



SOUTHERN

26th February, 2011

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

Subject: Announcement of Financial Results For The Half Yearly Accounts ended 31st December, 2010

Dear Sir,

We have to inform you that the Board of Directors of our Company in their meeting held on 26.02.2011 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 2010	December,31 2009	December,31 2010	December,31 2009
	Rupees	Rupees	Rupees	Rupees
Revenue	27,874,809	27,874,809	10,126,862	12,414,918
Cost of sales and services (excluding depreciation)	22,199,897	22,199,897	8,277,338	10,153,277
Gross profit/(loss) before depreciation	5,674,912	5,674,912	1,849,524	2,261,641
Depreciation (relating to cost of sales and services)	8,130,546	9,358,251	4,142,713	4,679,636
Gross profit/(loss)	(1,777,779)	(3,683,339)	(2,293,189)	(2,417,995)
Other operating income	2,403,002	993,376	1,078,095	565,465
	625,223	(2,689,963)	(1,215,094)	(1,852,530)
Administrative expenses	4,416,348	4,180,516	2,424,357	2,135,192
Selling expenses	8,145,136	7,793,784	4,336,369	4,336,636
Operating profit/(loss)	(11,936,261)	(14,664,263)	(7,975,820)	(8,324,358)
Financial charges	21,405	2,298,606	4,252	1,363,592
Profit/(loss) before tax	(11,957,666)	(16,962,869)	(7,980,072)	(9,687,950)
Tax expense	247,073	-	106,183	-
Profit/(loss) for the period after tax	(12,204,739)	(16,962,868)	(8,086,255)	(9,687,950)
Unappropriated Profit/(Loss) brought forward	(652,925,756)	(611,450,841)	(657,044,240)	(618,723,759)
Profit/(Loss) available for appropriation	(665,130,495)	(628,413,709)	(665,130,495)	(628,413,709)
Appropriation:				
Unappropriated Profit/(Loss) carried forward	(665,130,495)	(628,413,709)	(665,130,495)	(628,413,709)
Earnings per share - basic	(0.24)	(0.34)	(0.16)	(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