Service Industries Limited

Servis

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

SIL/PSX/CS/24
August 25, 2016

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

SUB: **FINANCIAL RESULTS FOR THE HALF YEAR ENDED JUNE 30, 2016**

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on **August 25, 2016** at **11:30 a.m**., at the registered office of the Company, has approved the accounts for the half year ended June 30, 2016 and recommended the following:

1) Cash Dividend (Interim) : **Rs. 15/- per share i.e. 150%**
2) Bonus Shares : NIL
3) Right Shares : NIL
4) Any other entitlement : NIL

The financial results of the Company are as under:

	Six months ended		**Three months ended**	
	June 30, 2016	June 30, 2015	**June 30, 2016**	June 30, 2015
	(Rupees in thousand)			
Sales - net	**9,574,399**	9,147,710	**5,323,674**	4,958,042
Cost of sales	**7,539,250**	7,448,743	**4,114,646**	3,978,816
Gross profit	**2,035,149**	1,698,967	**1,209,028**	979,226
Operating expenses				
Distribution cost	**483,047**	389,152	**299,184**	237,722
Administrative expenses	**452,392**	371,024	**238,334**	193,416
Other operating expenses	**159,053**	89,075	**113,068**	51,466
	1,094,492	849,251	**650,586**	482,604
Operating profit before other income	**940,657**	849,716	**558,442**	496,622
Other income	**68,776**	81,869	**50,741**	55,595
Operating profit	**1,009,433**	931,585	**609,183**	552,217
Finance cost	**130,030**	172,582	**69,662**	83,819
Profit before taxation	**879,403**	759,003	**539,521**	468,398
Taxation	**170,472**	190,515	**82,264**	111,971
Profit after taxation	**708,931**	568,488	**457,257**	356,427
Earnings per share basic and diluted (Rupees)	**58.94**	47.26	**38.01**	29.63

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PRICE SENSITIVE INFORMATION:

The Board of Directors has decided to increase the authorized share capital of the Company from Rs. 200 million to Rs. 1 billion.

The Board of Directors has also recommended long term equity investment of up to US $ 1 million (United States Dollar One Million Only) in equivalent Pakistani Rupees in M/s Service Shoes Lanka (Private) Limited.

For this purpose, an **Extraordinary General Meeting** of the Company, will be held on **Tuesday, September 27, 2016 at 11:00 A.M**. at **Lahore**.

The Share Transfer Books of the Company will remain closed from **September 20, 2016** to **September 27, 2016** (both days inclusive). Transfers received at the share registrar office, M/s. Hameed Majeed Associates (Private) Limited at 1st Floor, H.M. House, 7-Bank Square, The Mall, Lahore, at the close of business on **September 19, 2016** will be treated in time for the purpose of payment of interim cash dividend and for the purpose of attending and voting in the Extraordinary General Meeting of the Company.

We will be sending you 200 copies of the printed half yearly accounts for distribution amongst the members of the Exchange in due course of time.

Thanking you.

Yours faithfully

FOR SERVICE INDUSTRIES LIMITED

Waheed Ashraf
Company Secretary