed assets except the vehicle and Hut at sandpit since the date of commercial operation has suspended by the company in 2002-2003, Had the company charged depreciation on all the assets with taking effect of revaluation the Written down value of the fixed assets would have been reduced by Rs. 75,432,432 and Consequently Accumulated Losses of the Company as of Balance sheet date would have been increased by Rs. 75,432,432.

