Karam Ceramics Limited

Manufacturers of Sanitary Ware & Tiles

BC-6, Block-5, Scheme No. 5
Kehkashan, Clifton, Karachi - Pakistan.

Head Office: Phone : (92-21) 5865561-64
Fax : (92-21) 5871082
Factory: Phone : (92-21) 6983670-71
Fax : 0320-4327151
Lahore: Phone : (92-42) 5864579
(92-42) 5855092
Fax : (92-42) 5862497
E-mail : karam@cyber.net.pk
Website: www.karamceramics.com

September 25, 2008

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

Dear Sir,

Sub: **BOARD OF DIRECTORS MEETING**

We have to inform you that the Board of Directors of this company at its meeting held on Thursday , September 25, 2008 has recommended a Cash Dividend of 12.5% (Rs. 1.25 per share) for the year ended 30th June, 2008. The financial result of the company are as follows.

	30th June 2008 *Rupees*	30th June 2007 *Rupees*
Sales-net	710,263,674	635,183,743
Cost of Sales	(571,396,350)	(535,895,127)
Gross Profit	138,867,324	99,288,616
Distribution and marketing expenses	(44,454,580)	(37,408,303)
General and administrative expenses	(17,023,637)	(23,005,023)
Other operating charges	(2,526,193)	(4,627,476)
Other operating income	108,566	656,488
Operating Profit	74,971,480	34,904,302
Finance Cost	(42,052,127)	(18,245,318)
Profit before taxation	32,919,353	16,658,984
Taxation	(24,957,988)	(3,364,823)
profit after taxation	7,961,365	13,294,161
Earning per share	0.55	1.03

The Annual General Meeting of the company will be held on Thursday, October 23, 2008 at 2:00 p.m. at the Company's Registered Office BC-6, Block-5, Kehkashan, Clifton, Karachi.

The Dividend @ 12.5% (i.e. Rs.1.25 per share), if approved by the shareholders will be paid to those shareholders whose names will appear in the Register of the members as on October 15, 2008.

The share transfer book of the company will be closed from October 16, 2008 to October 23, 2008 (both days inclusive).The transfer received at THK Associates(Pvt.) Ltd.,Ground Floor, State Life Building-3, Dr. Ziauddin Ahmed Road, Karachi, at the close of business on October 9, 2008 will be treated in time for the purpose of above entitlement to the transfree.

We will be sending you 300 copies of printed Accounts for distribution amongst the members of the Exchange 21 days before the date of AGM.

Thanking you

Yours truly
For KARAM CERAMICS LIMITED

MUNAWAR ALI S. KASSIM
CHIEF EXECUTIVE

Copy forwarded to :
The General Manager
Lahore Stock Exchange (Guarantee) Limited
Stock Exchange Building
19, Khayaban-e-Aiwan-e-Iqbal,
Lahore.

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