

DIRECTORS' REVIEW FOR THE SIX MONTHS PERIOD ENDED MARCH 31, 2009

The Board of Directors is pleased to present the unaudited condensed interim financial statements of the Company for the six months period ended March 31, 2009.

The current financial crisis has also affected our business particularly in the United Arab Emirates (UAE).

NEW ORDERS of over Rs 8.2 billion have been received during the six months of the current financial year. Major contributions include supply of power and distribution transformers to power distribution companies in Pakistan, supply of hospital equipments, a project for mechanical, electrical and instrumentation services and a project for building 220 KV Grid station.

SALES increase by 62% when compared to the corresponding six months period to just over Rs 19 billion mainly due to the projects being undertaken in the energy sector particularly in the UAE.

PROFIT BEFORE TAX decreased by 49% in absolute terms and decreased from 9% to 3% of sales as compared to the corresponding six months period. This is mainly due to exchange rate fluctuations in Euro and other currencies and reduced margins due to change in sales mix.

PROFIT AFTER TAX is in line with profit before tax.

ORDERS IN HAND position is adequate as at the end of the second quarter.


INTERIM DIVIDEND @ 300% (Rs 30 per share) has been declared by the Board of Directors considering the performance of the first six months of the financial year.

Considering the orders in hand position of the Company as at the end of second quarter we are confident to achieve our targets budgeted for the whole financial year but due to the uncertainties involved in different segments of our business and current financial crisis it is difficult to predict about the results of the Company for the whole financial year.

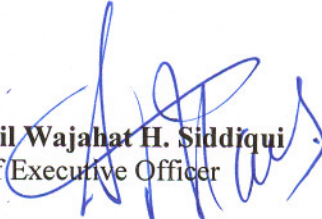
The enclosed condensed interim financial statements are unaudited. The auditors have, however, carried out a 'limited scope review' as required under the listing regulations of the stock exchanges of Pakistan.

On behalf of the Board

Siemens (Pakistan) Engineering Company Limited



Syed Babar Ali
Chairman



Sohail Wajahat H. Siddiqui
Chief Executive Officer

Karachi, April 27, 2009