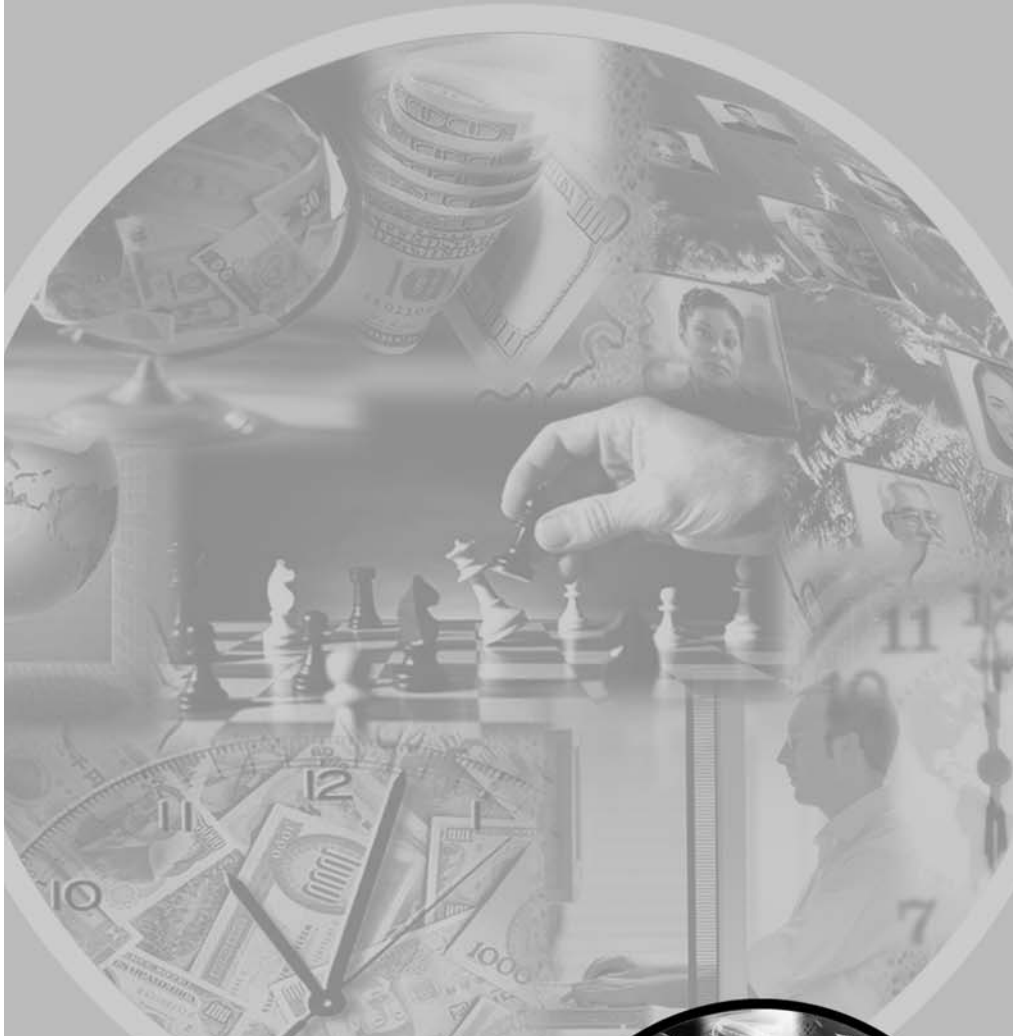




SECURITY INVESTMENT BANK LIMITED



Quarterly Financial Statements
(Un-audited)

SEPTEMBER 30, 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. Sheikh Asim Rafiq (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) 32418410-13 Fax : (021) 32418414 Email: sibl@sibl.com.pk

Report for the Quarter Ended 30 September 2009



DIRECTORS' REPORT

The Directors of Security Investment Bank Limited (SIBL) are pleased to present the unaudited financial statements of SIBL for quarter ended 30 September 2009.

After a year of global market meltdown a trend that also affected the local market, macro economic factors of Pakistan's economy are now showing signs of improvement. Surplus in country's current account was witnessed on the back of solid improvement in the trade deficit and remittances inflows. The Financial account surplus also observed an improvement owing mostly to disbursements made by donor agencies and friendly countries. Following an improvement in Pakistan's sovereign rating, foreign investors have contributed to the buoyant activities in the equity market with significant inflows. The State Bank of Pakistan, viewing mixed inflationary signals going forward and continued stress on the fiscal accounts, maintained its policy rate at 13%.

The company incurred operating loss of Rs.3.280 million for the quarter ended 30 September 2009, owing to low level of business activities and high cost of funds.

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. 15.552 million is taken to Profit and Loss Account including the adjustment for price movement during the quarter ended 30 September 2009.

We expect that SBP would reduce discount rate in the last quarter of 2009 which would reduce cost of funds and economic activities would be increased. We also expect that after introduction of leverage product in the Capital Market there would be an increase in the activities and volume.

We would like to thank all of our shareholders who have placed their confidence in us and offer our sincere gratitude to the Securities and Exchange Commission of Pakistan, State Bank of Pakistan, the Karachi Stock Exchange and other regulators.

On behalf of the Board

Khursheed K. Marker
Chairman

Karachi;
26 October, 2009



CONDENSED INTERIM BALANCE SHEET
AS AT 30 SEPTEMBER 2009

	Note	30 September, 2009 Rupees	Audited 31 December, 2008 Rupees
NON-CURRENT ASSETS			
Tangible fixed assets	5	4,312,395	4,918,947
Stock exchange membership card-intangible		36,000,000	36,000,000
Long term investments	6	151,160,992	151,220,356
Deferred tax asset		18,078,609	40,172,105
CURRENT ASSETS			
Short term financing		37,300,000	103,802,561
Short term placements	7	–	2,102,017
Short term investments	8	606,253,372	456,767,965
Advances, deposits, prepayments and other receivables		91,874,564	110,307,278
Cash and bank balances	9	11,826,667	26,254,850
		747,195,239	699,234,671
		<u>956,806,599</u>	<u>931,546,079</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Capital			
100,000,000 (2008: 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
		45,656,152	166,370,021
		559,991,735	680,705,604
(Deficit) on revaluation of investments - net	10	(114,858,691)	(376,279,234)
NON-CURRENT LIABILITIES			
Deferred liability-gratuity		6,286,285	6,286,285
CURRENT LIABILITIES			
Borrowings			
Short term deposits	11	370,819,553	376,426,849
Accrued and other liabilities		119,550,510	220,393,248
		15,017,207	24,013,327
		505,387,270	620,833,424
Contingencies and commitments	12	–	–
		<u>956,806,599</u>	<u>931,546,079</u>

The annexed notes 1-16 form an integral part of these condensed interim financial statement.

MUHAMMAD SALEEM RATHOD
Chief Executive

KHURSHEED K. MARKER
Chairman



Report for the Quarter Ended 30 September 2009

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS ENDED 30 SEPTEMBER, 2009**

	Nine Months Ended		Quarter Ended	
	September 30, 2009 Rupees	September 30, 2008 Rupees	September 30, 2009 Rupees	September 30, 2008 Rupees
INCOME				
Income on financing and placements	1,796,484	98,212,114	721,011	13,931,765
Return on investments	45,118,985	49,037,112	15,061,542	16,651,206
Gain on sale of shares	2,612,710	23,576,597	-	(853)
Profit on deposit with banks	673,953	1,831,872	14,481	334,819
Other Income	514,387	546,264	209,283	42,543
	<u>50,716,519</u>	<u>173,203,959</u>	<u>16,006,317</u>	<u>30,959,480</u>
EXPENDITURE				
Return on deposits and borrowings	46,512,630	108,740,758	13,417,315	22,221,315
Operating expenses	18,473,138	22,954,577	5,868,883	6,132,984
	<u>64,985,768</u>	<u>131,695,335</u>	<u>19,286,198</u>	<u>28,354,299</u>
Operating(Loss)/Profit	(14,269,249)	41,508,624	(3,279,881)	2,605,181
Impairment under SECP's SRO 150(1)/2009 of 13 Feb-2009				
Impairment against investments available for sale	(225,418,098)	-	(75,139,366)	-
Adjustment for price movement during the current period	119,133,359	-	59,587,691	-
	<u>(106,284,739)</u>	<u>-</u>	<u>(15,551,675)</u>	<u>-</u>
(Loss)/profit before taxation	(120,553,988)	41,508,624	(18,831,556)	2,605,181
Taxation				
Current	-	(5,000,000)	-	-
Deferred	(159,881)	-	-	-
	<u>(159,881)</u>	<u>(5,000,000)</u>	<u>-</u>	<u>-</u>
NET (LOSS)/PROFIT AFTER TAX	<u>(120,713,869)</u>	<u>36,508,624</u>	<u>(18,831,556)</u>	<u>2,605,181</u>
Earnings per share - Basic and diluted	<u>(2.35)</u>	<u>0.71</u>	<u>(0.37)</u>	<u>0.05</u>

The annexed notes 1-16 form an integral part of these condensed interim financial statements.



MUHAMMAD SALEEM RATHOD
Chief Executive

KHURSHEED K. MARKER
Chairman

CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED 30 SEPTEMBER, 2009

	Note	Nine months ended 30 September, 2009 Rupees	Nine months ended 30 September, 2008 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES	13	(16,165,207)	18,950,497
(Decrease)/Increase in operating assets			
(Increase)/Decrease in financing and placements		68,604,578	1,440,575,317
(Increase)/Decrease in advances, deposits, prepayment and other receivables		22,010,527	(10,277,108)
		90,615,105	1,430,298,209
(Decrease)/Increase in operating liabilities			
(Decrease) in deposits		(100,842,738)	(687,521,909)
(Decrease)/increase in borrowings		(5,607,296)	(745,000,000)
(Decrease)/increase in accrued and other liabilities		(8,403,712)	(20,945,281)
		(114,853,746)	(1,453,467,190)
Net change in operating assets and liabilities		(24,238,641)	(23,168,981)
Income tax paid		(3,577,813)	(7,995,731)
Gratuity paid		-	-
Dividend paid		(592,408)	(2,322,909)
		(4,170,221)	(10,318,640)
NET CASH USED IN OPERATING ACTIVITIES		(44,574,069)	(14,537,124)
CASH FLOW FROM INVESTING ACTIVITIES			
(Purchase) fixed assets		(110,200)	(633,011)
Sales proceed from fixed assets		-	-
(Purchase)/sale of investments (shares)		2,612,710	(128,067,842)
Sale/(purchase) of securities		27,643,376	67,897,150
Net cash used in investing activities		30,145,886	(60,803,703)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS		(14,428,183)	(75,340,827)
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		11,826,667	27,119,407

The annexed notes 1-16 form an integral part of these condensed interim financial statements.

MUHAMMAD SALEEM RATHOD
Chief Executive

KHURSHEED K. MARKER
Chairman



Report for the Quarter Ended 30 September 2009

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER, 2009**

	Share Capital	Statutory Reserve	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 30 September, 2008	-	-	36,508,624	36,508,624
Issue of bonus shares	85,722,590	-	(85,722,590)	-
Transfer to Statutory reserve	-	7,301,725	(7,301,725)	-
Balance as at 30 September, 2008	514,335,583	141,627,986	34,631,261	690,594,830
Net profit September to December, 2008	-	-	(9,889,226)	(9,889,226)
Transferred to statutory reserve	-	(1,977,845)	1,977,845	-
Balance as at 31 December, 2008	514,335,583	139,650,141	26,719,880	680,705,604
Net loss for the period	-	-	(120,713,869)	(120,713,869)
Transfer to statutory reserve	-	-	-	-
Issuance of bonus shares	-	-	-	-
Balance as at 30 September, 2009	514,335,583	139,650,141	(93,993,989)	559,991,735

The annexed notes 1-16 form an integral part of these condensed interim financial statements.

**CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER, 2009**

1. STATUS AND PRINCIPAL ACTIVITIES

Security Investment Bank Limited (SIBL) is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984. The Company was incorporated in Pakistan on 23 May 1991 and started its commercial operation on 31 December 1991. 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 this was 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 December 31, 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 December 31, 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 December 31, 2008.



	30 September 2009 Rupees	Audited 31 December 2008 Rupees
5. OPERATING ASSETS		
Cost		
As at January 01, 2009	18,023,110	17,419,800
Addition/Deletion	110,200	603,310
As at September 30, 2009	18,133,310	18,023,110
Less: accumulated depreciation		
As at January 01, 2009	13,104,163	11,672,485
For the nine months	716,752	1,431,678
As at September 30, 2009	13,820,915	13,104,163
	<u>4,312,395</u>	<u>4,918,947</u>
6. LONG TERM INVESTMENTS		
Held to maturity		
Pakistan Investment Bonds	51,160,992	51,220,356
Investment in associated undertaking		
SIBL Exchange Company (Private) Limited	100,000,000	100,000,000
	<u>151,160,992</u>	<u>151,220,356</u>
7. SHORT TERM PLACEMENT		
Under reverse repurchase agreements of quoted shares - secured		
	-	2,102,017
8. SHORT TERM INVESTMENTS		
Available-for-sale		
Pakistan Investment Bonds	353,221,274	298,465,650
Term Finance Certificates	11,233,046	36,840,143
Quoted Shares	241,799,052	121,462,172
	<u>606,253,372</u>	<u>456,767,965</u>
9. CASH AND BANK BALANCES		
With State Bank of Pakistan in		
Current account	90,235	2,158,515
	90,235	2,158,515
With other Banks in		
Current account	2,181,577	3,534,710
Deposit accounts	9,492,167	20,556,472
	11,673,744	24,091,182
Cash in hand	62,688	5,153
	<u>11,826,667</u>	<u>26,254,850</u>
10. (DEFICIT) ON REVALUATION OF INVESTMENTS		
Government securities		
	(56,730,004)	(112,774,985)
Term Finance Certificates	(526,954)	(2,418,032)
	(57,256,958)	(115,193,017)
Related deferred tax asset/(liability)	17,537,630	39,471,245
	(39,719,328)	(75,721,772)
Quoted shares	(75,139,363)	(300,557,462)
	<u>(114,858,691)</u>	<u>(376,279,234)</u>
11. BORROWINGS		
Secured under repurchase agreements against Government Securities		
	361,639,890	367,000,000
Unsecured from Financial Institutions	9,179,663	9,426,849
	<u>370,819,553</u>	<u>376,426,849</u>



	30 September 2009 Rupees	Audited 31 December 2008 Rupees
12. CONTINGENCIES		
Guarantees issued on behalf of customers	78,130,313	21,589,400
	<u>78,130,313</u>	<u>21,589,400</u>
	30 September 2009 Rupees	30 September 2008 Rupees
13. CASH FLOW FROM OPERATING ACTIVITIES		
Operating profit before taxation	(120,553,988)	41,508,624
Adjustments for non cash and other items		
Depreciation	716,752	1,021,123
Gain on disposal of shares	(2,612,710)	(23,577,450)
Impairment loss	106,284,739	-
Gain on disposal of fixed assets	-	(1,800)
	<u>104,388,781</u>	<u>(22,558,127)</u>
	<u>(16,165,207)</u>	<u>18,950,497</u>

14. 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;

	30 September 2009 Rupees	30 September 2008 Rupees
Financing		
- Associated undertaking	9,900,000	123,868,178
- Others	25,000,000	54,970,641
Return on financing		
- Associated undertaking	1,126,730	17,563,965
- Others	808,445	10,085,582
Non funded guarantee		
- Associated undertaking	10,566,389	11,780,000
- Others	67,563,924	9,809,400
Deposits		
- Associated undertaking	84,400,894	142,840,436
- Others	17,163,157	62,506,683
Return on deposits		
- Associated undertaking	4,589,928	8,950,962
- Others	1,161,137	5,484,058
Contribution to staff retirement benefit plan	595,149	688,090

15. DATE OF AUTHORISATION

These condensed interim financial statements were authorised for issue by the Board of Directors on 26 October, 2009.

16. GENERAL

Figures have been rounded off to the nearest rupee.



MUHAMMAD SALEEM RATHOD
Chief Executive

KHURSHED K. MARKER
Chairman

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER, 2009**

Report for the Quarter Ended 30 September 2009



**CONDENSED CONSOLIDATED INTERIM
BALANCE SHEET
AS AT SEPTEMBER 30, 2009**

Note	30 September, 2009 Rupees	31 December, 2008 Rupees
NON-CURRENT ASSETS		
	5,388,270	6,155,313
	36,151,669	36,204,168
	51,160,992	51,220,356
	18,078,609	40,172,105
	-	56,205
CURRENT ASSETS		
	37,000,000	103,802,561
	-	2,102,017
	631,253,372	481,767,965
	92,537,967	109,641,234
6	13,929,224	28,845,277
	774,961,199	726,159,054
	<u>885,800,103</u>	<u>859,967,201</u>
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
	<u>514,335,583</u>	<u>514,335,583</u>
Issued, subscribed and paid up capital	55,513,771	173,941,226
Reserve	569,849,363	688,276,809
(Deficit) on revaluation of investments - net	(114,858,691)	(376,279,234)
NON-CURRENT LIABILITIES		
Deferred liability	6,286,285	6,286,285
CURRENT LIABILITIES		
Borrowings	370,819,553	376,426,849
Short term deposits	36,969,288	140,916,784
Accrued and other liabilities	16,734,305	24,339,708
	424,523,146	541,683,341
Contingencies and commitments	<u>885,800,103</u>	<u>859,967,201</u>

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



MUHAMMAD SALEEM RATHOD
Chief Executive

KHURSHEED K. MARKER
Chairman

**CONDENSED CONSOLIDATED INTERIM
PROFIT & LOSS ACCOUNT
FOR THE NINE MONTHS ENDED 30 SEPTEMBER, 2009**

	Nine Months Ended		Quarter Ended	
	30 September 2009 Rupees	30 September 2008 Rupees	30 September 2009 Rupees	30 September 2008 Rupees
INCOME				
Income on financing and placements	1,796,484	98,212,114	721,011	13,931,765
Return on investments	47,183,015	50,520,727	15,744,376	17,149,222
Gain on sale of shares	2,612,710	23,576,597	-	(853)
Profit on deposit with banks	673,953	1,831,872	14,481	334,819
Other Income	621,141	1,599,528	215,519	560,145
	<u>52,887,303</u>	<u>175,740,838</u>	<u>16,695,387</u>	<u>31,975,098</u>
EXPENDITURE				
Return on deposits and borrowings	42,094,858	105,116,192	12,198,102	20,963,175
Operating expenses	21,452,239	25,667,725	6,791,831	7,009,299
	<u>63,547,097</u>	<u>130,783,917</u>	<u>18,989,933</u>	<u>27,972,474</u>
Operating(Loss)/Profit	(10,659,794)	44,956,921	(2,294,546)	4,002,624
Impairment under SECP's SRO 150(1)/2009 of 13-Feb-2009				
Impairment against investments in equity securities	(225,418,098)	-	(75,139,366)	-
Adjustment for price movement during the current period	119,133,359	-	59,587,691	-
	<u>(106,284,739)</u>	<u>-</u>	<u>(15,551,675)</u>	<u>-</u>
(Loss)/profit before taxation	(116,944,533)	44,956,921	(17,846,221)	4,002,624
Taxation				
Current	(1,323,032)	(6,254,159)	(348,367)	(489,105)
Deferred	(159,881)	-	-	-
	<u>(1,482,913)</u>	<u>(6,254,159)</u>	<u>(348,367)</u>	<u>(489,105)</u>
LOSS/PROFIT AFTER TAXATION	<u>(118,427,446)</u>	<u>38,702,762</u>	<u>(18,194,588)</u>	<u>3,513,519</u>
Earnings per share - Basic and diluted	<u>(2.30)</u>	<u>0.75</u>	<u>(0.35)</u>	<u>0.07</u>

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

MUHAMMAD SALEEM RATHOD
Chief Executive

KHURSHEED K. MARKER
Chairman



Report for the Quarter Ended 30 September 2009

**CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED 30 SEPTEMBER, 2009**

	Nine months ended 30 September, 2009 Rupees	Nine months ended 30 September, 2008 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating loss before taxation	(116,944,533)	44,956,921
Adjustment for non cash & other items		
Depreciation	803,769	1,268,360
Amortization of software and deferred cost	17,499	136,810
Return on treasury bills	-	(1,483,615)
Gain on disposal of shares	(2,612,710)	(23,577,450)
Gain on disposal of fixed assets	-	(1,800)
Impairment loss	106,284,739	-
	104,493,297	(23,657,695)
Cash flows from operating activities before working capital changes	(12,451,236)	21,299,226
Decrease/(Increase) in operating assets		
(Increase)/Decrease in financing and placements	68,687,009	1,440,575,317
Decrease/(Increase) in advances, deposits, prepayment and other receivables	20,681,080	(11,518,170)
	89,368,089	1,429,057,147
(Decrease)/Increase in operating liabilities		
(Decrease) in deposits	(103,947,496)	(687,521,909)
Increase/(Decrease) in borrowings	(5,607,296)	(745,000,000)
Increase/(Decrease) in accrued and other liabilities	(7,012,995)	(21,841,108)
	(116,567,787)	(1,454,363,017)
Net change in operating assets and liabilities	(27,199,698)	(25,305,870)
Income tax paid	(3,894,957)	(9,120,484)
Gratuity paid	-	-
Dividend paid	(592,408)	(2,322,909)
	(4,487,365)	(11,443,393)
NET CASH USED IN OPERATING ACTIVITIES	(44,138,299)	(15,450,037)
CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase)/sale of fixed assets	(207,508)	(633,011)
(Purchase)/sale of investments (shares)	2,612,710	(128,996,091)
(Purchase)/sale of securities	26,817,044	68,982,702
Net cash used in investing activities	29,222,246	(60,646,400)
CASH FLOWS FROM FINANCING ACTIVITIES	-	-
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(14,916,053)	(76,096,437)
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	13,929,224	34,309,978

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



MUHAMMAD SALEEM RATHOD
Chief Executive

KHURSHEED K. MARKER
Chairman

**CONDENSED CONSOLIDATED INTERIM
STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER, 2009**

	Share Capital	Statutory Reserve	Unappropriated Profit	Total
	-----Rupees-----			
Balance as at January 01, 2008	428,612,993	134,326,261	95,497,653	658,436,907
Net profit upto 30 September, 2008	-	-	38,702,762	38,702,762
Issue of bonus shares	85,722,590	-	(85,722,590)	-
Transfer to Statutory reserve	-	7,301,725	(7,301,725)	-
Balance as at 30 September, 2008	514,335,583	141,627,986	41,176,100	697,139,669
Net profit October to December, 2008	-	-	(8,862,860)	(8,862,860)
Transferred to statutory reserve	-	(1,977,845)	1,977,845	-
Balance as at 31 December, 2008	514,335,583	139,650,141	34,291,085	688,276,809
Net profit for the period January 2009 to September 2009	-	-	(119,427,446)	(119,427,446)
Transfer to Statutory Reserve	-	-	-	-
Balance as at 30 September, 2009	514,335,583	139,650,141	(85,136,361)	569,849,363

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

**CONDENSED CONSOLIDATED INTERIM
NOTES TO THE FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER, 2009**

1. STATUS AND PRINCIPAL ACTIVITIES

Security Investment Bank Limited and its subsidiary company ("The Group") comprises of holding company Security Investment Bank Limited (SIBL) and a wholly owned subsidiary company SIBL Exchange Company (Pvt) Limited (SIBLE).

SIBL ("the company") is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984. The Company was incorporated in Pakistan on 23 May 1991 and started its commercial operation on 31 December 1991. 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 this was covered under SRO 585(I)/87 dated July 13, 1987 issued by the Ministry of Finance, Government of Pakistan).

SIBLE ("the Subsidiary") is a private limited company incorporated in Pakistan on December 16, 2004 under the Companies Ordinance, 1984. The Company has been formed to operate under the Foreign Exchange Regulation Act, 1947 as amended by SBP through Foreign Exchange circular # 9 dated July 30, 2002. The Registered Office of the subsidiary is situated at Shope no. 2, Al-Rahim Tower, I. I. Chundrigar Road, Karachi.

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements of the Group have been presented in accordance with the requirements of the approved Accounting Standard as applicable in Pakistan relating to interim Financial Reporting and are unaudited. These condensed interim consolidated 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 December 31, 2008. Further, these accounts are being circulated to the shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984.

3. ACCOUNTING POLICIES

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

Report for the Quarter Ended 30 September 2009



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 December 31, 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.

	30 September 2009	31 December 2008
6. CASH AND BANK BALANCES		
With State Bank of Pakistan in Current account	1,591,510	2,297,690
	1,591,510	2,297,690
With other Banks in		
Current account	2,539,440	4,302,109
Deposit accounts	9,492,167	20,556,472
	12,031,607	24,858,581
 Cash in hand	 306,107	 1,689,006
	13,929,224	28,845,277

7. DATE OF AUTHORISATION

These financial statements were authorised for issue by the Board of Directors on 26 October, 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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