



SOUTHERN

26th February 2009

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

Subject: Announcement of Financial Result
for the Half Yearly Accounts ended 31st December 2008

Dear Sir,

We have to inform you that the Board of Directors of our Company in their meeting held on 26th February 2009 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:

	Note	Half Year Ended		Quarter Ended	
		December 31, 2008 Rupees	December 31, 2007 Rupees	December 31, 2008 Rupees	December 31, 2007 Rupees
Revenue	9	28,875,418	24,245,286	14,297,331	10,388,698
Cost of sales and services (excluding depreciation)	10	23,704,084	21,183,650	11,663,521	8,658,870
Gross profit/(loss) before depreciation		5,171,332	3,061,640	2,433,810	1,729,828
Depreciation (relating to cost of sales and services)		10,984,858	12,795,802	5,513,182	6,397,875
Gross profit/(loss)		(5,823,526)	(9,734,168)	(3,079,372)	(4,667,949)
Other operating income	11	879,773	776,363	(205,476)	400,734
		(4,943,753)	(8,957,793)	(3,284,848)	(4,267,215)
Administrative expenses	12	4,458,927	6,901,528	2,506,117	3,287,958
Selling expenses	13	7,089,817	13,087,337	3,558,814	8,862,054
		11,542,544	19,988,863	6,064,931	12,150,012
Operating profit/(loss)		(16,486,297)	(28,956,656)	(9,349,779)	(16,417,228)
Financial charges	14	288,301	31,309,450	12,505	30,452,748
Profit/(loss) before tax		(16,774,598)	(60,266,106)	(9,362,284)	(46,869,976)
Tax expense		-	125,082	-	53,938
Profit/(loss) for the half year after tax		(16,774,598)	(60,391,187)	(9,362,284)	(46,923,914)
Unappropriated Profit/(Loss) brought forward		(591,902,303)	(510,973,276)	(598,314,817)	(524,440,550)
Profit/(Loss) available for appropriation		(608,676,901)	(571,364,463)	(608,676,901)	(571,364,463)
Appropriation:		-	-	-	-
Unappropriated Profit/(Loss) carried forward		(608,676,901)	(571,364,463)	(608,676,901)	(571,364,463)
Earnings per share - basic	15	(0.34)	(1.21)	(0.19)	(0.84)

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,


Abdul Hameed
Company Secretary



KARACHI STOCK EXCHANGE	
CORPORATE ANNOUNCEMENT	
Date:.....	27-2-09
Received at:.....	9:15
Announcement at:.....	9:16
Initial:.....	CS
Initial:.....	C

SOUTHERN NETWORKS LIMITED : 5-Y, BLOCK-6, PECHS KARACHI-75100, PAKISTAN.
UAN : 111 222 333 TEL : (92-21) 4315641-3, 4548412-3 FAX : (92-21) 4386948