



HASEEB WAQAS SUGAR MILLS LIMITED

DIRECTORS' REVIEW

The directors of your Company take pleasure in presenting the unaudited Accounts for the period ended December 31, 2003.

FINANCIAL RESULTS:

The financial results of your Company for the period ended December 31, 2003 under review are summarized as follows:

	For the Quarter ended	
	December 31,	
	2003	2002
	(Rupees in thousand)	
Profit / (loss) before tax.	(17,977)	35,262
Provision for Taxation	2,268	2,241
Profit / (loss) after tax	<u>(20,245)</u>	<u>33,021</u>

The loss is mainly due to carryover surplus stocks, better production in the country and negligible export of sugar by Trading Corporation of Pakistan (TCP). The sugar prices remained depressed throughout the period resulting in operational losses for the Company.

OPERATIONAL PERFORMANCE:

The current season has started on November 30, 2003. Operating results for the period under review is as under:

		Nov.30,2003	Nov. 22, 2002
		To	To
		Jan.29, 2004	Jan.28,2003
Crushing Days	No.	61	68
Average Recovery	%	8.44	8.33
Cane Crushed	M. Tons	457,607	471,691
Sugar Produced	M. Tons	37,575	38,380

FUTURE OUTLOOK:

The TCP has completed its 100,000 Tons purchases and another 200,000 Tons has been called. This will definitely help to boost the prices in the market. Thanks to the good recoveries, which will reduce the losses of future period. The management of the Company is conscious of the adverse factors which are producing losses, and is making strenuous efforts to neutralize them by bringing about further improvement in production efficiency and cost controls.

ACKNOWLEDGMENT:

The Directors wish to keep on record their appreciation for the patronage of our valued customers and dedicated efforts made by employees of the Company.

On behalf of the Board

Lahore:
January 31, 2004

(Mian Waqas Riaz)
Chief Executive