

Attn: M. Farooque Page 1/2  
Deputy G. Manager Fax # 2437560



December 06, 2007

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

**MEHRAN  
SUGAR  
MILLS  
LIMITED**

Subject: **Financial Results for the year ended September 30, 2007**

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on December 6, 2007 at 11.00 AM at registered office of the Company have not recommended any cash dividend or Bonus/Right Share.

The Financial Results of the Company are as follows:

	<u>2007 Rupees</u>	<u>2006 Rupees</u>
<b>NET SALES</b>	1,288,719,617	1,960,592,238
<b>COST OF SALES</b>	(1,296,080,119)	(1,772,097,471)
<b>GROSS (LOSS)/PROFIT</b>	(7,360,502)	188,494,767
Distribution costs	1,924,450	2,291,641
Administrative expenses	41,309,976	40,057,430
Other operating expenses	3,016,425	5,028,650
Other operating income	(6,790,635)	(4,745,249)
	(39,460,216)	(42,632,472)
	(46,820,718)	145,862,295
Share of loss from an associate	(5,763,000)	-
Finance costs	(57,773,160)	(46,939,313)
<b>(LOSS) / PROFIT BEFORE TAXATION</b>	<b>(110,356,878)</b>	<b>98,922,982</b>

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