SHAH MURAD SUGAR MILLS LIMITED

Shahmurad Sugar Mills Ltd.

SMS/SHRS/12

31st December 2008

The Managing Director
Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building
KARACHI

RE: FINANCIAL RESULTS FOR THE YEAR ENDED 30TH SEPTEMBER, 2008

Dear Sir:

We have to inform you that Board of Directors of our Company in their meeting held at **11.00 a.m.** on **Wednesday, 31st December 2008** recommended the following:

i) **CASH DIVIDEND:**
A final Cash Dividend for the year ended **30th September, 2008** @ Re. 0.50 per share i.e. 5% in addition to Interim Dividend already paid @ Re. 0.50 per share i.e. 5% making a total of 10%.

ii) **BONUS ISSUE:**
It has also been recommended by the Board of Directors to issue Bonus Shares in the proportion of NIL shares for every NIL shares held i.e. NIL %. The Bonus Shares will be entitled/not entitled for the Right Shares.

iii) **RIGHT SHARES:**
The Board has also recommended to issue NIL % Right Shares at par/at a premium of Rs.NIL per share in proportion of NIL shares for every NIL shares.

The financial results of the Company are as follow:

	2008	*2007*
	Rupees in '000'	
Sales	2,345,768	1,523,852
Cost of sales	1,760,442	1,235,781
Gross Profit	585,326	288,071
Administration Expenses	74,010	66,412
Distribution cost	115,424	21,611
	189,434	88,023
Operating Profit	395,892	200,048
Finance Cost	253,485	218,853
Other operating (Income)/Loss	(39,187)	(13,605)
Other operating charges	23,373	3,768
	237,671	209,016
Profit/(Loss) before taxation	158,221	(8,968)
Taxation	11,483	1,683
Profit/(Loss) after taxation	**169,704**	**(7,285)**
Earning/(loss) per share basic and diluted	8.04	(0.34)

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