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ZEPHYR

TEXTILES LIMITED

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

FORM -3

Subject: Financial Results for the Year ended June 30, 2008

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on September 30, 2008 at 11:00 AM at registered office located at 3rd Floor IEP Building, 97 B/D-I, Gulberg III, Lahore, recommended the following:

i. CASH DIVIDEND

An Interim Cash Dividend for the year ended June 30, 2008 at Rs. Nil per share i.e. Nil%. This is in addition to Interim Dividend already paid at Rs. Nil per share i.e. Nil%.

And / Or

ii. BONUS SHARES

It has been recommended by the Board of Directors to issue Interim Bonus shares in proportion of Nil share for every Nil share 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 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

Nil

The financial results of the Company are as follows:

	June 30, 2008 Rupees	June 30, 2007 Rupees
Sales	2,621,107,450	2,689,532,420
Cost of Sales	2,375,056,443	2,412,473,760
Gross Profit	246,051,007	277,058,660
Operating Expenses (Admin & Selling etc.)	91,884,959	83,590,266
Other operating Income	6,928,882	20,614,655
Operating Profit	161,094,930	214,083,049
Financial & Other charges	346,092,648	197,879,677
Profit/(Loss) before tax	(184,997,718)	16,203,372
Provision for tax	13,161,233	13,563,296
Profit/(Loss) after tax	(198,158,951)	2,640,076
Un-appropriated profit brought forward	58,990,561	56,350,484
Appropriation	-	-
Un-appropriated profit/(loss) carried forward	(139,168,390)	58,990,561
Earning per share	(3.33)	0.04

We will be sending you 300 copies of printed accounts for distribution amongst the members of the Exchange.