

SHADMAN COTTON MILLS LIMITED

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

Phones: (92-21) 35220481 – 88, Fax: (92-21) 35220495 – 96

E-Mail: info@nadeem.com.pk

Ref : S-1107/2011

8th March, 2011

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

Fax No. 111-573-329

Sub : **FINANCIAL RESULTS FOR THE HALF YEAR ENDED 31ST DEC., 2010**

Dear Sir

We have to inform you that the Board Meeting of Directors of our Company in their Meeting held on 8th March, 2011 at 4 : 00 p.m. at 801-804, 8th Floor, Lakson Square Building No.3. Block-A, Sarwar Shaheed Road, Karachi recommended the following :

- | | | | |
|------|--|--------|-------------------|
| i) | <u>CASH DIVIDEND</u> | | <u>NIL</u> |
| | | AND/OR | |
| ii) | <u>BONUS ISSUE</u> | | <u>NIL</u> |
| | | AND/OR | |
| iii) | <u>RIGHT SHARES</u> | | <u>NIL</u> |
| | | AND/OR | |
| (iv) | <u>ANY OTHER ENTITLEMENT/CORPORATE ACTION</u> | | <u>NIL</u> |
| | | AND/OR | |
| (v) | <u>ANY OTHER PRICE-SENSITIVE INFORMATION</u> | | <u>NIL</u> |

The financial results of the Company are as follows :

	Half year ended		Quarter ended	
	Dec-10	Dec-09	Dec-10	Dec-09
	RUPEES	RUPEES	RUPEES	RUPEES
Sales and services	2,811,887,153	1,979,394,277	1,573,820,446	994,022,957
Cost of Sales and services	(2,552,240,692)	(1,810,906,939)	(1,456,161,606)	904,943,890)
Gross Profit	259,646,461	168,487,338	117,658,840	89,079,067
Other Operating Income	5,762,190	2,032,258	3,380,668	1,923,574
Distribution cost	(26,098,816)	(19,523,192)	(13,164,100)	(9,971,661)
Administrative expenses	(27,804,926)	(22,386,883)	(14,190,708)	(10,634,473)
Other operating expenses	(7,951,330)	(3,929,029)	(2,983,220)	(3,457,452)
Finance cost	(96,743,867)	(92,899,693)	(50,925,249)	44,118,222)
	(152,836,748)	(136,706,539)	(77,882,609)	(66,258,234)
Profit before taxation	106,809,713	31,780,799	39,776,231	22,820,833
Taxation:				
Current year	(29,018,017)	(10,275,538)	(16,429,938)	(5,333,132)
Prior year		(4,300)		(4,300)
Deferred tax	(26,185,144)	(245,840)	473,559	(298,940)
	(55,203,161)	(10,525,678)	(15,956,378)	(5,636,372)
Profit for the period	51,606,551	21,255,121	23,819,853	17,184,461
Earning per share - basic and diluted	2.93	1.21	1.35	0.97

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