

### *Our Vision*

*We shall carve a place for ourselves at the highest level of leasing industry by providing quality service and ensuring customer satisfaction. We will go an extra mile to ensure greater profitability and value for our shareholders.*

### *Our Dynamics*

*Professional Management will be the hallmark of our organization. We will operate with state of the art technology to achieve optimum results and develop an efficient and motivated work force with corporate pride in their company.*

### *Our Resolve*

*We will provide our customers modern and technology based leasing services while we ensure our shareholders security and a high rate of return on their investments.*

### *Our Commitment*

*We will maintain financial discipline and adhere to professional and moral codes. In the operation of the company, we will comply with all rules and regulations set down by the supervisory authorities.*



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## Company Information

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<i>BOARD OF DIRECTORS</i>	<i>Mr. Asif Ali Rashid</i>	<i>Chairman</i>
	<i>Mr. Muhammad Nasim Khan</i>	<i>Chief Executive &amp; Managing Director</i>
	<i>Mr. Aamir Ali Rashid</i>	<i>Director</i>
	<i>Mr. Iskander Sultan Khwaja</i>	<i>Director</i>
	<i>Mr. Ruhail Mohammed</i>	<i>Director</i>
	<i>Mr. Sirajuddin Cassim</i>	<i>Director</i>
	<i>Mr. Arshad A. Kazmi</i>	<i>Director</i>
	<i>Mr. Shujat Ali Baig</i>	<i>Director</i>
	<i>Mr. Ziad Bashir</i>	<i>Director</i>
	<i>Mr. Arshadullah Khan</i>	<i>Director</i>

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*COMPANY SECRETARY & CHIEF FINANCIAL OFFICER*     *Mr. Arfan Ali Rashid*

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*AUDITORS*     *M/s Ford Rhodes Sidat Hyder & Co.*  
*Chartered Accountants*

*LEGAL ADVISOR*     *Mohsin Tayebaly & Co.*

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*AUDIT COMMITTEE*

<i>Mr. Aamir Ali Rashid</i>	<i>Chairman</i>
<i>Mr. Asif Ali Rashid</i>	<i>Member</i>
<i>Mr. Ruhail Mohammed</i>	<i>Member</i>

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*BANKERS*

*Allied Bank Limited*  
*Askari Bank Limited*  
*Bank AlFalah Limited*  
*Faysal Bank Limited*  
*Habib Metropolitan Bank Limited*  
*KASB Bank Limited*  
*Mybank Limited*  
*National Bank of Pakistan*  
*NIB Bank Limited*  
*Saudi Pak Commercial Bank Limited*  
*Soneri Bank Limited*  
*United Bank Limited*

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*REGISTERED OFFICE & HEAD OFFICE*

*SIGMA HOUSE*  
*8-C, Block-6, PECHS,*  
*Off : Shahr-e-Faisal, Karachi-75400, Pakistan*  
*Tel. : (021) 4557233-4, 4544850-1*  
*Fax : (021) 4544439*  
*Email : sigma@khi.comsats.net.pk*  
*Website : www.sigma-leasing.com*

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*LIAISON OFFICES*

*Lahore : Rex Market, 6-Allama Iqbal Road,*  
*Tel. : (042) 6306798, 6365975     Fax : (042) 6365343*

*Faisalabad : Plot # 63/1-C, Model Town-B, Jail Road,*  
*Tel. : (041) 2636830-31     Fax : (041) 2644961*

*Sialkot : Uggoki Road, Near Zohra Hospital Chowk, Shabpura.*  
*Tel. : (0432) 3552919, 3554429     Fax : (0432) 3552919*

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*SHARE DEPARTMENT*

*Noble Computer Services (Pvt.) Limited*  
*Sohni Center, BS 5/6, Block-4, F.B. Area, Main Karimabad, Karachi.*  
*Tel. # : (92-21) 6801880-82     Fax # : (92-21) 6801129*

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## *DIRECTORS' REPORT*

*On behalf of the Directors of Sigma Leasing Corporation Limited, I am pleased to present the quarterly report for the quarter September 30, 2007.*

*The performance of the Company for the quarter has been satisfactory and the Company generated a pretax profit of Rs. 15.585 million, being 12.43% higher than Rs. 13.862 million recorded in the first quarter of preceding year.*

*During the quarter we managed to disburse leases of Rs. 78.066 million only. This was because of the volatile market conditions. However, based on our existing lease and investment portfolio we earned the total revenue of Rs. 42.357 million, which is 6.81% higher than the corresponding period ended September 30, 2006. The financial charges for the quarter has increased by 12.71%, while the administrative expenses which were closely monitored remain almost same compared to the same period last year.*

*Based on the results of the financial year 2007, supported by effective controls and efficient recovery records, we have every reasons to believe that we will be able to maintain our current credit rating which is A- (Single A minus) - medium to long term and A-2 (short term) with stable outlook by JCR VIS Credit Rating Co.*

*The management is fully geared to take the Company to the highest level by consolidating on our strengths. The Company is fully focused and well positioned in terms of financial strength, professionalism, profitability and conduct to achieve all the desired results.*

*The tight monetary stance taken by the State Bank of Pakistan is likely to continue given the inflationary pressure on the economy. At present, the SBP seems poised to hold its ground and keep interest rates tilted at the higher end. However, heavy liquidity in the system has pushed 6 months KIBOR rate to below 10%.*

*The Board takes this opportunity to thank its valued customers, shareholders, bankers, SECP, SBP, credit rating agency, auditors, employees and senior management for their confidence and patronage.*

*Dated : October 22, 2007*

*Karachi*



*Asif Ali Rashid  
Chairman*



**INTERIM CONDENSED BALANCE SHEET  
AS AT SEPTEMBER 30, 2007**

		September 30, 2007	June 30, 2007
	Note	(Un-Audited)	(Audited)
----- (Rupees) -----			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Bank Balances		849,180	28,233,418
Current Portion of Net Investment in Finance Lease	6	565,443,232	567,812,411
Investments	4	114,613,567	103,132,981
Deposits, Prepayments and Other Receivables	5	3,425,602	95,519,209
Leased Assets Repossessed upon Termination of Leases		3,943,712	4,533,654
<b>Total Current Assets</b>		<b>688,275,293</b>	<b>799,231,673</b>
<b>Non Current Assets</b>			
Net Investment in Finance Lease	6	728,041,875	743,641,958
Intangible Assets		510,269	561,815
Fixed Assets		86,992,764	87,702,623
<b>Total Non Current Assets</b>		<b>815,544,908</b>	<b>831,906,396</b>
<b>TOTAL ASSETS</b>		<b>1,503,820,201</b>	<b>1,631,138,069</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Running Finance under Markup arrangements		48,376,059	73,671,161
Current Portion of Long Term Liabilities		423,824,048	485,165,754
Accrued Markup on Loans and Other Payables		13,753,954	10,347,123
Accrued Expenses and Other Liabilities		8,426,056	54,620,482
Provision for Taxation - net		1,631,842	1,602,931
<b>Total Current Liabilities</b>		<b>496,011,959</b>	<b>625,407,451</b>
<b>Non Current Liabilities</b>			
Lease Key Money Deposits		247,201,534	229,845,396
Certificate of Investments	7	69,890,467	53,766,500
Long Term Loans - Secured		204,153,333	245,820,000
Liabilities against Assets Subject to Finance Lease		2,165,350	2,411,521
Deferred Tax Liability - net		49,093,435	49,093,435
<b>Total Non Current Liabilities</b>		<b>572,504,119</b>	<b>580,936,852</b>
<b>Total Liabilities</b>		<b>1,068,516,078</b>	<b>1,206,344,303</b>
<b>Net Assets</b>		<b>435,304,123</b>	<b>424,793,766</b>
<b>Represented By</b>			
Share Capital		300,000,000	300,000,000
Reserves		80,015,278	69,473,331
		<b>380,015,278</b>	<b>369,473,331</b>
Surplus on Revaluation of Fixed Assets - net of deferred tax		55,288,845	55,320,435
		<b>435,304,123</b>	<b>424,793,766</b>

The annexed notes from 1 to 10 form an integral part of these interim condensed financial statements

Muhammad Nasim Khan  
Chief Executive Officer

Aamir Ali Rashid  
Director

*INTERIM CONDENSED PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE QUARTER / PERIOD ENDED SEPTEMBER 30, 2007*

	<i>Quarter / Period Ended September 30,</i>	
	<i>2007</i>	<i>2006</i>
	<i>----- (Rupees) -----</i>	
<i>Income</i>		
<i>Lease Income</i>	<i>36,498,273</i>	<i>32,348,846</i>
<i>Mark-up on Deposits / Placements</i>	<i>62,077</i>	<i>36,268</i>
<i>Other Operating Income</i>	<i>5,797,015</i>	<i>7,272,375</i>
	<i>42,357,365</i>	<i>39,657,489</i>
<i>Expenses</i>		
<i>Administrative and Operating Expenses</i>	<i>5,310,246</i>	<i>5,253,953</i>
<i>Financial Charges</i>	<i>21,462,019</i>	<i>19,041,562</i>
<i>Amortization of Deferred Cost</i>	<i>-</i>	<i>1,500,000</i>
	<i>26,772,265</i>	<i>25,795,515</i>
<i>Profit before taxation</i>	<i>15,585,100</i>	<i>13,861,974</i>
<i>Provision for taxation</i>		
<i>Current Period</i>	<i>654,300</i>	<i>763,472</i>
<i>Profit for the Period</i>	<i>14,930,800</i>	<i>13,098,502</i>
<i>Earnings per share - basic and diluted</i>	<i>0.50</i>	<i>0.44</i>

*The annexed notes from 1 to 10 form an integral part of these interim condensed financial statements*



*Muhammad Nasim Khan  
Chief Executive Officer*



*Aamir Ali Rashid  
Director*



**INTERIM CONDENSED CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER / PERIOD ENDED SEPTEMBER 30, 2007**

	Quarter / Period Ended September 30,	
Note	2007	2006
	----- (Rupees) -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<i>Profit before taxation</i>	15,585,100	13,861,974
<i>Adjustments for:</i>		
<i>Depreciation</i>	709,859	574,864
<i>Amortization</i>	51,546	25,083
<i>Financial Charges</i>	21,462,019	19,041,562
<i>Net gain from transactions of marketable securities</i>	(3,373,687)	(5,818,354)
<i>Amortization of discount on Right Issue</i>	-	1,500,000
	34,434,837	29,185,129
 <i>Changes in Operating Assets / Liabilities</i>		
<i>Net Investment in Finance Lease</i>	17,969,262	(1,644,269)
<i>Lease Key Money Deposits</i>	35,440,180	16,997,864
<i>Deposits, Prepayments and Other Receivables</i>	92,093,607	13,535,283
<i>Leased Assets Repossessed upon Termination of Leases</i>	589,941	714,407
<i>Accrued Expenses and Other Liabilities</i>	(16,194,426)	11,289,070
	129,898,564	40,892,355
<i>Cash (used in) / Generated from Operations</i>	164,333,401	70,077,484
<i>Financial charges paid</i>	(18,055,188)	(11,278,148)
<i>Taxes paid</i>	(625,388)	(548,758)
	(18,680,576)	(11,826,906)
<i>Net Cash Flows from Operating Activities</i>	145,652,825	58,250,578
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
<i>Purchase of fixed assets</i>	-	(996,400)
<i>Purchase of Investments</i>	(194,227,209)	(242,499,401)
<i>Sale proceeds of Investments</i>	181,699,867	222,461,370
<i>Net Cash Flows from Investing Activities</i>	(12,527,342)	(21,034,431)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
<i>Term Loans</i>	(62,500,000)	116,666,666
<i>Certificates of Investments</i>	(42,506,518)	28,530,820
<i>Dividend paid</i>	(30,000,000)	-
<i>Repayment of Finance Lease Obligation</i>	(208,101)	(76,181)
<i>Net Cash Flows from Financing Activities</i>	(135,214,619)	145,121,305
<i>(Decrease) / Increase in cash and bank balances</i>	(2,089,136)	182,337,452
<i>Cash and bank balances at beginning of the period</i>	(45,437,743)	(71,162,956)
<i>Cash and bank balances at end of the period</i>	9 (47,526,879)	111,174,496

*The annexed notes from 1 to 10 form an integral part of these interim condensed financial statements*

Muhammad Nasim Khan  
Chief Executive Officer

Aamir Ali Rashtid  
Director

**INTERIM CONDENSED STATEMENT OF  
CHANGES IN EQUITY (UN-AUDITED)  
FOR THE QUARTER / PERIOD ENDED SEPTEMBER 30, 2007**

	Share capital	Reserve Fund	Unrealized gain / (loss) on re- measurement of available for sale investments to fair value	Unappropriated Profit	Total
	----- (Rupees) -----				
<i>Balance as at June 30, 2006</i>	300,000,000	38,808,897	(2,089,083)	18,867,269	355,587,083
<i>Profit for the Year</i>	-	-	-	60,683,684	60,683,684
<i>Transferred during the Year</i>	-	12,136,737	-	(12,136,737)	-
<i>Transfer from Surplus on Revaluation of Fixed Assets - current year - net of deferred tax</i>	-	-	-	126,360	126,360
<i>Transfer to Profit &amp; Loss Account upon Disposal of Investments</i>	-	-	2,089,083	-	2,089,083
<i>Net gain / (loss) on Available for Sale Investments</i>	-	-	(1,012,879)	-	(1,012,879)
<i>Dividend - Final 2006 @ 6%</i>	-	-	-	(18,000,000)	(18,000,000)
<i>Dividend - Interim 2007 @ 10%</i>	-	-	-	(30,000,000)	(30,000,000)
<i>Balance as at June 30, 2007</i>	<u>300,000,000</u>	<u>50,945,634</u>	<u>(1,012,879)</u>	<u>19,540,576</u>	<u>369,473,331</u>
<i>Profit for the Period</i>	-	-	-	14,930,800	14,930,800
<i>Transferred during the Period</i>	-	2,986,160	-	(2,986,160)	-
<i>Transfer from Surplus on Revaluation of Fixed Assets - current period - net of deferred tax</i>	-	-	-	31,590	31,590
<i>Transfer to Profit &amp; Loss Account upon Disposal of Investments</i>	-	-	1,012,879	-	1,012,879
<i>Net gain / (loss) on Available for Sale Investments</i>	-	-	(5,433,322)	-	(5,433,322)
<i>Balance as at September 30, 2007</i>	<u>300,000,000</u>	<u>53,931,794</u>	<u>(5,433,322)</u>	<u>31,516,806</u>	<u>380,015,278</u>

*The annexed notes from 1 to 10 form an integral part of these interim condensed financial statements*



Muhammad Nasim Khan  
Chief Executive Officer



Aamir Ali Rashid  
Director

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)  
FOR THE QUARTER / PERIOD ENDED SEPTEMBER 30, 2007**

**1. LEGAL STATUS AND OPERATIONS**

The Company was incorporated in Pakistan on April 11, 1996 as a public limited company and received certificate of commencement of business on January 27, 1997. The Company is principally engaged in the business of leasing and is listed on the Karachi Stock Exchange since 1997.

**2. BASIS OF PREPARATION OF INTERIM CONDENSED FINANCIAL STATEMENTS**

These interim condensed financial statements are unaudited and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of International Accounting Standard (IAS) - 34 "Interim Financial Reporting", as applicable in Pakistan. The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2007.

**3. ACCOUNTING POLICIES**

The accounting policies adopted for the preparation of these interim condensed financial statements are the same as those applied in preparation of financial statements for the preceding year ended June 30, 2007 except for as follows:

The deferred tax liability for the three months period to September 30, 2007 and 2006 has not been accounted for in these interim condensed financial statements as the Company considers that for leasing business due to timing of lease disbursements deferred tax liability can be more appropriately calculated at the year end.

	September 30, 2007	June 30, 2007
Note	Unaudited	Audited
	----- Rupees -----	
<b>4. INVESTMENTS</b>		
Available for Sale	114,613,567	94,899,275
At fair value through profit and loss	-	8,233,706
	114,613,567	103,132,981

**4.1 Available for Sale**

	September 30, 2007 Unaudited	June 30, 2007 Audited
	----- Rupees -----	
<i>Number of Shares / Units / Certificates</i>	<i>Name of Company / Mutual Fund</i>	
<u>September 30, 2007</u>	<u>June 30, 2007</u>	
	<u>Cost</u>	<u>Market Value</u>
	<u>Cost</u>	<u>Market Value</u>
	<i>Listed Shares / Mutual Funds</i>	
	<small>These are fully paid ordinary shares of Rs. 10/- each unless stated otherwise.</small>	
75,000	60,000	Pakistan Oil Fields Limited
300,000	200,000	O.G.D.C.
25,000	-	Pakistan Petroleum Limited
2,338,625	-	Pakistan Cement Co. Limited
100	-	Habib Bank Limited
6,138,0087	135,498,5398	AMZ Income Plus Fund
-	136,836,3437	KASB Liquid Fund
	98,518,283	93,084,961
	23,212,500	19,393,989
	34,500,000	24,985,267
	6,650,000	-
	28,063,500	-
	23,500	-
	608,863	635,461
	-	15,000,000
	-	15,194,806
	-	15,191,571
	98,518,283	93,084,961
	21,429,956	21,434,248
	21,429,956	21,434,248
	(5,433,322)	(1,012,879)
	114,514,917	94,800,625
	114,514,917	94,800,625
	98,650	98,650
	98,650	98,650
	98,650	98,650
	114,613,567	94,899,275
	114,613,567	94,899,275