Service Industries Limited

Servis

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

SIL/PSX/CS/47
March 29, 2018

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

SUB: <u>FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2017</u>

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on **March 29, 2018** at **11:00 p.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, 2017 and recommended the following:

1) Cash Dividend (Final) : **Rs. 22/- per share i.e. 220%**
2) Bonus Shares : NIL
3) Right Shares : NIL
4) Any other entitlement : NIL

<u>FINANCIAL RESULTS:</u>

The financial results of the Company are enclosed herewith.

<u>PRICE SENSITIVE INFORMATION:</u>

"The Board of Directors of the Company has approved to incorporate a wholly owned subsidiary company in USA by the name of SIL USA Inc., or any other name approved by the Regulatory body in USA. The main object of the proposed wholly owned subsidiary will be to act as a liaison office of the Company's marketing department providing access, information and other services relating to US market.

The Board has also recommended long term investment of up to US $ 1 Million (United States Dollars One Million Only) in equivalent Pakistani Rupees to be made over period of next 5 years in the capital of the proposed wholly owned subsidiary."

The Annual General Meeting of the Company will be held on **Monday, April 30, 2018 at 11:00 a.m.,** at Shalimar Tower Hotel, Adjacent Servis House, 2-Main Gulberg, Lahore.

The Share Transfer Books of the Company will remain closed from **April 24, 2018 to April 30, 2018 (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 23, 2018 will be treated in time for the purpose of payment of final cash dividend and for the purpose of attending and voting at the AGM.

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We will be sending you 200 copies of printed accounts of the Company for distribution amongst the TRE Certificate Holders of the Exchange 21 days before the date of AGM.

Thanking you.

Yours faithfully

FOR SERVICE INDUSTRIES LIMITED

Waheed Ashraf
Company Secretary

Service Industries Limited

Separate Profit and Loss Account

For the year ended December 31, 2017

	2017 Amount	2016 Amount
	Rupees in thousand	
Sales - net	**20,898,174**	18,984,428
Cost of sales	**17,335,541**	15,208,729
Gross profit	**3,562,633**	3,775,699
Operating expenses		
Distribution cost	**1,300,341**	973,590
Administrative expenses	**1,084,215**	983,413
Other operating expenses	**152,290**	212,552
	2,536,846	2,169,555
Operating profit before other income	**1,025,787**	1,606,144
Other income	**357,867**	99,996
Operating profit	**1,383,654**	1,706,140
Finance cost	**341,885**	236,845
Profit before taxation	**1,041,769**	1,469,295
Taxation	**144,954**	223,808
Profit after taxation	**896,815**	1,245,487
Earnings per share - basic and diluted (Rupees)	**74.56**	103.54

Service Industries Limited

Consolidated Profit and Loss Account

For the year ended December 31, 2017

	2017 Amount	2016 Amount
	Rupees in thousand	
Sales - net	**20,958,955**	18,984,428
Cost of sales	**17,408,777**	15,208,729
Gross profit	**3,550,178**	3,775,699
Operating expenses		
Distribution cost	**1,303,730**	973,590
Administrative expenses	**1,097,154**	984,407
Other operating expenses	**152,392**	212,715
	2,553,276	2,170,712
Operating profit before other income	**996,903**	1,604,987
Other income	**360,944**	100,079
Operating profit	**1,357,847**	1,705,066
Finance cost	**343,044**	236,847
Profit before taxation	**1,014,803**	1,468,219
Taxation	**145,139**	223,808
Profit after taxation	**869,664**	1,244,411
Attributable to:		
Owners of the holding company	**881,339**	1,244,411
Non-controlling interest	**(11,675)**	-
	869,664	1,244,411
Earnings per share - basic and diluted (Rupees) attributable to owners of the holding company	**73.27**	103.45