

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2017**

September 30, 2017 (Un-audited) ----- (US \$ in '000') -----	December 31, 2016 (Audited)		September 30, 2017 (Un-audited) ----- (Rupees in '000') -----	December 31, 2016 (Audited)
<b>ASSETS</b>				
552	3,054	Cash and balances with treasury banks	58,217	322,004
1,017	18,369	Balances with other banks	107,295	1,936,970
4,742	4,723	Lendings to financial institutions	500,000	498,065
54,281	157,967	Investments - net	5,723,926	16,657,665
159,690	132,726	Advances - net	16,839,262	13,995,942
193	239	Operating fixed assets	20,380	25,160
797	1,028	Deferred tax assets-net	84,055	108,371
5,957	8,029	Other assets	628,211	846,629
<b>227,229</b>	<b>326,134</b>		<b>23,961,346</b>	<b>34,390,806</b>
<b>LIABILITIES</b>				
-	-	Bills payable	-	-
87,183	194,338	Borrowings	9,193,442	20,492,898
35,315	27,629	Deposits and other accounts	3,723,937	2,913,487
-	-	Sub-ordinated loans	-	-
-	-	Liabilities against assets subject to finance lease	-	-
-	-	Deferred tax liabilities-net	-	-
6,592	5,271	Other liabilities	695,141	555,864
<b>129,090</b>	<b>227,238</b>		<b>13,612,520</b>	<b>23,962,249</b>
<b>98,140</b>	<b>98,896</b>	<b>NET ASSETS</b>	<b>10,348,826</b>	<b>10,428,557</b>
<b>REPRESENTED BY</b>				
56,899	56,899	Share capital	6,000,000	6,000,000
12,561	11,927	Reserves	1,324,527	1,257,721
30,347	30,658	Unappropriated profit	3,200,122	3,232,896
<b>99,807</b>	<b>99,484</b>		<b>10,524,649</b>	<b>10,490,617</b>
(1,667)	(589)	Deficit on revaluation of assets - net of tax	(175,823)	(62,060)
<b>98,140</b>	<b>98,896</b>		<b>10,348,826</b>	<b>10,428,557</b>

**CONTINGENCIES AND COMMITMENTS** 9

The annexed notes 1 to 14 form an integral part of these unconsolidated financial statements.

Chief Financial Officer

Chief Executive Officer

Director

Director

Chairman

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - (UN-AUDITED)**  
**FOR THE QUARTER AND PERIOD ENDED SEPTEMBER 30, 2017**

<u>Period ended</u>			<u>Quarter ended</u>		<u>Period ended</u>	
<u>September 30,</u>	<u>September 30,</u>		<u>September 30,</u>	<u>September 30,</u>	<u>September 30,</u>	<u>September 30,</u>
<u>2017</u>	<u>2016</u>		<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
----- (US \$ in '000') -----			----- (Rupees in '000') -----			
<b>10,913</b>	10,994	Mark-up / Return / Interest earned	<b>364,809</b>	325,125	<b>1,150,772</b>	1,159,278
<b>6,934</b>	7,372	Mark-up / Return / Interest expensed	<b>202,206</b>	222,855	<b>731,158</b>	777,358
<b>3,979</b>	3,622	Net mark-up / Interest income	<b>162,603</b>	102,270	<b>419,614</b>	381,920
		(Reversal)/Provision against non-performing loans and advances	<b>29,102</b>	36,219	<b>57,820</b>	83,269
<b>548</b>	790		<b>619</b>	(45,033)	<b>14,079</b>	(16,446)
<b>134</b>	(156)	Provision for diminution in the value of investments	-	-	-	-
-	-	Bad debts written off directly	<b>29,721</b>	(8,814)	<b>71,899</b>	66,823
<b>682</b>	634		<b>132,882</b>	111,084	<b>347,715</b>	315,097
<b>3,297</b>	2,988	Net mark-up / interest income after provisions				
<b>NON MARK-UP/ INTEREST INCOME</b>						
<b>333</b>	765	Fee, commission and brokerage income	<b>10,641</b>	26,727	<b>35,153</b>	80,686
<b>212</b>	1,889	Dividend income	<b>2,763</b>	150,345	<b>22,380</b>	199,231
<b>3,358</b>	6,228	Gain on sale of securities	<b>(1,197)</b>	149	<b>354,112</b>	656,730
-		Unrealized gain / (loss) on revaluation of investments classified as held for trading	<b>227</b>	(1,608)	<b>310</b>	(2,425)
<b>3</b>	(23)		<b>11</b>	-	<b>558</b>	998
<b>5</b>	9	Other income	<b>12,445</b>	175,613	<b>412,513</b>	935,220
<b>3,912</b>	8,869	Total non-mark-up / interest income	<b>145,327</b>	286,697	<b>760,228</b>	1,250,317
<b>7,209</b>	11,857					
<b>NON MARK-UP/ INTEREST EXPENSES</b>						
<b>2,166</b>	2,116	Administrative expenses	<b>70,314</b>	70,789	<b>228,448</b>	223,173
-	-	Other provisions / write offs - net	-	-	-	-
-	-	Other charges	-	-	-	-
<b>2,166</b>	2,116	Total non-mark-up / interest expenses	<b>70,314</b>	70,789	<b>228,448</b>	223,173
<b>5,043</b>	9,741		<b>75,013</b>	215,908	<b>531,780</b>	1,027,144
-	-	Extra ordinary/unusual items	-	-	-	-
<b>5,043</b>	9,741	<b>PROFIT BEFORE TAXATION</b>	<b>75,013</b>	215,908	<b>531,780</b>	1,027,144
<b>1,373</b>	2,765	Taxation - Current	<b>73,245</b>	45,995	<b>144,803</b>	291,546
<b>369</b>	461	- Prior years	-	11,720	<b>38,923</b>	48,605
<b>133</b>	(279)	- Deferred	<b>(42,001)</b>	-	<b>14,022</b>	(29,420)
<b>1,875</b>	2,947		<b>31,244</b>	57,715	<b>197,748</b>	310,731
<b>3,168</b>	6,794	<b>PROFIT AFTER TAXATION</b>	<b>43,769</b>	158,193	<b>334,032</b>	716,413
<b>0.0053</b>	0.0113	<b>Earnings per share - Basic and diluted (in Rs)</b>	<b>0.07</b>	0.26	<b>0.56</b>	1.19

The annexed notes 1 to 14 form an integral part of these unconsolidated financial statements.

Chief Financial Officer

Chief Executive Officer

Director

Director

Chairman

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER AND PERIOD ENDED SEPTEMBER 30, 2017**

<u>Period ended</u>			<u>Quarter ended</u>		<u>Period ended</u>	
<u>September 30,</u>	<u>September 30,</u>		<u>September 30,</u>	<u>September 30,</u>	<u>September 30,</u>	<u>September 30,</u>
<u>2017</u>	<u>2016</u>		<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
----- (US \$ in '000') -----			----- (Rupees in '000) -----			
<b>3,168</b>	<b>6,794</b>	<b>Profit after taxation for the period</b>	<b>43,769</b>	<b>158,193</b>	<b>334,032</b>	<b>716,413</b>
		<b>Other comprehensive income - net</b>				
-	-	Items that are not to be reclassified to profit or loss in subsequent periods	-	-	-	-
-	-	Items that may be reclassified to profit or loss in subsequent periods	-	-	-	-
		<b>Comprehensive income transferred to equity</b>				
<b>3,168</b>	<b>6,794</b>		<b>43,769</b>	<b>158,193</b>	<b>334,032</b>	<b>716,413</b>
		<b>Components of comprehensive income not reflected in equity</b>				
<b>(1,079)</b>	<b>(59)</b>	Surplus / (deficit) on revaluation of 'available-for-sale securities' - net of tax*	<b>(106,098)</b>	<b>(51,232)</b>	<b>(113,763)</b>	<b>(6,226)</b>
<b>2,089</b>	<b>6,735</b>	<b>Total comprehensive income for the period</b>	<b>(62,329)</b>	<b>106,961</b>	<b>220,269</b>	<b>710,187</b>

\* (Deficit) / Surplus on revaluation of 'available-for-sale securities' - net of tax has been shown in the Statement of Comprehensive Income in order to comply with the revised "Prudential Regulations for Corporate / Commercial Banking" issued by the State Bank of Pakistan vide BPRD Circular No. 06 of 2014 on June 26, 2014.

The annexed notes 1 to 14 form an integral part of these unconsolidated financial statements.

Chief Financial Officer

Chief Executive Officer

Director

Director

Chairman

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

Period ended			Period ended	
September 30, 2017	September 30, 2016		September 30, 2017	September 30, 2016
----- (US \$ in '000') -----			----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
5,043	9,741	Profit before taxation	531,780	1,027,144
212	1,889	Less: Dividend Income	22,380	199,231
<b>4,831</b>	<b>7,851</b>		<b>509,400</b>	<b>827,913</b>
Adjustments				
74	118	Depreciation	7,764	12,412
6	9	Amortization	624	920
548	790	(Reversal)/Provision against Non Performing Loans & Advances	57,820	83,269
134	(156)	Provision for diminution in value of investments	14,079	(16,446)
-	-	Provision against other assets	-	-
-	-	Transfer from fixed assets to staff loans	-	-
(0.71)	(9.46)	Loss/(Gain) on sale of fixed assets	(75)	(998)
(3)	23	Unrealized loss/(Gain) on revaluation of investments-HFT	(310)	2,425
<b>758</b>	<b>774</b>		<b>79,902</b>	<b>81,582</b>
<b>5,588</b>	<b>8,625</b>		<b>589,302</b>	<b>909,495</b>
(Increase) / decrease in operating assets				
(18)	-	Lendings to financial institutions	(1,935)	-
3,089	1,211	Held -for-trading securities	325,720	127,719
(27,512)	(8,208)	Advances	(2,901,140)	(865,494)
1,937	(17,197)	Other assets (excluding current taxation)	204,218	(1,813,468)
<b>(22,505)</b>	<b>(24,194)</b>		<b>(2,373,137)</b>	<b>(2,551,243)</b>
Increase in operating liabilities				
(107,155)	47,179	Borrowings	(11,299,456)	4,974,982
7,686	(11,712)	Deposits and other accounts	810,450	(1,235,000)
1,321	(1,071)	Other liabilities (excluding current taxation)	139,277	(112,890)
<b>(98,148)</b>	<b>34,396</b>		<b>(10,349,729)</b>	<b>3,627,092</b>
<b>(115,065)</b>	<b>18,827</b>		<b>(12,133,564)</b>	<b>1,985,344</b>
-	-	Financial charges paid	-	-
(1,635)	(3,060)	Income tax paid	(172,368)	(322,661)
<b>(116,699)</b>	<b>15,768</b>	<b>Net cash from operating activities</b>	<b>(12,305,932)</b>	<b>1,662,683</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
72,750	(46,369)	Net investments in available-for-sale securities	7,671,467	(4,889,612)
(379)	1,800	Net investments in held-to-maturity securities	(39,931)	189,811
-	-	Investment in associates	-	-
27,115	29,379	Investment in subsidiary	2,859,245	3,097,975
239	1,846	Dividend income received	25,222	194,662
(34)	(92)	Investments in operating fixed assets	(3,625)	(9,724)
1	11	Proceeds from disposal of fixed assets	92	1,162
<b>99,692</b>	<b>(13,426)</b>	<b>Net cash used in investing activities</b>	<b>10,512,470</b>	<b>(1,415,726)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
-	-	Payments of lease obligations	-	-
(2,845)	(1,897)	Payment of dividend	(300,000)	(200,000)
-	-	Proceeds from issue of share capital	-	-
<b>(2,845)</b>	<b>(1,897)</b>	<b>Net cash flows from financing activities</b>	<b>(300,000)</b>	<b>(200,000)</b>
<b>(19,853)</b>	<b>445</b>	<b>Increase/(Decrease) in cash and cash equivalents</b>	<b>(2,093,462)</b>	<b>46,957</b>
<b>21,422</b>	<b>5,474</b>	<b>Cash and cash equivalents at beginning of the period</b>	<b>2,258,974</b>	<b>577,214</b>
<b>1,569</b>	<b>5,919</b>	<b>Cash and cash equivalents at the end of the period</b>	<b>165,512</b>	<b>624,171</b>

The annexed notes 1 to 14 form an integral part of these unconsolidated financial statements.

Chief Financial Officer

Chief Executive Officer

Director

Director

Chairman

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - (UN-AUDITED)**  
**FOR THE PERIOD ENDED SEPTEMBER 30, 2017**

	Share capital	Statutory reserve	Unappropriated profit	Total
	----- (Rupees in '000) -----			
Balance as at January 01, 2016	6,000,000	1,065,388	2,659,034	9,724,422
<b>Comprehensive income:</b>				
Profit after taxation for the period ended September 30, 2016	-	-	716,413	716,413
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	716,413	716,413
Transfer to statutory reserve		143,283	(143,283)	-
Final cash dividend for the year ended December 31, 2015 declared subsequent to the year end at Rs. 0.33 per share			(200,000)	(200,000)
<b>Balance as at September 30, 2016</b>	<b>6,000,000</b>	<b>1,208,671</b>	<b>3,032,164</b>	<b>10,240,835</b>
Balance as at October 01, 2016	6,000,000	1,208,671	3,032,164	10,240,835
<b>Comprehensive income:</b>				
Profit after taxation for the period ended December 31, 2016	-	-	245,245	245,245
Other comprehensive income	-	-	4,537	4,537
Total comprehensive income for the period	-	-	249,782	249,782
Transfer to statutory reserve	-	49,050	(49,050)	-
<b>Balance as at December 31, 2016</b>	<b>6,000,000</b>	<b>1,257,721</b>	<b>3,232,896</b>	<b>10,490,617</b>
Balance as at January 01, 2017	6,000,000	1,257,721	3,232,896	10,490,617
<b>Comprehensive income:</b>				
Profit after taxation for the period ended September 30, 2017	-	-	334,032	334,032
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	334,032	334,032
Transfer to statutory reserve		66,806	(66,806)	-
Final cash dividend for the year ended December 31, 2016 declared subsequent to the year end at Rs.0.50 per share			(300,000)	(300,000)
<b>Balance as at September 30, 2017</b>	<b>6,000,000</b>	<b>1,324,527</b>	<b>3,200,122</b>	<b>10,524,649</b>

The annexed notes 1 to 14 form an integral part of these unconsolidated financial statements.

Chief Financial Officer

Chief Executive Officer

Director

Director

Chairman

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE QUARTER/PERIOD ENDED SEPTEMBER 30, 2017**

**1. STATUS AND NATURE OF BUSINESS**

Pak Brunei Investment Company Limited (the Company) is a Development Finance Institution (DFI) incorporated in Pakistan as an un-listed public limited company under the Companies Ordinance 1984. The State Bank of Pakistan (SBP) granted approval for commencement of business with effect from August 20, 2007. The Company is a joint venture between the Government of Pakistan and the Brunei Investment Agency. The Company's objectives inter alia includes making investments in the industrial and agri based industrial fields in Pakistan on commercial basis through carrying out of industrial and agri based industrial projects and marketing 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 Company is situated at Horizon Vista, Plot No. Commercial - 10, Block-4, Scheme-5, Clifton, Karachi, Pakistan.

The 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 JCR-VIS in June 2017. Outlook on the assigned rating is "Stable".

**2. STATEMENT OF COMPLIANCE**

- 2.1 These unconsolidated condensed interim financial statements of the Company have been prepared in accordance with the requirements of International Accounting Standard 34, Interim Financial Reporting, the provisions of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and directives issued by the Securities and Exchange Commission of Pakistan (SECP) and the SBP. In case requirements differ, the provisions of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 and the said directives have been followed.
- 2.2 The SBP vide BSD Circular Letter No. 10, dated August 26, 2002 has deferred the applicability of International Accounting Standard 39, Financial Instruments: Recognition and Measurement and International Accounting Standard 40, Investment Property for banking companies till further instructions. Further, according to the notification of the SECP issued vide SRO 411(I)/2008 dated April 28, 2008, International Financial Reporting Standard (IFRS) 7 Financial Instruments: Disclosures has not been made applicable for banks / DFIs. 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 the SBP.
- 2.3 The disclosures made in these unconsolidated condensed interim financial statements have been limited based on a format prescribed by the SBP vide BSD Circular Letter No. 2 dated May 12, 2004 and International Accounting Standard 34, Interim Financial Reporting. They do not include all the disclosures required for annual financial statements, and these unconsolidated condensed interim financial statements should be read in conjunction with the unconsolidated annual financial statements of the Company for the year ended December 31, 2016.
- 2.4 These unconsolidated condensed interim financial statements represent the separate condensed interim financial statements of the Company in which investment in subsidiaries and associates is stated at cost. The consolidated condensed interim financial statements of the Company and its subsidiaries are presented separately.
- 2.5 The Companies Ordinance, 1984 has been repealed as a result of the enactment of the Companies Act, 2017. However, as directed by the Securities and Exchange Commission of Pakistan vide circular no. 17 of 2017, dated July 20, 2017, this condensed interim financial information has been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984.

### **3. BASIS OF MEASUREMENT**

These condensed interim financial statements have been prepared under the historical cost convention, except for investments which are carried at fair value.

The US dollar amounts shown in the condensed interim balance sheet, condensed interim profit and loss account, condensed interim statement of comprehensive income and condensed interim statement of cash flows are stated as additional information solely for the convenience of the readers and are not audited. For the purpose of conversion to US Dollar, the rate of Rs.105.45 to US dollars has been used for both 2017 and 2016 as it was the prevalent rate on September 30, 2017.

### **4. FINANCIAL RISK MANAGEMENT**

The financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Company for the year ended December 31, 2016.

### **5. ACCOUNTING ESTIMATES AND JUDGMENTS**

The estimates / judgments and associated assumptions used in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the annual financial statements of the Company for the year ended December 31, 2016.

## 6. INVESTMENTS

**Held by Bank**      **Given as collateral**      **Total**  
 .....Rupees in '000'.....

Current period (September 30, 2017) - Un-audited	6.1	5,219,786	504,140	5,723,926
Prior year - Audited (December 31, 2016)	6.1	8,717,473	7,940,192	16,657,665
Prior year corresponding period - Un-Audited (September 30, 2016)		8,793,361	9,516,248	18,309,609

September 30, 2017 (Un-audited)			December 31, 2016 (Audited)		
Held by the Company	Given as collateral	Total	Held by the Company	Given as collateral	Total
----- (Rupees in '000) -----			----- (Rupees in '000) -----		

### 6.1 Investments by type:

#### Held-for-trading securities

Market Treasury Bills	-	-	-	-	-	-
Pakistan Investment Bonds	-	-	-	-	-	-
Ordinary shares of listed companies	571	-	571	327,073	-	327,073
	571	-	571	327,073	-	327,073

#### Available- for- sale securities

Market Treasury Bills	864,764	117,922	982,686	843,353	5,241,975	6,085,328
Pakistan Investment Bonds	80,444	388,005	468,449	156,822	2,760,267	2,917,089
Ordinary shares of listed companies	874,803	-	874,803	938,022	-	938,022
Ordinary shares of unlisted companies	165,331	-	165,331	40,581	-	40,581
Term Finance Certificates and SUKUK	1,070,557	-	1,070,557	1,287,273	-	1,287,273
Mutual funds	35,000	-	35,000	-	-	-
Preference shares	3,250	-	3,250	3,250	-	3,250
	3,094,149	505,927	3,600,076	3,269,301	8,002,242	11,271,543

#### Held- to- maturity securities

Commercial paper	39,931	-	39,931	-	-	-
------------------	--------	---	--------	---	---	---

#### Investment in related parties 6.2

Investment at cost	2,560,773	-	2,560,773	5,420,018	-	5,420,018
--------------------	-----------	---	-----------	-----------	---	-----------

#### Less: Provision for diminution in

value of Investments	(290,239)	-	(290,239)	(276,160)	-	(276,160)
----------------------	-----------	---	-----------	-----------	---	-----------

<b>Investments (net of provisions)</b>	<b>5,405,185</b>	<b>505,927</b>	<b>5,911,112</b>	8,740,232	8,002,242	16,742,474
--	------------------	----------------	------------------	-----------	-----------	------------

Surplus/(Deficit) on revaluation of held-for-trading securities	310	-	310	(782)	-	(782)
---	-----	---	-----	-------	---	-------

Surplus/(Deficit) on revaluation of available-for-sale securities	(185,709)	(1,787)	(187,496)	(21,977)	(62,050)	(84,027)
---	-----------	---------	-----------	----------	----------	----------

<b>Total investments (Net of Provision)</b>	<b>5,219,786</b>	<b>504,140</b>	<b>5,723,926</b>	8,717,473	7,940,192	16,657,665
---	------------------	----------------	------------------	-----------	-----------	------------



## 6.2 Investment in related parties

Name of Investee Company / Fund	Note	% of holding		Cost as at	
		2017	2016	September 30, 2016	December 31, 2015
<b>Investment in subsidiaries</b>					
<b>- strategic investment</b>					
<b>Unlisted public ltd. companies</b>					
AWT Investment Managemnt Ltd. (Formerly Primus Investment Management Ltd.)					
Less: Investment classified as held for sale		-	100.00	-	250,000
		-	(70.00)	-	(175,000)
		-	30.00	-	75,000
Awwal Modaraba Management Ltd.		100.00	100.00	105,000	105,000
Primus Leasing Ltd.		100.00	-	1,000,000	-
<b>Listed modaraba</b>					
Awwal Modaraba		89.80	89.80	898,372	898,530
<b>Investment in associates</b>					
<b>Unlisted public ltd. company</b>					
AWT Investment Managemnt Ltd. (Formerly Primus Investment Management Ltd.)					
		30.00	-	75,000	-
<b>Open-end mutual funds - listed</b>					
PIML Income Fund			66.37	-	2,675,488
PIML Daily Reserve Fund		88.51	14.91	100,000	100,000
PIML Strategic Multi Asset Fund		65.90	81.47	111,575	258,000
PIML Islamic Equity Fund		36.25	61.91	60,362	159,000
PIML Islamic Income Fund		9.55	-	10,000	-
PIML Value Equity Fund		29.17	66.04	50,948	149,000
PIML Asset Allocation Fund		64.74	84.63	149,516	1,000,000
				482,401	4,341,488
				<b>2,560,773</b>	<b>5,420,018</b>

	September 30, 2017 (Un-audited) ----- (Rupees in '000) -----	December 31, 2016 (Audited)
<b>7. ADVANCES</b>		
Loans, cash credits, running finances, etc. in Pakistan	11,838,357	9,584,579
Borrowings from State Bank of Pakistan under:	-	
- Long-Term Finance Facility (LTFF) Scheme	3,387,795	2,626,917
- Power Plants Using Renewable Energy (PPRE) Scheme	252,946	171,778
- Financing for Storage of Agriculture Produce (FFSAP) Scheme	367,797	410,115
Net investment in finance lease - inPakistan	1,286,277	1,438,643
	<u>17,133,172</u>	<u>14,232,032</u>
Advances - gross		
Less: Provision for non-performing advances - specific	292,981	235,191
Provision for non-performing advances - general	929	899
	<u>293,910</u>	<u>236,090</u>
Advances - net of provision	<u>16,839,262</u>	<u>13,995,942</u>

7.1 Advances include Rs. 763.601 million (December 31, 2016 : Rs. 451.407 million) which have been placed under non-performing status as detailed below:

Category of Classification	Domestic	Overseas	Total	Provision Required	Provision Held
	----- (Rupees in '000) -----				
OAEM	-		-	-	-
Substandard	5,968	-	5,968	1,492	1,492
Doubtful	320,706	-	320,706	54,661	54,661
Loss	436,927	-	436,927	236,827	236,827
	<u>763,601</u>	<u>-</u>	<u>763,601</u>	<u>292,981</u>	<u>292,981</u>

7.2 Movement of Provision	September 30, 2017			December 31, 2016		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	235,191	899	236,090	155,854	519	156,373
Charge for the period	57,790	30	57,820	79,337	380	79,717
Reversals	-	-	-	-	-	-
Closing Balance	<u>292,981</u>	<u>929</u>	<u>293,910</u>	<u>235,191</u>	<u>899</u>	<u>236,090</u>

	September 30, 2017 (Un-audited) ----- (Rupees in '000) -----	December 31, 2016 (Audited)
<b>8. SHARE CAPITAL</b>		
<b>Authorized Capital</b>		
600,000,000 (2016: 600,000,000) Ordinary shares of Rs. 10 each	<u>6,000,000</u>	<u>6,000,000</u>
<b>Issued, subscribed and paid up Capital</b>		
600,000,000 (2016: 600,000,000) Ordinary shares of Rs. 10 each fully paid in cash	<u>6,000,000</u>	<u>6,000,000</u>

September 30, December 31,  
2017 2016  
(Un-audited) (Audited)  
----- (Rupees in '000) -----

**9. 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, 2016, except as follows:

<b>9.1 Transaction-related Contingent liability</b>	<b>1,702,085</b>	1,125,660
<b>9.2 Commitments to extend credit</b>	<b>4,453,190</b>	5,466,485
<b>9.3 Commitments for trading in government securities</b>		
- purchases (reverse repo)	-	1,558,062
- sale (repo)	<b>468,079</b>	-
<b>9.4 Other commitments</b>		
- Govt securities	-	7,592,065
- shares	-	329,712

**10.** Gain on sale of securities include an amount of PKR 90.375 Mn (2016 : Nil) on account of sale of 70% shareholding in subsidiary i.e. Primus Investment Management Ltd.

**11. BASIC AND DILUTED EARNINGS PER SHARE**

	Quarter ended		Period ended	
	September 30, 2017 (Un-audited)	September 30, 2016 (Un-audited)	September 30, 2017 (Un-audited)	September 30, 2016 (Un-audited)
Profit after taxation for the period attributable to ordinary shareholders (Rupees in '000)	<b>43,769</b>	158,193	<b>334,032</b>	716,413
Weighted average number of ordinary shares outstanding during the period (in '000)	<b>600,000</b>	600,000	<b>600,000</b>	600,000
Basic and diluted earnings per share (Rupees)	<b>0.07</b>	0.26	<b>0.56</b>	1.19



**Investments**

At beginning of the period / year	-	9,241,789	19,250	1,078,530	4,341,488	-	7,063,565	187,309	355,000	5,996,273
Investments made during the period / y	-	9,925,206	41,210	-	760,562	-	61,523,795	289,424	898,530	22,183,394
Redemption during the period / year	-	(17,689,643)	(60,460)	-	(4,619,808)	-	(59,345,571)	(457,483)	(175,000)	(23,838,179)
At end of the period / year	-	1,477,352	-	1,078,530	482,242	-	9,241,789	19,250	1,078,530	4,341,488

	For the period ended September 30, 2017 (Un-audited)					For the period ended September 30, 2016 (Un-audited)				
	Key management personnel	State controlled entities	Other related parties	Subsidiary	Associates	Key management personnel	State controlled entities	Other related parties	Subsidiary	Associates
	----- (Rupees in '000) -----									
Mark-up / return / interest earned	1,826	10,910	38,763	-	-	1,889	413,203	11,538	-	-
Mark-up / return / interest expensed	-	507,397	-	-	-	-	155,632	-	-	22,875
Gain on securities - net	-	42,531	28,886	-	188,039	-	489,521	12,732	-	143,806
Dividend income	-	2,365	80	-	7,800	-	4,970	-	-	175,898
Salaries and other benefits	74,759	-	-	14,560	15,702	62,042	-	-	-	-
Re-imburement of expenses	3,687	-	-	-	-	3,335	-	-	-	-

**13. GENERAL**

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

**14. DATE OF AUTHORIZATION FOR ISSUE**

These unconsolidated condensed interim financial statements were authorized for issue on **October 30, 2017** by Board of Directors of the Company.

\_\_\_\_\_  
**Chief Financial Officer**

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

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

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

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