

SHADMAN COTTON MILLS LIMITED

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Ref: S-1107/2007

30th October, 2007

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

Fax No. 021-2415763 / 2437560

Sub: FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPT., 2007

Dear Sir

We have to inform you that the Board Meeting of Directors of our Company in their Meeting held on Tuesday, the 30th October, 2007 at 10.30 a.m. recommended the following:

i) CASH DIVIDEND

An Interim Cash Dividend for the Quarter ended 30th September 2007 @ Nil per share i.e Nil %. This is in addition to Interim Dividend already paid at Nil per share i.e. Nil %.

AND / OR

ii) BONUS ISSUE

It has been recommended by the Board of Directors to issue Interim Bonus Shares in the proportion of Nil shares for every Nil Share held i.e. Nil %. This is an addition to the Interim Bonus Shares already issued @ Nil %.

AND / OR

iii) RIGHT SHARES

The Board has recommended to issue Nil % Right Share at Par/at a discount/premium of Rs. Nil per share for every Nil share. The entitlement of right shares being declared simultaneously will be/will not be applicable on Bonus Shares as declared above.

AND / OR

iv) ANY OTHER ENTITLEMENT/CORPORATE ACTION

NIL

AND / OR

v) ANY OTHER PRICE-SENSITIVE INFORMATION

NIL

The financial results of the Company are as follows :

	Sep-07 RUPEES	Sep-06 RUPEES
Sales (Net)	645,901,802	596,455,639
Cost of Sales	604,139,554	543,522,684
Gross Profit	41,762,248	52,932,955
Operating Expenses	7,191,849	9,820,502
Distribution Cost	8,813,336	9,008,003
Administrative	16,005,185	18,828,505
Operating Profit	25,757,063	34,104,450
Other Operating Income	561,907	1,162,519
Other Operating expense	-	(191,815)
	26,318,970	35,075,154
Financial cost	30,423,195	31,430,662
Profit / (Loss) before tax	(4,104,225)	3,644,492
Taxation:		
Current	(3,282,097)	(4,145,315)
Deferred	741,317	3,336,600
	(2,540,780)	(808,715)
Profit / (Loss) after Tax	(6,645,005)	2,835,777
Unappropriated Profit B/F	52,904,712	152,098,171
Unappropriated Profit: C/F	46,259,707	134,933,948
Earning / (Loss) per share	(0.38)	0.16