

**SOUTHERN**29th March, 2012

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

Subject: Voluntary De-listing of Southern Networks Limited
from Karachi Stock Exchange

Dear Sir,

With reference to your letter No. KSE/C-1076-2448 dated 26.03.2012, this is to inform you that the majority security holders are desirous to purchase the shares from all the minority security holders and we hereby apply for voluntary de-listing of the Company on the following grounds:

1. Due to heavy losses suffered by the Company, the Directors could not declare any dividend during the last 5-years.
2. The Company is facing serious cash flow problems and not in a position to pay liabilities to the creditors and they have initiated legal action against the Company. However, one of the majority shareholders has advanced Rs.162 million upto December, 2011 which was utilized for payment of overdue bank and leasing companies liabilities.
3. As per the latest accounts for the half year ended 31.12.2011, the accumulated losses has eroded the paid-up capital and reserves and the net shareholders' equity is negative to the extent of Rs.80 million.

In view of the above grounds, the majority security holders holding more than 78% of Company shares are agreed and ready to purchase all securities without exception from all the minority security holders and ready to pay the price Rs.1.0 per share.

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