

30<sup>th</sup> October 2007

The General Manager  
Karachi Stock Exchange (Guarantoc) Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

Subject: Announcement of Financial Results For The Quarterly Accounts ended 30<sup>th</sup> September 2007

Dear Sir,

We have to inform you that the Board of Directors of our Company in their meeting held on 6<sup>th</sup> October 2007 at 5-Y Block-6, P.E.C.H.S, Karachi recommended the following:

- (i) CASH DIVIDEND NIL  
(ii) BONUS SHARES NIL  
(iii) RIGHT SHARES NIL

The financial results of the Company are as follows:

	September 30, 2007 Rupees	September 30, 2006 Rupees
Revenue		
Cost of sales and services (excluding depreciation)	13,856,700	14,740,007
Gross profit before depreciation	12,524,979	13,101,122
	1,331,721	1,638,885
Depreciation (relating to cost of sales and services)	6,397,927	7,487,044
Gross (loss) /profit	(5,066,207)	(5,848,159)
Other operating income	375,629	474,913
	(4,690,577)	(5,373,246)
Administrative expenses	4,013,565	4,298,009
Selling expenses	3,835,284	4,072,502
	7,848,849	8,370,511
Operating loss before tax	(12,539,426)	(13,743,757)
Financial charges	856,702	1,382,659
Profit/(loss) before tax	(13,396,128)	(15,126,416)
Tax expense	71,144	88,950
Net loss for the year after tax	(13,467,272)	(15,215,367)
Loss per share - basic	(0.27)	(0.30)

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

Thanking you,

Yours truly  
For Southern Networks Limited

Asif A. Mufti  
Company Secretary



Announcement of Financial Results For The Quarterly Accounts ended 30<sup>th</sup> September 2007

Received at: 9:50 AM

Date: 31/10/07

KARACHI STOCK EXCHANGE (GUARANTOC) LIMITED