

SHADMAN COTTON MILLS LIMITED

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Ref: S-1107/2008
 30th September, 2008

The General Manager,
 Karachi Stock Exchange (Guarantee) Ltd.,
 Stock Exchange Building,
 Stock Exchange Road,
Karachi. **Fax No. 021-111-573-329**

Sub: **FINANCIAL RESULTS FOR THE YEAR ENDED 30TH JUNE 2008**

Dear Sir,

We have to inform you that the Board of Directors of our Company in their Meeting held on 30th September, 2008 at 3.30 p.m. recommended the following:

i) **CASH DIVIDEND**

A final Cash Dividend for the year ended 30th June, 2008 @ Rs.NIL per share i.e NIL %. This is in addition to Interim Dividend(s) already paid at Rs.Nil per share i.e. Nil %.

AND / OR

ii) **BONUS ISSUE**

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

AND / OR

iii) **RIGHT SHARES**

The Board has recommended to issue Nil % Right Shares at Par/at a discount/premium of Rs.Nil per share in proportion of Nil share(s) 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:

	June 30, 2008	June 30, 2007
	RUPEES	RUPEES
Sales - (Net)	2,858,985,485	2,389,606,290
Cost of Sales	(2,689,395,022)	(2,247,221,388)
Gross Profit	169,590,463	142,384,902
Distribution cost	(34,344,887)	(29,649,028)
Administrative	(36,813,074)	(37,214,206)
Other operating income	3,846,124	4,560,649
Profit from operation	102,278,626	80,082,317
Financial Cost	(161,761,890)	(157,486,060)
Loss before taxation	(59,483,264)	(77,403,743)
Taxation	14,551,356	1,789,716
Loss after tax for the year	(74,034,620)	(79,193,459)
Earnings per share	(4.20)	(4.49)

