DEWAN FAROOQUE SPINNING MILLS LIMITED

Registered Office : Finance & Trade Centre (FTC), 7th Floor, Block-A, Shahra-e-Faisal, Karachi-Pakistan.
UAN : (92-21) 111-364-111, Fax : (92-21) 5630860, Web : www.dewangroup.com.pk

October 4, 2010

FORM-3

The General Manager
Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building, Stock Exchange Road
Karachi, Pakistan. Fax No.: (+92 21) 111 573 329

Subject: **Financial Results for the year ended June 30, 2010**

Dear Sir,

We have to inform you that the Board of Directors of our Company in their meeting held on October 04, 2010 at 04:30 pm at 7th Floor, Block-A, Finance & Trade Centre, Shahrah-e-Faisal, Karachi, Pakistan, recommended the following:

(i) **CASH DIVIDEND**	Nil
AND/OR	
(ii) **BONUS SHARES**	Nil
AND/OR	
(iii) **RIGHT SHARES**	Nil
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:

	2010	2009
	(Rupees)	
SALES & SERVICES (NET)	1,247,720,024	920,419,441
COST OF SALES	1,108,768,455	974,841,338
GROSS PROFIT/ (LOSS)	138,951,569	(54,421,897)
OPERATING EXPENSES		
Administrative expenses	11,880,483	10,758,478
Selling and distribution expenses	27,182,675	30,758,518
	39,063,158	41,516,996
OPERATING PROFIT/ (LOSS)	99,888,411	(95,938,893)
OTHER INCOME	3,573,297	6,512,679
	103,461,708	(89,426,214)
OTHER CHARGES		
Finance cost	13,496,994	127,581,580
Workers' Profit Participation Fund	4,324,571	-
	17,821,565	127,581,580
PROFIT/ (LOSS) BEFORE TAXATION	85,640,143	(217,007,794)
TAXATION		
Current	5,387,986	4,000,698
Deferred	4,588,150	(11,498,530)
	9,976,136	(7,497,832)
PROFIT/ (LOSS) AFTER TAXATION	75,664,007	(209,509,962)
Basic earnings/ (loss) per share (Rupees)	1.26	(3.49)