



SOUTHERN

5th October, 2011

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

Subject: Announcement of Financial Results For The Year Ended 30th June, 2011

Dear Sir,

We have to inform you that the Board of Directors of our Company in their meeting held on 05.10.2011 at 03:00 p.m. 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:

	<u>2011</u> <u>Rupees</u>	<u>2010</u> <u>Rupees</u>
Revenue	60,161,331	53,736,287
Cost of sales and services (excluding depreciation)	51,892,680	44,523,659
Gross profit/(loss) before depreciation	8,468,651	9,212,427
Depreciation (relating to cost of sales and services)	17,601,844	18,848,954
Gross profit/(loss)	(9,133,193)	(9,636,527)
Other income	19,393,675	2,198,688
	10,260,482	(7,437,839)
Administrative expenses	10,272,026	8,643,612
Selling expenses	19,774,814	18,058,144
Operating profit/(loss)	30,046,840	26,701,756
	(19,786,358)	(34,139,595)
Financial charges	32,531	7,057,360
Profit/(loss) before tax	(19,818,889)	(41,196,955)
Tax expense	629,191	277,959
Profit/(loss) for the year after tax	(20,448,080)	(41,474,915)
Earnings per share - basic	(0.41)	(0.83)

The Annual General Meeting of the Company will be held on Saturday 29th October, 2011 at 11:30 a.m. at the registered office: 5-Y, Block-6, P.E.C.H.S., Karachi.

The Share Transfer Books of the Company will be closed from 23rd October, 2011 to 29th October, 2011. Transfers received at the registered office of the Company 48-hours before the meeting will be treated in time for the purpose of above entitlement to the transferees.

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