



SOUTHERN

17th February, 2010

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 2009

Dear Sir,

We have to inform you that the Board of Directors of our Company in their meeting held on 17th February 2010 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:

	Half Year Ended		Quarter Ended	
	December,31 2009	December,31 2008	December,31 2009	December,31 2008
	Rupees	Rupees	Rupees	Rupees
Revenue	27,874,809	28,875,416	12,414,918	14,297,331
Cost of sales and services (excluding depreciation)	22,199,897	23,704,084	11,153,277	11,863,521
Gross profit/(loss) before depreciation	5,674,912	5,171,332	1,261,641	2,433,810
Depreciation (relating to cost of sales and services)	9,358,251	10,994,858	4,679,636	5,513,182
Gross profit/(loss)	(3,683,339)	(5,823,526)	(3,417,995)	(3,079,372)
Other operating income	993,376	879,773	565,465	(205,476)
	(2,689,963)	(4,943,753)	(2,852,530)	(3,284,848)
Administrative expenses	4,475,966	4,458,927	2,330,641	2,506,117
Selling expenses	7,498,334	7,083,617	3,141,186	3,558,814
	11,974,300	11,542,544	5,471,827	6,064,931
Operating profit/(loss)	(14,664,263)	(16,486,297)	(8,324,357)	(9,349,779)
Financial charges	2,298,606	288,301	1,363,592	12,505
Profit/(loss) before tax	(16,962,868)	(16,774,598)	(9,687,948)	(9,362,284)
Tax expense	-	-	-	-
Profit/(loss) for the year after tax	(16,962,868)	(16,774,598)	(9,687,948)	(9,362,284)
Unappropriated Profit/(Loss) brought forward	(611,450,841)	(591,902,303)	(618,725,761)	(599,314,617)
Profit/(Loss) available for appropriation	(628,413,709)	(608,676,901)	(628,413,709)	(608,676,901)
Appropriation:	-	-	-	-
Unappropriated Profit/(Loss) carried forward	(628,413,709)	(608,676,901)	(628,413,709)	(608,676,901)
Earnings per share - basic (LOSS)	(0.34)	(0.34)	(0.19)	(0.19)

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