



**PAK BRUNEI INVESTMENT COMPANY LTD.**

**CONSOLIDATED FINANCIAL STATEMENTS  
(UN-AUDITED)**

**FOR THE HALF YEAR ENDED JUNE 30, 2015**

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION - (UN-AUDITED)**  
**AS AT JUNE 30, 2015**

<b>June 30, 2015 (Un-audited)</b>	<b>December 31, 2014 (Audited)</b>		<b>June 30, 2015 (Un-audited)</b>	<b>December 31, 2014 (Audited)</b>
----- (US \$ in '000) -----			Note ----- (Rupees in '000) -----	
<b>ASSETS</b>				
<b>1,130</b>	1,211	Cash and balances with treasury banks	<b>114,882</b>	123,153
<b>8,956</b>	27,910	Balances with other banks	<b>910,807</b>	2,838,463
<b>15,299</b>	3,147	Lendings to financial institutions	<b>1,555,959</b>	320,000
<b>158,465</b>	231,231	Investments - net	<b>16,115,867</b>	23,516,214
<b>87,813</b>	72,697	Advances - net	<b>8,930,619</b>	7,393,282
<b>501</b>	366	Operating fixed assets	<b>50,987</b>	37,204
<b>-</b>	<b>-</b>	Deferred tax assets - net	<b>-</b>	<b>-</b>
<b>8,892</b>	11,895	Other assets	<b>904,347</b>	1,209,765
<b>281,057</b>	348,457		<b>28,583,468</b>	35,438,081
<b>LIABILITIES</b>				
<b>-</b>	<b>-</b>	Bills payable	<b>-</b>	<b>-</b>
<b>74,721</b>	171,091	Borrowings from financial institutions	<b>7,599,125</b>	17,399,905
<b>81,352</b>	50,779	Deposits and other accounts	<b>8,273,450</b>	5,164,230
<b>-</b>	<b>-</b>	Sub-ordinated loans	<b>-</b>	<b>-</b>
<b>-</b>	<b>-</b>	Liabilities against assets subject to finance lease	<b>-</b>	<b>-</b>
<b>164</b>	1,373	Deferred tax liabilities - net	<b>16,633</b>	139,656
<b>29,700</b>	34,666	Other liabilities	<b>3,020,450</b>	3,525,520
<b>185,936</b>	257,909		<b>18,909,658</b>	26,229,311
<b>95,121</b>	90,548	<b>NET ASSETS</b>	<b>9,673,810</b>	9,208,770
<b>REPRESENTED BY</b>				
<b>58,997</b>	58,997	Share capital	<b>6,000,000</b>	6,000,000
<b>10,093</b>	8,633	Reserves	<b>1,026,426</b>	878,000
<b>24,989</b>	20,407	Unappropriated profit	<b>2,541,361</b>	2,075,432
<b>94,079</b>	88,038		<b>9,567,787</b>	8,953,432
<b>1,043</b>	2,511	Deficit on revaluation of assets - net of deferred tax	<b>106,023</b>	255,338
<b>95,121</b>	90,548		<b>9,673,810</b>	9,208,770
<b>CONTINGENCIES AND COMMITMENTS</b>				
			14	

The annexed notes 1 to 19 form an integral part of these consolidated condensed interim financial statements.

Chief Executive

Director

Director

Chairman

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2015**

Half Year Ended June 30, 2015	Half Year Ended June 30, 2014		Quarter Ended June 30, 2015	Half Year Ended June 30, 2015	Quarter Ended June 30, 2014	Half Year Ended June 30, 2014
----- (US \$ in '000) -----			Note ----- (Rupees in '000) -----			
13,418	16,069	Mark-up / return / interest earned	631,648	1,364,604	909,883	1,634,251
7,092	9,744	Mark-up / return / interest expensed	343,277	721,214	567,897	990,954
<b>6,326</b>	<b>6,325</b>	<b>Net mark-up / interest income</b>	<b>288,371</b>	<b>643,390</b>	<b>341,986</b>	<b>643,297</b>
693	(0)	(Reversal)/provision against non-performing loans and advances	70,353	70,455	(21)	(42)
(2)	(33)	(Reversal)/Provision for diminution in the value of investments	684	(191)	(236)	(3,401)
-	-	Bad debts written off directly	-	-	-	-
<b>691</b>	<b>(34)</b>		<b>71,037</b>	<b>70,264</b>	<b>(257)</b>	<b>(3,443)</b>
<b>5,635</b>	<b>6,359</b>	<b>Net mark-up / interest income after provisions</b>	<b>217,334</b>	<b>573,126</b>	<b>342,243</b>	<b>646,740</b>
<b>NON MARK-UP/ INTEREST INCOME</b>						
86	151	Fee, commission and brokerage income	337	8,715	6,829	15,329
346	181	Dividend income	15,370	35,206	4,544	18,404
4,297	3,103	Gain on sale of securities - net	19,224	436,990	288,398	315,553
-	-	Unrealized gain on revaluation of				
(569)	23	investments classified as held for trading	(18,205)	(57,851)	4,287	2,373
1	22	Other income	51	51	2,098	2,234
<b>4,160</b>	<b>3,480</b>	<b>Total non-markup / interest income</b>	<b>16,777</b>	<b>423,111</b>	<b>306,156</b>	<b>353,893</b>
<b>9,796</b>	<b>9,839</b>		<b>234,111</b>	<b>996,237</b>	<b>648,399</b>	<b>1,000,633</b>
<b>NON MARK-UP/ INTEREST EXPENSES</b>						
2,097	1,803	Administrative expenses	98,474	213,299	100,353	183,360
-	-	Other provisions / write offs	-	-	-	-
-	-	Other charges	-	-	-	-
<b>2,097</b>	<b>1,803</b>	<b>Total non-markup / interest expenses</b>	<b>98,474</b>	<b>213,299</b>	<b>100,353</b>	<b>183,360</b>
<b>7,699</b>	<b>8,036</b>		<b>135,637</b>	<b>782,938</b>	<b>548,047</b>	<b>817,274</b>
-	-		-	-	-	-
<b>7,699</b>	<b>8,036</b>	<b>PROFIT BEFORE TAXATION</b>	<b>135,637</b>	<b>782,938</b>	<b>548,047</b>	<b>817,274</b>
2,726	324	Taxation - Current	187,911	277,242	(8,668)	32,964
238	-	- Prior years	24,248	24,248	-	-
(867)	180	- Deferred	(88,200)	(88,200)	18,330	18,330
<b>2,097</b>	<b>504</b>		<b>123,959</b>	<b>213,290</b>	<b>9,662</b>	<b>51,294</b>
<b>5,601</b>	<b>7,532</b>	<b>PROFIT AFTER TAXATION</b>	<b>11,678</b>	<b>569,648</b>	<b>538,385</b>	<b>765,980</b>
<b>Attributable to</b>						
6,706	4,489	Equity Shareholder	166,021	682,008	456,566	489,078
-	-	Non-controlling interest	-	-	-	-
(1,105)	805	Minority investor of funds	(154,343)	(112,360)	81,819	276,902
<b>5,601</b>	<b>5,294</b>		<b>11,678</b>	<b>569,648</b>	<b>538,385</b>	<b>765,980</b>
-----US Dollar-----			-----Rupees-----			
<b>0.0112</b>	<b>0.0080</b>	<b>Earnings Per Share - Basic and Diluted (Rupees)</b>	<b>0.28</b>	<b>1.14</b>	<b>0.76</b>	<b>0.82</b>

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The annexed notes 1 to 19 form an integral part of these consolidated condensed interim financial statements.

Chief Executive

Director

Director

Chairman

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2015**

<b>Half Year Ended June 30, 2015</b>	<b>Half Year Ended June 30, 2014</b>		<b>Quarter Ended June 30, 2015</b>	<b>Half Year Ended June 30, 2015</b>	<b>Quarter Ended June 30, 2014</b>	<b>Half Year Ended June 30, 2014</b>
----- (US \$ in '000) -----			----- (Rupees in '000) -----			
<b>5,601</b>	7,532	Profit after taxation for the period	<b>11,678</b>	<b>569,648</b>	538,385	765,980
-	-	Other comprehensive income	-	-	-	-
<b><u>5,601</u></b>	<u>7,532</u>	<b>Total comprehensive income for the period</b>	<b><u>11,678</u></b>	<b><u>569,648</u></b>	<u>538,385</u>	<u>765,980</u>

Deficit / surplus on revaluation of assets has been reported in accordance with the requirements of the Companies Ordinance, 1984 and the directives of the State Bank of Pakistan in a separate account below equity.

The annexed notes 1 to 19 form an integral part of these consolidated condensed interim financial statements.

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**Chief Executive**

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**Director**

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**Director**

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**Chairman**

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2015**

Half Year Ended June 30, 2015 ----- (US \$ in '000) -----	Half Year Ended June 30, 2014		Half year ended June 30, 2015 ----- (Rupees in '000) -----	Half year ended June 30, 2014 ----- (Rupees in '000) -----
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>7,699</b>	4,196	Profit before taxation	<b>782,938</b>	426,731
<b>(346)</b>	(164)	Less: Dividend income	<b>(35,206)</b>	(16,659)
<b>7,352</b>	4,032		<b>747,732</b>	410,072
Adjustments for non-cash charges				
<b>82</b>	79	Depreciation	<b>8,373</b>	8,062
<b>14</b>	14	Amortization	<b>1,379</b>	1,379
<b>693</b>	(0)	Provision against non performing advances	<b>70,455</b>	(42)
<b>(2)</b>	(33)	Provision for diminution in the value of investments	<b>(191)</b>	(3,401)
<b>(0.15)</b>	(1.24)	Gain on sale of propert & equipment	<b>(15)</b>	(126)
<b>569</b>	6	Unrealized gain on revaluation of investments classified as held for trading	<b>57,851</b>	632
<b>-</b>	-	Unrealized loss on interest rate swap contracts	<b>-</b>	-
<b>-</b>	-	Finance charges on leased assets	<b>-</b>	-
<b>1,355</b>	64		<b>137,852</b>	6,504
<b>8,708</b>	4,096		<b>885,584</b>	416,576
(Increase) / decrease in operating assets				
<b>(12,153)</b>	-	Lendings to financial institutions	<b>(1,235,959)</b>	-
<b>(42,126)</b>	-	Held-for-trading securities	<b>(4,284,212)</b>	-
<b>(15,809)</b>	6,155	Advances	<b>(1,607,792)</b>	625,951
<b>2,979</b>	(3,031)	Other assets (excluding advance taxation)	<b>302,966</b>	(308,293)
<b>(67,109)</b>	3,123		<b>(6,824,997)</b>	317,658
Increase in operating liabilities				
<b>(96,370)</b>	(87,780)	Borrowings from financial institutions	<b>(9,800,780)</b>	(8,927,240)
<b>30,572</b>	35,010	Deposits and other accounts	<b>3,109,220</b>	3,560,519
<b>(4,966)</b>	2,274	Other liabilities (excluding current taxation)	<b>(505,070)</b>	231,224
<b>(70,763)</b>	(50,497)		<b>(7,196,630)</b>	(5,135,497)
<b>(129,165)</b>	(43,277)		<b>(13,136,043)</b>	(4,401,263)
<b>-</b>	-	Financial charges paid	<b>-</b>	-
<b>(1,319)</b>	(777)	Income tax paid	<b>(134,144)</b>	(79,022)
<b>(130,484)</b>	(44,054)	Net cash flows from operating activities	<b>(13,270,187)</b>	(4,480,285)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>112,704</b>	39,918	Net investments in available-for-sale securities	<b>11,461,988</b>	4,059,648
<b>-</b>	9,484	Net Investment in Associates	<b>-</b>	964,493
<b>932</b>	1,283	Dividend income received	<b>94,820</b>	130,479
<b>(254)</b>	(9)	Investment in operating fixed assets	<b>(25,797)</b>	(866)
<b>32</b>	1	Sale proceeds from disposal of property and equipment	<b>3,249</b>	137
<b>113,415</b>	50,677	Net cash used in investing activities	<b>11,534,260</b>	5,153,891
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>-</b>	-	Payments of lease obligations	<b>-</b>	-
<b>(1,967)</b>	(1,967)	Dividend paid	<b>(200,000)</b>	(200,000)
<b>(1,967)</b>	(1,967)	Net cash flows from financing activities	<b>(200,000)</b>	(200,000)
<b>(19,036)</b>	4,657	Increase / (decrease) in cash and cash equivalents	<b>(1,935,927)</b>	473,606
<b>29,121</b>	3,264	Cash and cash equivalents at beginning of the period	<b>2,961,616</b>	331,899
<b>10,085</b>	7,920	Cash and cash equivalents at end of the period	<b>1,025,689</b>	805,505

The annexed notes 1 to 19 form an integral part of these consolidated condensed interim financial statements.

Chief Executive

Director

Director

Chairman

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE HALF YEAR ENDED JUNE 30, 2015**

	Share capital	Statutory reserve	Unappropriated profit	Total
	----- (Rupees in '000) -----			
<b>Balance as at January 01, 2014</b>	6,000,000	697,026	1,568,385	8,265,411
<b>Comprehensive income</b> - Profit after taxation for the six months ended June 30, 2014	-	-	765,980	765,980
Transfer to statutory reserve	-	73,618	(73,618)	-
Transfer to general reserve	-	-	-	-
Final cash dividend for the year ended December 31, 2013 declared subsequent to the year end at Re. 0.33 per share	-	-	(200,000)	(200,000)
<b>Balance as at June 30, 2014</b>	<b>6,000,000</b>	<b>770,644</b>	<b>2,060,747</b>	<b>8,831,391</b>
<b>Comprehensive income</b> - Profit after taxation for the six months ended December 31, 2014	-	-	123,407	123,407
Other comprehensive income	-	-	(1,366)	(1,366)
Transfer to statutory reserve	-	107,356	(107,356)	-
<b>Balance as at January 01, 2015</b>	<b>6,000,000</b>	<b>878,000</b>	<b>2,075,432</b>	<b>8,953,432</b>
<b>Comprehensive income</b> - Profit after taxation for the six months ended June 30, 2015	-	-	569,648	569,648
Transfer to statutory reserve	-	148,426	(148,426)	-
Other movements in funds	-	-	244,707	244,707
Final cash dividend for the year ended December 31, 2014 declared subsequent to the year end at Re. 0.33 per share	-	-	(200,000)	(200,000)
<b>Balance as at June 30, 2015</b>	<b>6,000,000</b>	<b>1,026,426</b>	<b>2,541,361</b>	<b>9,567,787</b>

The annexed notes 1 to 19 form an integral part of these consolidated condensed interim financial statements.

\_\_\_\_\_  
**Chief Executive**

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**Director**

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**Director**

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**Chairman**

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE HALF ENDED JUNE 30, 2015**

**1. STATUS AND NATURE OF BUSINESS**

Brief profile of the Group is as follows:

**Holding Company**

Pak Brunei Investment Company Limited (the "holding company" or "parent" ) is a Development Finance Institution (DFI) incorporated as an un-listed public limited company under the Companies Ordinance, 1984. The State Bank of Pakistan (the SBP) granted the approval for commencement of business with effect from August 20, 2007. The Holding Company is a joint venture between the Government of Pakistan and the Brunei Investment Agency. The Holding Company's objective interalia includes making investments in the industrial and agro based industrial fields in Pakistan on commercial basis through carrying out of industrial and agro based industrial projects and making of their products in Pakistan and abroad and to undertake other feasible business and to establish and acquire companies to conduct various businesses. The registered office of the holding Company is situated at Horizon Vista, Commercial-10, Block No. 4, Scheme No.5, Clifton, Karachi, Pakistan.

**The Group's subsidiaries are as follows:**

Entity	Country of Incorporation	Nature of business	Shareholding	
			30-Jun-15	31-Dec-14
Primus Investment Management Limited	Pakistan	Incorporated as an unlisted public limited company under the Companies Ordinance, 1984, The principal activities of the company are Asset Management and Investment Advisory services.	100.00%	100.00%
Awwal Modaraba Management Limited	Pakistan	Incorporated as an unlisted public limited company under the Companies Ordinance, 1984, The principal activities of the company is the Modaraba floatation and Management.	100.00%	100.00%
PIML Income Fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	72.71%	71.38%
PIML Daily Reserve Fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	10.38%	47.18%
PIML Strategic Multi Asset Fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	80.36%	91.30%
PIML Islamic Money Market Fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	98.23%	88.17%
PIML Islamic Equity Fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	99.11%	90.16%
PIML Value Equity Fund	Pakistan	Established as an open-end scheme under the Non-Banking Finance Companies Rules, 2003 and Notified Entities Regulations, 2008.	78.16%	-

**2. BASIS OF PRESENTATION**

**2.1 Basis of Measurement**

These consolidated financial statements have been prepared under the historical cost convention except that certain investments and derivatives have been stated at revalued amounts in accordance with the directives of the State Bank of Pakistan (SBP).

## **2.1 New accounting standard effective during the period**

During the period, the company adopted IFRS 10 'Consolidated Financial Statements'. IFRS 10 replaces the parts of previously existing IAS 27 'Consolidated and Separate Financial Statements' that dealt with consolidated financial statements and SIC-12 Consolidation – Special Purpose Entities and establishes a single control model that applies to all entities including special purpose entities.

IFRS 10 changes the definition of control such that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Accordingly, the following companies are now treated as subsidiaries of the group and their results have been consolidated in these financial statements from the earliest period presented:

1. PIML Income Fund
2. PIML Daily Reserve Fund
3. PIML Strategic Multi Asset Fund
4. PIML Islamic Money Market Fund
5. PIML Islamic Equity Fund
6. PIML Value Equity Fund

## **2.2 US Dollar equivalent**

The US dollar amounts shown in the consolidated condensed interim statement of financial position, consolidated condensed interim profit and loss account, consolidated condensed interim statement of comprehensive income and consolidated condensed interim statement of cash flow are stated as additional information solely for the convenience of readers. For this purpose of conversion to US Dollars, the rate of Rs. 101.70 to US Dollars has been used for both 2014 and 2015, as it was the prevalent rate as on June 30, 2015.

## **3. STATEMENT OF COMPLIANCE**

- 3.1** These consolidated condensed interim financial statements of the Company for the period ended June 30, 2015 have been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting, provisions of the Companies Ordinance, 1984, Banking Companies Ordinance, 1962 and directives issued by the Securities and Exchange Commission of Pakistan and the State Bank of Pakistan. In case where requirements differ, the provisions of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and the said directives have been followed.
- 3.2** The State Bank of Pakistan has deferred the applicability of International Accounting Standard (IAS) 39, 'Financial Instruments: Recognition and Measurement' and International Accounting Standard (IAS) 40, 'Investment Property' for Non Banking Financial Institutions in Pakistan vide BSD Circular Letter number 11 dated September 11, 2002, till further instructions. Further, according to the notification of SECP dated April 28, 2008, the IFRS - 7 "Financial Instruments: Disclosures" has not been made applicable for banks and NBFCs. Therefore, it is also not applicable on the Company as it follows the same format of reporting as made applicable on banks by the SBP and accordingly, the requirements of these standards have not been considered in the preparation of these unconsolidated condensed interim financial statements. However, investments have been classified and valued in accordance with the requirements of various circulars issued by SBP.
- 3.3** The disclosures made in these consolidated condensed interim financial statements have been limited based on the format prescribed by the SBP vide BSD Circular Letter No. 2, dated May 12, 2004 and International Accounting Standard (IAS) 34, 'Interim Financial Reporting' and do not include all the information required in the annual financial statements. Accordingly, these consolidated condensed interim financial statements should be read in conjunction with the annual consolidated financial statements of the Company for the year ended December 31, 2014.



#### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation followed in preparation of these consolidated financial statements are same as those applied in preparing the most recent annual consolidated financial statements of the Company.

#### **5. ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of consolidated financial statements requires management to make judgement, estimates and assumptions 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 the management in applying the accounting policies and the key sources of estimating uncertainty were the same as those applied to consolidated financial statements for the year ended December 31, 2014.

#### **6. FINANCIAL RISK MANAGEMENT**

The financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements of the Company for the year ended December 31, 2014.

## 7. INVESTMENTS - net

	Note	Held by Company	Given as collateral	Total
		(Rupees in '000)		
Current period (June 30, 2015) - Un-audited	7.1	<u>13,731,030</u>	<u>2,384,838</u>	<u>16,115,868</u>
Prior year (December 31, 2014) - Audited	7.1	<u>9,430,095</u>	<u>14,086,119</u>	<u>23,516,214</u>
Prior year corresponding period (June 30, 2014) - Un-audited		<u>9,014,057</u>	<u>13,121,604</u>	<u>22,135,661</u>

June 30, 2015 (Un-audited)			December 31, 2014 (Audited)		
Held by Company	Given as collateral	Total	Held by Company	Given as collateral	Total
(Rupees in '000)			(Rupees in '000)		

### 7.1 Investments by type:

#### Held-for-trading securities

Market Treasury Bills	1,706,288	-	1,706,288	-	-	-
Pakistan Investment Bonds	2,398,997	-	2,398,997	48,341	-	48,341
Term Finance Certificates and Sukuks	389,170	-	389,170	369,700	-	369,700
Ordinary shares of listed companies	294,357	-	294,357	86,559	-	86,559
	4,788,812	-	4,788,812	504,600	-	504,600

#### Available- for- sale securities

Market Treasury Bills	939,108	-	939,108	2,840,742	8,062,491	10,903,233
Pakistan Investment Bonds	3,724,721	2,237,659	5,962,380	2,328,978	5,776,186	8,105,164
Ordinary shares of listed companies	1,428,535	-	1,428,535	852,914	-	852,914
Ordinary shares of un-listed companies	124,670	-	124,670	124,670	-	124,670
Term Finance Certificates and Sukuks	2,736,666	-	2,736,666	2,789,859	-	2,789,859
Commercial Paper	124,118	-	124,118	-	-	-
Mutual Funds	29,835	-	29,835	29,835	-	29,835
Preference Shares	92,260	-	92,260	93,885	-	93,885
	9,199,913	2,237,659	11,437,572	9,060,883	13,838,677	22,899,560

#### Investments at cost

	13,988,725	2,237,659	16,226,384	9,565,483	13,838,677	23,404,160
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#### Less: Provision for diminution in value of Investments

	(240,112)	-	(240,112)	(240,304)	-	(240,304)
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#### Investments (net of provisions)

	13,748,613	2,237,659	15,986,272	9,325,179	13,838,677	23,163,856
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#### Surplus on revaluation of held-for-trading securities

	(43,332)	-	(43,332)	16,003	-	16,003
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#### (Deficit) / surplus on revaluation of available-for-sale securities - net

	25,749	147,179	172,928	88,913	247,442	336,355
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#### Total investments at market value

	13,731,030	2,384,838	16,115,868	9,430,095	14,086,119	23,516,214
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Note	June 30,	December 31,
	2015 (Un-audited) ----- (Rupees in '000) -----	2014 (Audited)
<b>8. ADVANCES - net</b>		
Loans, cash credits, running finances, etc. - In Pakistan	<b>6,159,491</b>	5,059,839
Advances under State Bank of Pakistan (SBP)		
-Long Term Finance Facility (LTFF)	<b>1,468,618</b>	1,293,827
-Power Plants Using Renewable Energy Scheme (PPRE)	<b>134,291</b>	
-Finance for Storage of Agriculture Produce Scheme (FFSAP)	<b>17,672</b>	
Net investment in finance lease - in Pakistan	<b>1,223,866</b>	1,042,480
Advances - gross	<b>9,003,938</b>	7,396,146
Provision for non-performing advances - Specific	8.1	(72,850)
Provision for non-performing advances - General		(469)
		(73,319)
Advances - net of provision	<b>8,930,619</b>	7,393,282

**8.1** Advances include Rs. 283.787 million (December 31, 2014: Rs. 2.537 million), which have been placed under non-performing status as detailed below:

<u>Category of Classification</u>	June 30, 2015 (Un-audited)				
	Rupees in '000				
	Non-performing loans			Provision	Provision
	Domestic	Overseas	Total	Required	Held
Other assets especially mentioned	-	-	-	-	-
Substandard	281,250	-	281,250	70,313	70,313
Doubtful	-	-	-	-	-
Loss	2,537	-	2,537	2,537	2,537
	<b>283,787</b>	-	<b>283,787</b>	<b>72,850</b>	<b>72,850</b>

<u>Category of Classification</u>	December 31, 2014 (Audited)				
	Rupees in '000				
	Non-performing loans			Provision	Provision
	Domestic	Overseas	Total	Required	Held
Other assets especially mentioned	-	-	-	-	-
Substandard	-	-	-	-	-
Doubtful	-	-	-	-	-
Loss	2,537	-	2,537	2,537	2,537
	<b>2,537</b>	-	<b>2,537</b>	<b>2,537</b>	<b>2,537</b>

## 9. OPERATING FIXED ASSETS

Additions during the six months period ended June 30, 2015 amounted to Rs.25.75 million (2014: Rs.0.613 million) while disposals had a cost of Rs.10.47 million (2014: Rs.1.510 million) and written down value of Rs.3.23 million (2014: Rs.0.011 million).

	Note	June 30, 2015 (Un-audited)	December 31, 2014 (Audited)
----- (Rupees in '000) -----			
<b>10. OTHER ASSETS</b>			
Income / mark-up accrued in local currency		469,611	514,286
Advances, deposits and other prepayments		242,374	286,471
Advance tax (payment less provision)		113,658	277,869
Dividend receivable		-	250
Receivable against sale of assets and non-banking assets acquired in satisfaction of claims	10.1	110,559	-
Others		18,145	209
		<u>954,347</u>	<u>1,259,765</u>
Less: Provision held against advances, deposits and other prepayments		(50,000)	(50,000)
Other assets (net of provision)		<u>904,347</u>	<u>1,209,765</u>

**10.1** The terms and conditions of the transaction are same as disclosed in the annual financial statements for the year ended December 31, 2014.

## 11. BORROWINGS FROM FINANCIAL INSTITUTIONS

### Secured

Borrowings from State Bank of Pakistan under			
- Long-Term Finance Facility (LTFF) Scheme		1,362,162	1,248,827
- Power Plants Using Renewable Energy (PPRE) Scheme		179,291	45,000
- Financing for Storage of Agriculture Produce (FFSAP) Scheme		17,672	-
Repurchase agreement borrowings (Repo)		2,140,000	13,944,322
Borrowing from banks		2,500,000	750,000
		<u>6,199,125</u>	<u>15,988,149</u>

### Unsecured

Letters of placement		1,400,000	1,411,756
		<u>7,599,125</u>	<u>17,399,905</u>

## 12. DEPOSITS AND OTHER ACCOUNTS

Certificate of investment - remunerative	12.1	<u>8,273,450</u>	<u>5,164,230</u>
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**12.1** These deposits are placed with the Company at an interest rate of 7.25% to 10.20% per annum (December 31, 2014: 7.255% to 10.50% per annum). These are repayable within 1 months to 6 months (December 31, 2014: 1 month to 10 months).

### 13. SHARE CAPITAL

#### ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

June 30, 2015 (Un-audited) ----- (Number of shares) -----	December 31, 2014 (Audited)		Note	June 30, 2015 (Un-audited) ----- (Rupees in '000) -----	December 31, 2014 (Audited)
<u>600,000,000</u>	<u>600,000,000</u>	Ordinary shares of Rs. 10 each fully paid in cash	11.1	<u>6,000,000</u>	<u>6,000,000</u>

- 13.1** The Ministry of Finance and Secretary Economic Affairs Division holds 299,996,000 and 4,001 shares (December 31, 2014: 299,996,000 and 4,001 shares ) respectively on behalf of Government of Pakistan and remaining 300,000,000 shares (December 31, 2014: 300,000,000 shares) are held by Brunei Investment Agency.

### 14. CONTINGENCIES AND COMMITMENTS

There has been no change in the disclosure of contingencies and commitments as disclosed in last annual audited financial statements for the year ended December 31, 2014, except as follows:

	June 30, 2015 (Un-audited) ----- (Rupees in '000) -----	December 31, 2014 (Audited)
<b>14.1 Commitments for trading in government securities</b>		
Purchase of Govt. securities	<u>931,316</u>	<u>1,106,995</u>
Sale (repo)	<u>2,142,702</u>	<u>13,952,913</u>
<b>14.2 Commitments to extend credit</b>	<u>1,591,456</u>	<u>2,350,945</u>
<b>14.3 Other commitments</b>		
Receivable againts sale of shares	<u>304,034</u>	<u>-</u>

### 15. EARNINGS PER SHARE - BASIC AND DILUTED

	Quarter Ended June 30, 2015 ----- (Un-audited) -----	Half Year Ended June 30, 2015	Quarter Ended June 30, 2014	Half Year Ended June 30, 2014
Profit after taxation for the period attributable to ordinary shareholders (Rupees in '000)	<u>166,021</u>	<u>682,008</u>	<u>456,566</u>	<u>489,078</u>
Weighted average number of ordinary shares outstanding during the period (in '000)	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u>
Basic and diluted earnings per share (Rupees)	<u>0.28</u>	<u>1.14</u>	<u>0.76</u>	<u>0.82</u>

## 16. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

The segment analysis with respect to business activities is as follows:

	Corporate Finance	Trading & Sales	Commercial Banking
	----- (Rupees in '000) -----		
<b>June 30, 2015 - Un-audited</b>			
Total income	42,010	1,458,911	348,372
Total expenses	23,330	878,871	164,154
Net income	18,680	580,040	184,218
Segment assets (gross)	-	20,384,743	8,512,156
Segment non performing loans	-	283,787	-
Investment provided for	-	324,767	-
Segment provision held	-	313,431	-
Segment liabilities	-	11,597,235	5,380,668
Segment Return on Assets (ROA) (%)	-	5.12%	5.06%
Segment Return on net Assets (ROA) (%)	-	5.93%	1.88%
Segment cost of funds (%)	-	8.91%	8.91%
<b>June 30, 2014 - Un-audited</b>			
Total income	48,611	1,135,826	382,072
Total expenses	36,090	824,396	278,467
Net income	12,521	311,430	103,605
Segment assets (gross)	-	24,971,057	6,049,147
Segment non performing loans	-	2,537	-
Investment provided for	-	344,533	-
Segment provision held	-	243,102	-
Segment liabilities	-	17,784,374	4,355,600
Segment Return on Assets (ROA) (%)	-	2.37%	3.22%
Segment Return on net Assets (ROA) (%)	-	9.30%	6.37%
Segment cost of funds (%)	-	9.45%	9.45%

## 17. RELATED PARTY TRANSACTIONS

The Company has related party relationship with:

- subsidiary companies (Primus Investment Management Ltd., Awwal Modaraba Management Ltd. and funds managed by Primus)
- its employee defined benefit and contribution plans;
- its key management personnel;
- other related parties include Omer Jibran Engineering Industries Ltd., Nimir Industrial Chemicals Limited, Maple Leaf Cement and Haq Bahu Sugar Mills (Pvt) Limited due to common directorship.

Details of transactions with related parties during the period, are as follows:

	For the half year ended June 30, 2015 (Un-audited)			For the year ended December 31, 2014 (Audited)		
	Key management personnel	Other related parties	State controlled entities	Key management personnel	Other related parties	State controlled entities
	----- (Rupees in '000) -----					
<b>Advances</b>						
At beginning of the period / year	55,016	679,632	160,825	36,726	415,723	127,852
Given during the period	12,196	23,009	9,514	23,622	297,918	66,982
Deleted during the period	-	-	-	-	-	-
Repaid during the period	(11,577)	(181,291)	(18,322)	(5,332)	(34,009)	(34,009)
At end of the period	55,635	521,350	152,017	55,016	679,632	160,825
	-	-	-	-	-	-
<b>Borrowings</b>						
At beginning of the period	-	-	15,880,124	-	-	13,263,851
Received during the period	-	-	130,451,690	-	-	460,721,602
Redemption during the period	-	-	(143,672,689)	-	-	(458,105,329)
At end of the period	-	-	2,659,125	-	-	15,880,124
	-	-	-	-	-	-
<b>Placements</b>						
At beginning of the period	-	-	-	-	-	-
Placements made during the period	-	-	3,316,261	-	-	2,613,974
Placements matured during the period	-	-	(3,316,261)	-	-	(2,613,974)
At end of the period	-	-	-	-	-	-
	-	-	-	-	-	-
<b>Investments</b>						
At beginning of the period	-	578,979	15,508,620	-	334,984	29,676
Investments made during the period	-	606,021	16,234,294	-	723,034	74,493,435
Redemption during the period	-	(872,391)	(24,574,793)	-	(479,039)	(59,014,491)
At end of the period	-	312,609	7,168,121	-	578,979	15,508,620
	-	-	-	-	-	-
	For the half year ended June 30, 2015 (Un-audited)			For the half year ended June 30, 2014 (Un-audited)		
	Key management personnel	Other related parties	State controlled entities	Key management personnel	Other related parties	State controlled entities
	----- (Rupees in '000) -----					
Mark-up / return / interest earned	1,171	28,165	527,822	559	68,130	8,658
Mark-up / return / interest expensed	21	-	290,507	-	-	364,512
Gain on sale of securities - net	-	16,979	492,276	-	22,181	12,960
Dividend Income	-	899	7,572	-	-	3,764
Salaries and other benefits	64,718	-	-	43,239	-	-
Contribution to Provident Fund	2,683	-	-	2,185	-	-
Contribution to Gratuity Fund	1,594	-	-	-	-	-
Re-imbursment of expenses	2,264	-	-	2,331	-	-

**18. GENERAL**

**18.1 Credit Rating**

The holding company has been assigned credit rating of 'AA+' (Double A plus) in the medium to long term and A1+ (A One Plus) in the short-term by The Pakistan Credit Rating (PACRA) in June 2015. Outlook on the assigned rating is "Stable".

**18.2** Figures have been rounded-off to the nearest thousand rupees.

**19. DATE OF AUTHORIZATION FOR ISSUE**

These unconsolidated condensed interim financial statements were authorized for issue on 22-September-2015 by Board of Directors of the Company.

\_\_\_\_\_  
**Chief Executive**

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Director**

\_\_\_\_\_  
**Chairman**