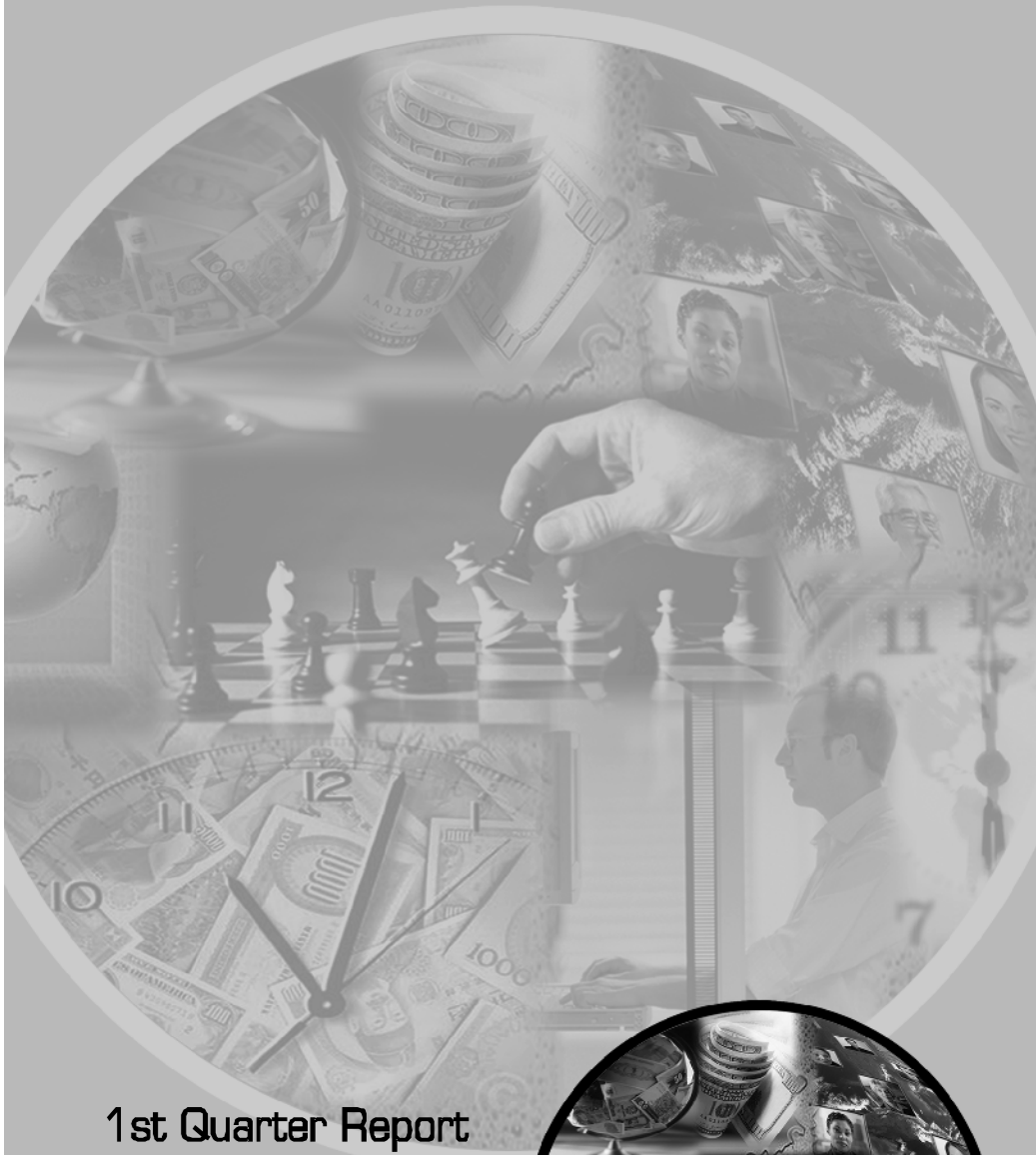




SECURITY INVESTMENT BANK LIMITED



1st Quarter Report

2009

THE MONEY WISE BANK



CORPORATE INFORMATION

BOARD OF DIRECTORS	Mr. Khursheed K. Marker (Chairman) Haji Jan Muhammad Mr. Muhammad Mehboob Mr. Muhammad Younus Abdul Aziz Tabba Mr. Maqbool H. H. Rahimtoola (NIT Nominee) Mr. Shaikh Abdullah Mr. Muhammad Saleem Rathod
PRESIDENT & CEO	Mr. Muhammad Saleem Rathod
AUDIT COMMITTEE	Mr. Khursheed K. Marker (Chairman) Haji Jan Muhammad (Member) Mr. Shaikh Abdullah (Member)
COMPANY SECRETARY	Mr. Muhammad Shahzad
CHIEF FINANCIAL OFFICER	Mr. Muhammad Amin Khatri
AUDITORS	Avais Hyder Liaquat Nauman Chartered Accountants
TAX ADVISORS	Anjum Asim Shahid Rahman Chartered Accountants
LEGAL ADVISORS	Bawaney & Partners Mr. Muhammad Tariq Qureshi
SHARE REGISTRAR	M/s. C & K Management Associate (Pvt) Limited. 404, Trade Tower, Near Hotel Metropole, Karachi.
BANKERS	Habib Metropolitan Bank Limited. Al-Baraka Islamic Bank B.S.C. (E.C.) MCB Bank Limited. The Bank of Khyber.
REGISTERED OFFICE	Flat No. 4, 3rd Floor, Al-Baber Centre, Main Markaz, F-8, Islamabad. Tel : (051) 2856978-80 Fax: (051) 2856987 Website : www.sibl.com.pk
KARACHI OFFICE	606, 6th Floor, Unitowers, I.I. Chundrigar Road, Karachi. Tel : (021) 2418410-13 Fax : (021) 2418414 Email: sibl@sibl.com.pk



DIRECTORS' REPORT

The Directors of Security Investment Bank Limited (SIBL) are pleased to present the unaudited financial statements of SIBL for the three months ended 31 March 2009.

During the current period, our economy witnessed some improvement in macro economic indicators which resulted in continued bull run in the stock market besides witnessing improvements in political environment.

During the current quarter, the profit of the company affected due to many reasons. Firstly, the discount rate of the Central Bank remained unchanged; hence the cost of funds for NBFCs remained on the higher side. Secondly, due to availability of limited funds, the business of secured lending remained at very low level. Due to these reasons the company incurred operating loss of Rs.4.214 Million.

The Securities and Exchange Commission of Pakistan (SECP) vide SRO 150(I)/2009 dated 13 February 2009 allowed special accounting treatment, so that the fair financial performance of companies is reflected. This treatment allowed an entity that impairment loss, if any, recognized as on 31 December 2008 due to valuation of listed equity investments held as "Available for Sale", in terms of IAS-39, to quoted market prices of 31 December 2008 to be shown under the "Equity" and Para (ii) of the SRO requires that the impairment loss so recognized as on 31 December 2008 including any adjustment / effect for price movements during the quarter of calendar year 2009 shall be taken to Profit and Loss Account on quarterly basis during the calendar year ending on 31 December 2009. In compliance thereof Rs.23.053 million is taken to Profit and Loss Account including the adjustment for price movement during the quarter ended 31 March 2009.

We hope that overall economic conditions, capital markets and money markets will start showing improvement soon after the downward revision of the discount rate by the State Bank of Pakistan.

The Directors are grateful to shareholders, the SECP, Stock Exchanges and other regulators for their guidance, support, and cooperation. The management and staff are also worth praising for their efforts.

On behalf of the Board

Khursheed K. Marker
Chairman

Karachi;
April 22, 2009



CONDENSED INTERIM BALANCE SHEET (UNAUDITED)
AS AT 31 MARCH 2009

Note	Unaudited 31 March, 2009 Rupees	Audited 31 December, 2008 Rupees
NON-CURRENT ASSETS		
	4,682,379	4,918,947
	36,000,000	36,000,000
5	151,213,760	151,220,356
	25,116,535	40,172,105
CURRENT ASSETS		
	8,400,000	103,802,561
6	-	2,102,017
7	543,043,113	456,767,965
	93,151,996	110,307,278
8	21,648,878	26,254,850
	666,243,987	699,234,671
	<u>883,256,661</u>	<u>931,546,079</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised Capital		
100,000,000 ordinary shares of Rs. 10/- each	<u>1,000,000,000</u>	<u>1,000,000,000</u>
Issued, subscribed and paid up capital		
Reserve	514,335,583	514,335,583
	139,102,820	166,370,021
	653,438,403	680,705,604
(Deficit) on revaluation of investments - net	(272,931,618)	(376,279,234)
NON-CURRENT LIABILITIES		
Deferred liability-gratuity	6,286,285	6,286,285
CURRENT LIABILITIES		
Borrowings	360,765,832	376,426,849
Short term deposits	118,394,197	220,393,248
Accrued and other liabilities	17,303,562	24,013,327
	496,463,591	620,833,424
Contingencies	-	-
	<u>883,256,661</u>	<u>931,546,079</u>

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

MUHAMMAD SALEEM RATHOD
Chief Executive

KHURSHED K. MARKER
Chairman



CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UNAUDITED)
FOR THE FIRST QUARTER ENDED 31 MARCH, 2009

	Three Months ended 31 March, 2009 Rupees	Three Months ended 31 March, 2008 Rupees
INCOME		
Income on financing and placements	994,548	41,295,577
Return on investments	17,150,961	16,921,214
Gain on sale of shares	397,738	12,549,402
Profit on deposit with banks	20,661	1,283,537
Other Income	93,134	229,444
	18,657,042	72,279,174
EXPENDITURE		
Return on deposits and borrowings	17,358,954	41,256,248
Operating expenses	5,512,195	6,989,652
	22,871,149	48,245,900
Operating(loss)/profit	(4,214,107)	24,033,274
Impairment under SECP's SRO 150(1)/2009 of 13-Feb-2009		
Impairment against investments in equity securities	(75,139,366)	-
Adjustment for price movement during the current quarter	52,086,272	-
	(23,053,094)	-
(Loss)/profit before taxation	(27,267,201)	24,033,274
Provision for taxation	-	4,000,000
(Loss)/profit after taxation	(27,267,201)	20,033,274
Earnings per share - basic and diluted	(0.53)	0.47

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.



MUHAMMAD SALEEM RATHOD
Chief Executive

KHURSHED K. MARKER
Chairman

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE FIRST QUARTER ENDED 31 MARCH, 2009

	Three months ended 31 March, 2009 Rupees	Three months ended 31 March, 2008 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating (loss)/profit before taxation	(27,267,201)	24,033,274
Adjustment for non cash & other items		
Depreciation	236,568	381,702
Gain on disposal of shares	22,655,356	(12,549,402)
	22,891,924	(12,167,700)
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES		
	(4,375,277)	11,865,574
Decrease/(Increase) in operating assets		
Decrease/(increase) in financing and placements	97,504,578	360,707,440
(Increase) in advances, deposits, prepayment and other receivables	17,899,828	(12,889,565)
	115,404,406	347,817,875
(Decrease)/Increase in operating liabilities		
(Decrease) in deposits	(101,999,051)	(544,373,596)
(Decrease)/increase in borrowings	(15,661,017)	70,000,000
(Decrease)/increase in accrued and other liabilities	(6,709,764)	(17,139,939)
	(124,369,832)	(491,513,535)
Net changes in operating assets and liabilities	(8,965,426)	(143,695,660)
Income tax paid	(744,546)	(5,710,227)
Gratuity paid	-	-
Dividend paid	-	-
	(744,546)	(5,710,227)
NET CASH USED IN OPERATING ACTIVITIES	(14,085,249)	(137,540,313)
CASH FLOW FROM INVESTING ACTIVITIES		
Sale/(purchase) of fixed assets	-	(95,590)
(Purchase)/Sale of investments (shares)	(1,348,060)	72,235,735
Sale/(purchase) of Securities	10,827,337	(1,731,324)
Net cash flow from investing activities	9,479,277	70,408,821
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,605,972)	(67,131,492)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	26,254,850	102,460,234
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	21,648,878	35,328,742

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

MUHAMMAD SALEEM RATHOD
Chief Executive

KHURSHEED K. MARKER
Chairman



**CONDENSED INTERIM STATEMENT OF CHANGES
IN EQUITY (UNAUDITED)
FOR THE FIRST QUARTER ENDED 31 MARCH, 2009**

	Share Capital	Statutory Reserve	Reserve for issuance of bonus shares	Unappropriated Profit	Total
	-----Rupees-----				
Balance as at January 01, 2008	428,612,993	134,326,261	-	91,146,952	654,086,206
Net profit upto 31 March, 2008	-	-	-	20,033,274	20,033,274
Transfer to reserve for issue of bonus shares	-	-	85,722,590	(85,722,590)	-
Transfer to Statutory reserve	-	4,006,655	-	(4,006,655)	-
Balance as at 31 March, 2008	428,612,993	138,332,916	85,722,590	21,450,981	674,119,480
Net profit April to December, 2008	-	-	-	6,586,124	6,586,124
Issue of bonus shares	85,722,590	-	(85,722,590)	-	-
Transferred to statutory reserve	-	1,317,225	-	(1,317,225)	-
Balance as at 31 December, 2008	514,335,583	139,650,141	-	26,719,880	680,705,604
Net loss for the period	-	-	-	(27,267,201)	(27,267,201)
Balance as at 31 March, 2009	514,335,583	139,650,141	-	(547,321)	653,438,403

The annexed notes 1 to 14 form an integral part of these condensed interim financial statements.

**NOTES TO THE CONDENSED INTERIM FINANCIAL
STATEMENTS (UNAUDITED)**

FOR THE FIRST QUARTER ENDED 31 MARCH, 2009

1. STATUS AND PRINCIPAL ACTIVITIES

Security Investment Bank Limited (SIBL) is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984. Its shares are quoted on Karachi, Lahore and Islamabad Stock Exchanges. The registered office of SIBL is situated at Flat No.4, 3rd floor, AL-Baber Centre, Main Markaz, F-8, Islamabad.

SIBL is licensed to carry out business of investment finance services as a Non-Banking Finance Company (NBFC) under section 282C of the Companies Ordinance, 1984 and the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 issued by the Securities and Exchange Commission of Pakistan (SECP) as amended through SRO 1131(I)/2007 dated 21 November 2007 and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (previously this was covered under SRO 585(1)/87 dated 13 July 1987 issued by the Ministry of Finance, Government of Pakistan).

JCR - VIS Credit Rating Company Limited has reaffirmed medium to long-term rating of SIBL at 'A' (Single A) with stable outlook and the short-term rating at 'A-2' (A Two).

2. BASIS OF PRESENTATION

These condensed interim financial statements have been presented in accordance with the requirements of the "International Accounting Standard 34- Interim Financial Reporting" as applicable in Pakistan and are unaudited. These condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended 31 December 2008. Further, these accounts are being circulated to the shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984 and Listing Regulations of Stock Exchanges.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation followed for the preparation of these financial statements are the same as those applied in preparation of the financial statements for the year ended 31 December 2008.

4. ESTIMATES

The preparation of condensed interim financial statements requires management to make judgements, estimates and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2008.



	Unaudited 31 March 2009	Audited 31 December 2008
5. LONG TERM INVESTMENTS		
Held to maturity		
Pakistan Investment Bonds	51,213,760	51,220,356
Investment in associated undertaking		
SIBL Exchange Company (Private) Limited	<u>100,000,000</u>	<u>100,000,000</u>
	<u>151,213,760</u>	<u>151,220,356</u>
6. SHORT TERM PLACEMENT		
Under reverse repurchase agreements of quoted shares - secured	<u>-</u>	<u>2,102,017</u>
7. SHORT TERM INVESTMENTS		
Available-for-sale		
Pakistan Investment Bonds	340,631,800	298,465,650
Term Finance Certificates	12,297,375	36,840,143
Quoted Shares	175,294,241	121,462,172
Treasury Bills	<u>14,819,697</u>	<u>-</u>
	<u>543,043,113</u>	<u>456,767,965</u>
8. CASH AND BANK BALANCES		
With State Bank of Pakistan in Current account	26,652	2,158,515
With other Banks in		
Current account	<u>2,994,796</u>	<u>3,534,710</u>
Deposit accounts	<u>18,612,812</u>	<u>20,556,472</u>
	<u>21,607,608</u>	<u>24,091,182</u>
Cash in hand	<u>14,618</u>	<u>5,153</u>
	<u>21,648,878</u>	<u>26,254,850</u>
9. (DEFICIT) ON REVALUATION OF INVESTMENTS		
Government securities	<u>(69,759,072)</u>	<u>(112,774,985)</u>
Term Finance Certificates	<u>(2,170,125)</u>	<u>(2,418,032)</u>
	<u>(71,929,197)</u>	<u>(115,193,017)</u>
Related deferred tax asset/(liability)	<u>24,415,675</u>	<u>39,471,245</u>
	<u>(47,513,522)</u>	<u>(75,721,772)</u>
Quoted shares	<u>(225,418,096)</u>	<u>(300,557,462)</u>
	<u>(272,931,618)</u>	<u>(376,279,234)</u>
10. BORROWINGS		
Secured under repurchase agreements against Government Securities	352,000,000	367,000,000
Unsecured from Financial Institutions	<u>8,765,832</u>	<u>9,426,849</u>
	<u>360,765,832</u>	<u>376,426,849</u>
11. CONTINGENCIES		
Guarantees issued on behalf of customers	23,027,313	22,775,324



12. TRANSACTIONS WITH RELATED PARTIES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and includes subsidiary company, associated companies with or without common directors, directors and major share holder and their close family members, key management personnel and retirement benefit funds. The company has a policy whereby all transactions with related parties are entered into at arm's length prices using comparable uncontrolled price method and are in the normal course of business at contracted rates and terms determined in accordance with market rates. Transactions with related parties during the year, other than Director's remuneration, are as follows:

	31 March 2009	31 March 2008
Financing		
- Associated undertaking	6,000,000	202,295,857
- Others	-	277,650,641
Return on financing		
- Associated undertaking	208,208	4,813,254
- Others	-	4,718,093
Un funded guarantees		
- Associated undertaking	23,027,313	21,589,400
Deposits		
- Associated undertaking	82,212,522	159,331,696
- Others	18,038,760	140,070,743
Return on deposits		
- Associated undertaking	1,648,204	3,069,852
- Others	470,079	2,079,490
Contribution to staff retirement benefit plan	198,889	182,490

13. DATE OF AUTHORISATION

These financial statements were authorised for issue by the Board of Directors on 22 April, 2009.

14. GENERAL

Figures have been rounded off to the nearest rupee.

MUHAMMAD SALEEM RATHOD
Chief Executive

KHURSHEED K. MARKER
Chairman



**CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS (UNAUDITED)
FOR THE FIRST QUARTER ENDED 31 MARCH, 2009**

First Quarter Report 2009



CONDENSED INTERIM CONSOLIDATED
BALANCE SHEET (UNAUDITED)
AS AT MARCH 31, 2009

	Note	31 March, 2009 Rupees	31 December, 2008 Rupees
NON-CURRENT ASSETS			
Tangible fixed assets		5,833,350	6,155,313
Intangible Assets		36,186,671	36,204,168
Long term investments		51,213,760	51,220,356
Deferred tax asset		25,116,535	40,172,105
Deferred cost		28,104	56,205
CURRENT ASSETS			
Short term financing		8,400,000	103,802,561
Short term placements		-	2,102,017
Short term investments		568,043,113	481,767,965
Advances, deposits, prepayments and other receivables		94,149,291	109,641,234
Cash and bank balances	6	25,168,104	28,845,277
		695,760,508	726,159,054
		814,138,928	859,967,201
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Capital			
100,000,000 ordinary shares of Rs. 10/- each		1,000,000,000	1,000,000,000
Issued, subscribed and paid up capital		514,335,583	514,335,583
Reserve		147,584,846	173,941,226
		661,920,429	688,276,809
Deficit on revaluation of investments - net		(272,931,618)	(376,279,234)
NON-CURRENT LIABILITIES			
Deferred liability		6,286,285	6,286,285
CURRENT LIABILITIES			
Borrowings		360,765,832	376,426,849
Short term deposits		38,001,347	140,916,784
Accrued and other liabilities		20,096,653	24,339,708
		418,863,832	541,683,341
Contingencies and commitments		814,138,928	859,967,201
		814,138,928	859,967,201

The annexed notes form an integral part of these condensed interim consolidated financial statements.



MUHAMMAD SALEEM RATHOD
Chief Executive

KHURSHEED K. MARKER
Chairman

CONDENSED INTERIM CONSOLIDATED PROFIT & LOSS ACCOUNT

FOR THE FIRST QUARTER ENDED 31 MARCH, 2009

	Quarter ended 31 March, 2009 Rupees	Quarter ended 31 March, 2008 Rupees
INCOME		
Income on financing and placements	994,548	41,295,577
Return on investments	17,856,834	17,414,210
Gain on sale of shares	397,738	12,549,402
Profit on deposit with banks	20,661	1,283,534
Other Income	147,140	471,161
	19,416,921	73,013,887
EXPENDITURE		
Return on deposits and borrowings	15,782,553	39,863,463
Operating expenses	6,447,212	7,849,301
	22,229,765	47,712,764
Operating(loss)/profit	(2,812,844)	25,301,123
Impairment under SECP's SRO 150(1)/2009 of 13-Feb-2009		
Impairment against investments in equity securities	(75,139,366)	-
Adjustment for price movement during the current quarter	52,086,272	-
	(23,053,094)	-
(Loss)/profit before taxation	(25,869,938)	25,301,123
Provision for taxation	490,442	4,443,747
(LOSS)/PROFIT AFTER TAXATION	(26,356,380)	20,857,376
Earnings per share - basic and diluted	(0.51)	0.41

The annexed notes form an integral part of these condensed interim consolidated financial statements.

MUHAMMAD SALEEM RATHOD
Chief Executive

KHURSHEED K. MARKER
Chairman



First Quarter Report 2009

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT
FOR THE FIRST QUARTER ENDED 31 MARCH, 2009

	Three months ended 31 March, 2009 Rupees	Three months ended 31 March, 2008 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating (Loss)/profit before taxation	(25,865,938)	25,301,123
Adjustment for non cash & other items		
Depreciation	321,963	464,116
Amortization of software and deferred cost	45,598	45,605
Gain on disposal of shares	22,655,356	(12,549,402)
Return on T-Bills	(705,873)	(492,996)
	22,317,044	(12,532,677)
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES		
	(3,548,894)	12,768,446
Decrease/(Increase) in operating assets		
Decrease in financing and placements	97,504,578	360,707,440
Decrease in advances, deposits, prepayment and other receivables	16,806,394	(13,671,564)
	114,310,972	347,035,876
(Decrease)/Increase in operating liabilities		
(Decrease) in deposits	(102,915,437)	(544,373,596)
(Decrease)/increase in borrowings	(15,661,017)	70,000,000
(Decrease) in accrued and other liabilities	(4,100,782)	(15,648,258)
	(122,677,236)	(490,021,854)
	(8,366,264)	(142,985,978)
Income tax paid	(764,704)	(6,257,929)
Gratuity paid	-	-
Dividend paid	-	-
	(764,704)	(6,257,929)
NET CASH USED IN OPERATING ACTIVITIES	(12,679,862)	(136,475,461)
CASH FLOWS FROM INVESTING ACTIVITIES		
(Purchase)/sale of fixed assets	-	(95,590)
(Purchase)/Sale of investments (shares)	(1,348,060)	72,235,735
Sale/(Purchase) of Securities	10,350,749	(1,833,998)
NET CASH FLOW FROM INVESTING ACTIVITIES	9,002,689	70,306,147
CASH FLOWS FROM FINANCING ACTIVITIES		
	-	-
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(3,677,173)	(66,169,314)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	28,845,277	110,406,415
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	25,168,104	44,237,101

The annexed notes form an integral part of these condensed interim consolidated financial statements.

MUHAMMAD SALEEM RATHOD
Chief Executive

KHURSHEED K. MARKER
Chairman



**CONDENSED INTERIM CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY**

FOR THE FIRST QUARTER ENDED 31 MARCH, 2009

	Share Capital	Statutory Reserve	Reserve for issuance of bonus shares	Unappropriated Profit	Total
	-----Rupees-----				
Balance as at 01 January, 2008	428,612,993	134,326,261	-	95,497,653	658,436,907
Net profit upto 31 March, 2008	-	-	-	20,857,376	20,857,376
Transfer to Reserve for issuance of bonus shares	-	-	85,722,590	(85,722,590)	-
Transfer to Statutory reserve	-	4,171,475	-	(4,171,475)	-
Balance as at 31 March, 2008	428,612,993	138,497,736	85,722,590	26,460,964	679,294,283
Net profit April to December, 2008	-	-	-	8,982,526	8,982,526
Transfer to Statutory reserve	-	1,152,405	-	(1,152,405)	-
Issuance of bonus shares	85,722,590	-	(85,722,590)	-	-
Balance as at 31 December, 2008	514,335,583	139,650,141	-	34,291,085	688,276,809
Net (loss) profit for the period	-	-	-	(26,356,380)	(26,356,380)
Transfer to Statutory reserve	-	-	-	-	-
Balance as at 31 March, 2009	514,335,583	139,650,141	-	7,934,705	661,920,429

The annexed notes form an integral part of these condensed interim consolidated financial statements.

**NOTES TO THE CONDENSED INTERIM
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH, 2009**

1. STATUS AND PRINCIPAL ACTIVITIES

Security Investment Bank Limited (SIBL) is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984. Its shares are quoted on Karachi, Lahore and Islamabad Stock Exchanges. The registered office of SIBL is situated at Flat No.4, 3rd Floor, AL-Baber Centre, Main Markaz, F-8, Islamabad.

SIBL is licensed to carry out business of investment finance services as a Non-Banking Finance Company (NBFC) under section 282C of the Companies Ordinance, 1984 and the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 issued by the Securities and Exchange Commission of Pakistan (SECP) as amended through SRO 1131(I)/2007 dated November 21, 2007 and Non-Banking Finance Companies and Notified Entities Regulations 2008 (previously covered under SRO 585(1)/87 dated July 13, 1987 issued by the Ministry of Finance, Government of Pakistan).

JCR - VIS Credit Rating Company Limited has reaffirmed medium to long-term rating of SIBL at 'A' (Single A) with stable outlook and the short-term rating at 'A-2' (A Two).

2. BASIS OF PRESENTATION

These condensed interim financial statements have been presented in accordance with the requirements of the "International Accounting Standard 34- Interim Financial Reporting" as applicable in Pakistan and are unaudited. These condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended 31 December, 2008. Further, these accounts are being circulated to the shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984 and listing regulations of stock exchanges.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation followed for the preparation of these financial statements are the same as those applied in preparation of the financial statements for the year ended 31 December, 2008.



4. ESTIMATES

The preparation of condensed interim financial statements requires management to make judgements, estimates and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December, 2008.

5. BASIS OF CONSOLIDATION

The Consolidated financial statements include the Financial Statements of Parent Company (Security Investment Bank Limited) and a wholly owned Subsidiary Company (SIBL Exchange Company (Private) Limited. The Financial Statements of Subsidiary are included in the consolidated financial statements from the date of its incorporation. The financial statements of subsidiary has been consolidated on a line by line basis. All intercompany balance, transactions and resulting profit/(losses) have been eliminated.

	March 31, 2009	December 31, 2008
6. CASH AND BANK BALANCES		
With State Bank of Pakistan in	26,652	2,297,690
With other Banks in		
Current account	4,710,711	4,302,109
Deposit accounts	18,612,812	20,556,472
	23,323,523	24,858,581
Cash in hand	1,817,929	1,689,006
	25,168,104	28,845,277

7. DATE OF AUTHORISATION

These financial statements were authorised for issue by the Board of Directors on 22 April, 2009.

8. GENERAL

Figures have been rounded off to the nearest rupee.

MUHAMMAD SALEEM RATHOD
Chief Executive

KHURSHEED K. MARKER
Chairman



BOOK POST



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