



SECURITY INVESTMENT BANK LIMITED

February 28, 2008
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The General Manager,
Karachi Stock Exchange (Guarantee) Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Dear Sir,

FINANCIAL RESULTS FOR THE YEAR ENDED DECEMBER 31, 2007

We would inform you that the Board of Directors of our company in their meeting held on February 28, 2007 at 3:00 p.m. at 6th Floor, Madina City Mall, Abdullah Haroon Road, Karachi, recommended the following:

BONUS SHARES

Bonus Shares in proportion of 2 shares for every 10 shares held i.e. 20%
Review Report on computation of Free Reserves duly certified by our auditors is enclosed.

The financial results of the company along with Directors' Report approved by the Board of Directors are given below.

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DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of Security Investment Bank Limited (SIBL) are pleased to present the Sixteenth Annual Report along with the audited financial statements and Auditor's report thereon for the year ended December 31, 2007.

ECONOMIC OUTLOOK

Pakistan's economy has been alarming and critical. Government is facing challenges as follows

- Rising global steep upward trend of oil prices
- Significant borrowings by the government from Central Bank for budget finance
- On its external accounts, Pakistan has another year of very high trade deficit of around US\$14 billion
- Poor management of a good agriculture crop outcome, coupled with weakness in distribution channel of commodities
- Uncertainty and noisy political situation which reflect the partial political uncertainty of the country
- Deteriorating law and order situation of the country
- Geopolitical situation of the region

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