



Service Industries Limited

Servis House, 2-Main Gulberg
Lahore-54662 (Pakistan)
Phone: (42) 5751990-96
Fax: (42) 5710593

SIL/PSX/CS/53
April 03, 2019

The General Manager
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

SUBJECT: FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2018

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on **April 03, 2019 at 11:30 a.m.**, at the registered office of the Company, has approved the separate and consolidated audited financial statements of the Company for the year ended December 31, 2018 and recommended the following:

(i) CASH DIVIDEND

A Final Cash Dividend for the year ended December 31, 2018 at **Rs. 30/- per share i.e. 300%**.

(ii) BONUS SHARES

It has been recommended by the Board of Directors to issue Bonus Shares in the proportion of 25 shares for every 100 shares held i.e. 25%. The said Bonus Shares shall not be eligible for the dividend declared for the year ended December 31, 2018.

A certificate from our Auditors, M/s. Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants is enclosed as required under clause 4(v) of the Companies (Further Issue of Shares) Regulations, 2018.

FINANCIAL RESULTS:

The financial results of the Company are enclosed herewith as Annexure-A.

The Annual General Meeting of the Company will be held on **Tuesday, April 30, 2019 at 11:00 a.m.**, at Shalimar Tower Hotel, Adjacent Servis House, 2-Main Gulberg, Lahore.

The above entitlement will be paid to the shareholders whose names will appear in the Register of Members on Monday, April 22, 2019.

The Share Transfer Books of the Company will remain closed from **April 23, 2019 to April 30, 2019 (both days inclusive)**. Transfers received at the share registrar office, M/s. Corplink (Private) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore at the close of business on April 22, 2019 will be treated in time for the purpose of above entitlement to the transferees, and to attend and vote at the AGM.



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The Annual Report of the Company for the year ended December 31, 2018 will be transmitted through PUCARS separately, within the specified time.

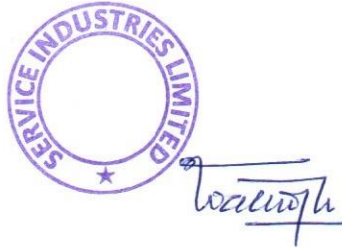
Thanking you.

Yours faithfully

FOR SERVICE INDUSTRIES LIMITED

Waheed Ashraf
Company Secretary

Enclosed as above.



C.C:

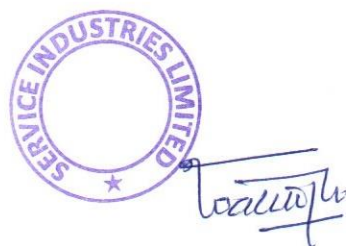
The Director / HOD,
Surveillance, Supervision and Enforcement Department,
Securities and Exchange Commission of Pakistan,
7th Floor, NIC Building,
63-Jinnah Avenue, Blue Area,
Islamabad.

Service Industries Limited

Statement of Profit or Loss

For the year ended December 31, 2018

	2018 Amount	2017 Amount
	<i>Rupees in thousand</i>	
Sales - net	23,908,934	20,898,174
Cost of sales	19,747,583	17,335,541
Gross profit	4,161,351	3,562,633
Operating expenses		
Distribution cost	1,523,334	1,300,341
Administrative expenses	1,129,694	1,084,215
Other operating expenses	140,299	152,290
	2,793,327	2,536,846
Operating profit before other income	1,368,024	1,025,787
Other income	433,751	357,867
Operating profit	1,801,775	1,383,654
Finance cost	588,940	341,885
Profit before taxation	1,212,835	1,041,769
Taxation	143,978	144,954
Profit after taxation	1,068,857	896,815
Earnings per share - basic and diluted (Rupees)	88.86	74.56



Service Industries Limited
Consolidated Statement of Profit or Loss
For the year ended December 31, 2018

	2018 Amount	2017 Amount
	<i>Rupees in thousand</i>	
Sales - net	24,058,312	20,958,955
Cost of sales	19,901,407	17,408,777
Gross profit	4,156,905	3,550,178
Operating expenses		
Distribution cost	1,542,734	1,303,730
Administrative expenses	1,169,326	1,097,111
Other operating expenses	140,299	152,434
	2,852,359	2,553,275
Operating profit before other income	1,304,546	996,903
Other income	476,455	361,607
Operating profit	1,781,001	1,358,510
Finance cost	596,649	343,707
Profit before taxation	1,184,352	1,014,803
Taxation	147,105	145,139
Profit after taxation	1,037,247	869,664
Attributable to:		
Owners of the holding company	1,064,945	881,339
Non-controlling interest	(27,698)	(11,675)
	1,037,247	869,664
Earnings per share - basic and diluted (Rupees)	88.53	73.27
Attributable to the owners of the holding Company		





The Board of Directors
Service Industries Limited
Servis House, 2 Main Gulberg
Lahore.

FREE RESERVES FOR THE ISSUE OF BONUS SHARES

Dear Sirs,

Reference your communication, the position of paid up capital and free reserves of **Service Industries Limited** has been worked out based on the audited financial statements for the year ended December 31, 2018 as follows:

	Rupees in 000
Issued, Subscribed and paid up capital	120,288
Proposed bonus issue	30,072
Enhanced Capital	150,360
15% of enhanced capital	22,554
Reserves and Retained Earnings	5,395,877
<u>Adjustment for:</u>	
Capital Gain Reserve	102,730
Intangible Assets	2,562
Contingent Liabilities & Commitments	1,771,253
	(1,876,545)
Available reserves for issuance of bonus shares	3,519,332
Proposed bonus issue	(30,072)
Free reserves available after proposed issue	3,489,260

Adjustments for contingent liabilities as included in the above computations are based on audited financial statements of the company for the year ended December 31, 2018 and it has been confirmed that the status of these contingent liabilities has not changed to date.

Further as shown above, the free reserves available after the proposed issue of bonus shares are more than fifteen percent (15%) of the enhanced paid up capital. The term "Free Reserves" has been deemed to have the meaning given to it by the regulation 3 of the Companies (Further Issue of Shares) Regulations, 2018.

Yours faithfully,

Rahman Sarfaraz Rahim Iqbal Rafiq
CHARTERED ACCOUNTANTS

03 APR 2019