

IGI

Investment Bank

Ref. # : SIC/84(a)/2008
August 20, 2008

FAX NOS.: 111-573-329

Mohammed Farooque
Deputy General Manager
Karachi Stock Exchange (Guarantee) Ltd.
Stock Exchange Building
Karachi-74000

Dear Sir,

Subject : FINANCIAL RESULTS FOR THE YEAR ENDED JUNE 30, 2008

We have to inform you that the Board of Directors of our Company in their meeting held at 10:00 a.m. on Wednesday, August 20, 2008, has approved the audited financial statements for the year ended June 30, 2008, the profit and loss account of which is reproduced as follows:

**PROFIT AND LOSS ACCOUNT AUDITED
FOR THE YEAR ENDED
JUNE 30, 2008**

	2008	2007
	(Rupees in thousand)	
Income		
Income from investments	227,668	120,666
Income from loans	122,243	125,045
Income from lease finance	231,396	230,548
Income from lendings and continuous funding system transactions	120,193	82,861
Income from fees, commission and brokerage	62,637	26,870
	<u>764,137</u>	<u>585,990</u>
Finance costs	571,086	482,873
	<u>193,051</u>	<u>103,117</u>
Administrative and general expenses	234,108	207,995
	<u>(41,057)</u>	<u>(104,878)</u>
Other operating income	31,276	38,434
	<u>(9,781)</u>	<u>(66,444)</u>
Other operating expenses	6,684	3,250
	<u>(16,465)</u>	<u>(69,694)</u>
Operating loss before provisions	(5,257)	(4,260)
Provision for bad and doubtful loans / potential lease losses - general - net	(23,915)	(5,313)
Provision for bad and doubtful loans / lease losses - specific - net	<u>(45,637)</u>	<u>(79,267)</u>
Loss before taxation	39,251	40,110
Taxation - net	<u>(6,386)</u>	<u>(39,157)</u>
Loss after taxation	<u>(0.06)</u>	<u>(0.64)</u>
	-----Rupees-----	
Loss per share	<u>(0.06)</u>	<u>(0.64)</u>

Please note that the above profit and loss account, along with the related financial statements, have been duly audited by our external auditors.

IGI Investment Bank Limited