ZEPHYR
TEXTILES LIMITED

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

Form-7

Subject: Financial Results for the Half Year ended December 31, 2008

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on February 26, 2009 at 03:00 PM 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 half year ended December 31, 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:

	December 31, 2008 Rupees (Reviewed)	**December 31, 2007 Rupees (Reviewed)**
Sales	1,338,531,977	1,312,163,022
Cost of Sales	1,138,631,509	1,198,186,024
Gross Profit	199,900,468	113,976,998
Operating Expenses (Admin & Selling etc.)	55,487,812	46,979,122
Other operating Income	1,898,220	4,850,372
Other operating expenses	1,090,331	1,033,719
Operating Profit	145,220,545	70,814,529
Financial & Other charges	212,889,645	126,305,615
Profit/(Loss) before tax	(67,669,100)	(55,491,086)
Provision for tax	(1,062,212)	6,601,469
Profit/(Loss) after tax	(66,606,888)	(62,092,555)
Un-appropriated profit brought forward	(139,168,390)	58,990,561
Current year incremental depreciation – net of tax	12,566,317	0
Appropriation	0	0
Un-appropriated profit/(loss) carried forward	(193,208,961)	(3,101,994)
Earning per share	(1.12)	(1.04)

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

Yours faithfully,
for **Zephyr Textiles Limited**

Naveed Aleem

NAVEED ALEEM
Company Secretary
Lahore
February 26, 2009