



Attn: Ms. M. Farooq  
 Dy General Manager  
 Fax # 2437560



**MEHRAN  
 SUGAR  
 MILLS  
 LIMITED**

MSM/32(2)/2007-08

January 30, 2008

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

Subject: **Financial Results for 1<sup>st</sup> quarter ended December 31, 2007**

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on 30<sup>th</sup> January 2007 at 11.00 AM at 8<sup>th</sup> Floor Adamjee House, I.I. Chundrigar Road has not recommended any cash dividend or Bonus/Right Share.

The Financial Results of the Company are as follows

	<u>December 31, 2007</u>	<u>December 31, 2006</u>
	Rupees	Rupees
<b>SALES</b>	498,890,186	388,578,005
Less: Sales Tax / Excise Duty	72,628,593	57,380,682
<b>NET SALES</b>	<u>426,261,593</u>	<u>331,197,323</u>
<b>COST OF SALES</b>	408,891,105	327,297,744
<b>GROSS PROFIT</b>	<u>17,370,488</u>	<u>3,899,579</u>
Distribution costs	586,242	331,427
Administrative expenses	11,218,770	10,995,931
Other operating income	(137,326)	(1,324,068)
<b>OPERATING PROFIT / (LOSS)</b>	<u>11,667,686</u>	<u>10,003,290</u>
	<u>5,702,802</u>	<u>(6,103,711)</u>
Finance costs	9,007,174	5,908,333
<b>LOSS BEFORE TAXATION</b>	<u>(3,304,372)</u>	<u>(12,012,044)</u>

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