

SHADMAN COTTON MILLS LIMITED

801-804, 8th Floor, Lakson Square Building No. 3, Block-A, Sarwar Shaheed Road, Karachi.

Phones: (92-21) 5220481 – 88, Fax: (92-21) 5220495 – 96

E-Mail: info@shadmangroup.com.pk

Ref : S-1107/2009

3rd July, 2009

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

Fax No. 111-573-329

Sub : **FINANCIAL RESULTS FOR THE 3RD QUARTER ENDED 31ST MARCH, 2009**

Dear Sir,

We have to inform you that the Board of Directors of our Company in their Meeting held on 3rd July, 2009 at 11.00 a.m. at 801-804, 8th Floor, Lakson Square Building No.3, Block-A, Sarwar Shaheed Road, Karachi, recommended the following:

i) **CASH DIVIDEND**

An Interim Cash Dividend for the 3rd Quarter ended 31st March, 2009 @ 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 SHARE**

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 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 in proportion of nil 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**

AND/OR

v) **ANY OTHER PRICE-SENSITIVE INFORMATION**

The financial results (un-audited) of the Company are as follows:

	FOR THE NINE MONTHS ENDED		FOR THE QUARTER ENDED	
	Mar-09 RUPEES	Mar-08 RUPEES	Mar-08 RUPEES	Mar-08 RUPEES
Sales - Net	2,432,083,606	2,059,030,603	781,979,070	755,106,285
Cost of Sales	2,333,868,859	1,977,256,595	817,079,459	736,554,824
Gross Profit	98,214,747	81,774,008	(35,100,389)	18,551,461
Operating expense:				
Distribution cost	36,358,729	23,970,565	11,794,877	8,043,570
Administrative	30,090,780	26,512,910	10,135,992	8,605,464
	66,449,509	50,483,475	21,930,869	16,649,034
Operating Profit	31,765,238	31,290,533	(57,031,258)	1,902,427
Other operating Income	3,373,937	1,456,102	2,105,163	704,003
Profit on sale of electricity	548,892	-	-	-
	35,688,067	32,746,635	(54,926,095)	2,606,430
Financial Cost	198,183,678	110,519,228	69,279,365	46,629,877
Loss before Tax	(162,495,611)	(77,772,593)	(124,205,460)	(44,023,447)
Taxation - Current	(5,124,624)	(10,466,474)	(1,448,690)	(3,838,136)
Prior Deferred	(138,269)	91,616	-	-
	39,716,345	16,043,229	26,526,034	4,218,928
	34,453,452	5,668,371	25,077,344	380,792
Loss after tax	(128,042,159)	(72,104,222)	(99,128,116)	(43,642,655)
Earning per share	(7.26)	(4.09)	(5.62)	(2.47)



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