

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-1107/2008

30th October, 2008

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., 2008**

Dear Sir

We have to inform you that the Board of Directors of our Company in their Meeting held on Thursday, the 30th October, 2008 at 6.30 p.m. recommended the following:

i) **CASH DIVIDEND**

An Interim Cash Dividend for the Quarter ended 30th September 2008 @ 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-08 <u>RUPEES</u>	Sep-07 <u>RUPEES</u>
Sales (Net)	1,096,341,066	645,901,802
Cost of Sales	(994,483,793)	(604,139,554)
Gross Profit	101,857,273	41,762,248
Operating Expenses		
Distribution Cost	(14,870,687)	(7,191,849)
Administrative	(10,786,624)	(8,813,336)
	(25,657,311)	(16,005,185)
Operating Profit	76,199,962	25,757,063
Other Operating Income	938,716	561,907
Other Operating expense	(795,689)	-
	76,342,989	26,318,970
Financial cost	(61,224,891)	(30,423,195)
Profit / (Loss) before tax	15,118,098	(4,104,225)
Taxation:		
Current	(2,642,004)	(3,282,097)
Deferred	4,786,491	741,317
	2,144,487	(2,540,780)
Profit / (Loss) after Tax	17,262,585	(6,645,005)
Unappropriated Profit B/F	(21,129,908)	110,241,616
Unappropriated Profit C/F	(3,867,323)	103,596,611
Earning per share	0.98	(0.38)

