



**PAK BRUNEI INVESTMENT COMPANY LTD.**

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

**FOR THE PERIOD ENDED MARCH 31, 2014**

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2014**

March 31, 2014 (Un-audited) ----- (US \$ in '000') -----	December 31, 2013 (Audited)		March 31, 2014 (Un-audited)	December 31, 2013 (Audited)
		Note	----- (Rupees in '000') -----	
<b>ASSETS</b>				
913	984		89,384	96,317
2,184	2,406		213,799	235,581
-	-		-	-
205,037	280,051	7	20,073,125	27,416,962
72,589	69,479	8	7,106,449	6,802,019
493	533		48,218	52,142
-	-		-	-
8,604	9,115		842,284	892,311
<b>289,819</b>	<b>362,567</b>		<b>28,373,259</b>	<b>35,495,332</b>
<b>LIABILITIES</b>				
-	-		-	-
152,123	269,581		14,892,880	26,391,995
47,782	5,792		4,677,862	567,070
-	-		-	-
-	-		-	-
151	151		14,771	14,787
5,754	3,011		563,337	294,815
<b>205,811</b>	<b>278,536</b>		<b>20,148,850</b>	<b>27,268,667</b>
<b>84,008</b>	<b>84,031</b>		<b>8,224,409</b>	<b>8,226,665</b>
<b>NET ASSETS</b>				
<b>REPRESENTED BY</b>				
61,287	61,287	9	6,000,000	6,000,000
7,366	7,120		721,088	697,026
15,259	16,020		1,493,829	1,568,385
<b>83,911</b>	<b>84,427</b>		<b>8,214,917</b>	<b>8,265,411</b>
97	(396)		9,492	(38,746)
<b>84,008</b>	<b>84,031</b>		<b>8,224,409</b>	<b>8,226,665</b>

**CONTINGENCIES AND COMMITMENTS** 10

The annexed notes 1 to 14 form an integral part of these consolidated 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 PERIOD ENDED MARCH 31, 2014**

Period ended March 31, 2014 ----- (US \$ in '000') -----	Period ended March 31, 2013	Note	Quarter ended March 31, 2014	Period ended March 31, 2014 ----- (PKR in '000') -----	Quarter ended March 31, 2013	Period ended March 31, 2013
5,282	2,952	Mark-up / Return / Interest earned	517,148	517,148	288,997	288,997
4,474	1,379	Mark-up / Return / Interest expensed	438,040	438,040	134,993	134,993
<b>808</b>	1,573	Net mark-up / Interest income	<b>79,108</b>	<b>79,108</b>	154,004	154,004
(0)	-	(Reversal)/Provision against non-performing loans and advances	(21)	(21)	-	-
(32)	122	Provision for diminution in the value of investments	(3,165)	(3,165)	11,943	11,943
-	-	Bad debts written off directly	-	-	-	-
(33)	122		(3,186)	(3,186)	11,943	11,943
<b>841</b>	1,451	Net mark-up / interest income after provisions	<b>82,294</b>	<b>82,294</b>	142,061	142,061
<b>NON MARK-UP/ INTEREST INCOME</b>						
254	136	Fee, commission and brokerage income	24,841	24,841	13,353	13,353
133	6	Dividend income	13,010	13,010	577	577
316	64	Gain on sale of securities	30,908	30,908	6,298	6,298
(55)	-	Unrealized gain / (loss) on revaluation of investments classified as held for trading	(5,366)	(5,366)	-	-
7	10	Other income	653	653	983	983
<b>654</b>	217	Total non-mark-up / interest income	<b>64,046</b>	<b>64,046</b>	21,211	21,211
<b>1,495</b>	1,668		<b>146,340</b>	<b>146,340</b>	163,272	163,272
<b>NON MARK-UP/ INTEREST EXPENSES</b>						
696	526	Administrative expenses	68,169	68,169	51,496	51,496
-	-	Other provisions / write offs - net	-	-	-	-
0	-	Other charges	3	3	-	-
<b>696</b>	526	Total non-mark-up / interest expenses	<b>68,172</b>	<b>68,172</b>	51,496	51,496
<b>798</b>	1,142		<b>78,168</b>	<b>78,168</b>	111,776	111,776
<b>1,154</b>	546	Share of profit/(loss) of associates	<b>112,970</b>	<b>112,970</b>	53,452	53,452
<b>1,952</b>	1,688	<b>PROFIT BEFORE TAXATION</b>	<b>191,138</b>	<b>191,138</b>	165,228	165,228
425	342	Taxation - Current	41,632	41,632	33,512	33,512
-	-	- Prior years	-	-	-	-
-	0.19	- Deferred	-	-	19	19
<b>425</b>	343		<b>41,632</b>	<b>41,632</b>	33,531	33,531
<b>1,527</b>	1,345	<b>PROFIT AFTER TAXATION</b>	<b>149,506</b>	<b>149,506</b>	131,697	131,697
<b>16,020</b>	20,659	Unappropriated profit brought forward	<b>1,568,385</b>	<b>1,568,385</b>	2,022,531	2,022,531
<b>17,547</b>	22,004	<b>Profit available for appropriation</b>	<b>1,717,891</b>	<b>1,717,891</b>	2,154,228	2,154,228
<b>0.0025</b>	0.0022	<b>Earnings per share - Basic and diluted (in Rupees)</b>	<b>0.25</b>	<b>0.25</b>	0.22	0.22

The annexed notes 1 to 14 form an integral part of these consolidated 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 PERIOD ENDED MARCH 31, 2014**

<b>Period ended March 31, 2014</b>	<b>Period ended March 31, 2013</b>		<b>Quarter ended March 31, 2014</b>	<b>Period ended March 31, 2014</b>	<b>Quarter ended March 31, 2013</b>	<b>Period ended March 31, 2013</b>
----- (US \$ in '000') -----			----- (PKR in '000') -----			
<b>1,527</b>	1,345	Profit after taxation for the period	<b>149,506</b>	<b>149,506</b>	131,697	131,697
-	-	Other comprehensive income	-	-	-	-
<b><u>1,527</u></b>	<b><u>1,345</u></b>	<b>Total comprehensive income for the period</b>	<b><u>149,506</u></b>	<b><u>149,506</u></b>	<b><u>131,697</u></b>	<b><u>131,697</u></b>

Deficit arising 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 14 form an integral part of these consolidated financial statements.

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

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

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

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

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2014**

Period Ended March 31, 2014 ----- (US \$ in '000') -----	Period Ended March 31, 2013		Period Ended March 31, 2014 ----- (Rupees in '000) -----	Period Ended March 31, 2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1,952	1,688	Profit before taxation	191,138	165,228
133	6	Less: Dividend Income	13,010	577
<u>1,819</u>	<u>1,682</u>		<u>178,128</u>	<u>164,651</u>
Adjustments				
41	41	Depreciation	4,007	4,006
7	6	Amortization	693	615
(0,21)	-	(Reversal)/Provision against Non Performing Advances	(21)	-
(32)	122	Provision for diminution in value of investments	(3,165)	11,943
(0)	(0,25)	Loss/(Gain) on sale of fixed assets	(3)	(24)
(1,462)	(546)	Revaluation Loss/ Gain in Associate Co.	(143,175)	(53,452)
-	-	Unrealized loss/(Gain) on interest rate swap contracts	-	-
-	-	Finance charges on leased assets	-	-
<u>(1,447)</u>	<u>(377)</u>		<u>(141,664)</u>	<u>(36,912)</u>
372	1,305		36,464	127,739
(Increase) / decrease in operating assets				
-	(8,172)	lendings to financial institutions	-	(800,000)
(530)	(15)	Held -for-trading securities	(51,896)	(1,467)
(3,109)	2,344	Advances	(304,410)	229,442
1,011	600	Other assets (excluding current taxation)	98,940	58,777
<u>(2,629)</u>	<u>(5,243)</u>		<u>(257,366)</u>	<u>(513,248)</u>
Increase in operating liabilities				
(117,458)	6,615	Borrowings	(11,499,115)	647,575
41,990	(9,966)	Deposits and other accounts	4,110,792	(975,700)
700	99	Other liabilities (excluding current taxation)	68,498	9,651
<u>(74,768)</u>	<u>(3,253)</u>		<u>(7,319,825)</u>	<u>(318,474)</u>
(77,025)	(7,191)		(7,540,727)	(703,983)
-	-	Financial charges paid	-	-
(458)	(521)	Income tax paid	(44,827)	(51,020)
<u>(77,483)</u>	<u>(7,712)</u>	Net cash from operating activities	<u>(7,585,554)</u>	<u>(755,003)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
76,310	5,740	Net investments in available-for-sale securities	7,470,786	561,898
-	470	Net investments in held-to-maturity securities	-	46,011
18	-	Investment in Associates	1,730	-
862	611	Dividend income received	84,434	59,858
(1)	(26)	Investments in operating fixed assets	(127)	(2,571)
0.16	1	Proceeds from disposal of fixed assets	16	89
<u>77,189</u>	<u>6,796</u>	Net cash used in investing activities	<u>7,556,839</u>	<u>665,285</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
-	-	Payments of lease obligations	-	-
-	-	Advance against equity	-	-
-	-	Proceeds from issue of share capital	-	-
-	-	Net cash flows from financing activities	-	-
(293)	(916)	<b>Increase/(Decrease) in cash and cash equivalents</b>	(28,715)	(89,718)
3,390	3,800	Cash and cash equivalents at beginning of the period	331,898	371,985
<u>3,097</u>	<u>2,883</u>	Cash and cash equivalents at the end of the period	<u>303,183</u>	<u>282,267</u>

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

Chief Executive

Director

Director

Chairman

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - (UN-AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2014**

	Share capital	Statutory reserve	Unappropriated profit	Total
	----- (Rupees in '000) -----			
Balance as at January 01, 2013	6,000,000	555,884	2,022,531	8,578,415
<b>Comprehensive income:</b>				
Profit after taxation for the period ended March 31, 2013	-	-	131,697	131,697
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	131,697	131,697
Transfer to statutory reserve		15,194	(15,194)	-
<b>Transactions with owners:</b>				
Issue of Share Capital	-	-	-	-
<b>Balance as at March 31, 2013</b>	<b>6,000,000</b>	<b>571,078</b>	<b>2,139,034</b>	<b>8,710,112</b>
Balance as at April 01, 2013	6,000,000	571,078	2,139,034	8,710,112
<b>Comprehensive income:</b>				
Profit after taxation for the period ended December 31, 2013	-	-	555,299	555,299
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	555,299	555,299
Transfer to statutory reserve	-	125,948	(125,948)	-
Final cash dividend - December 31, 2012 declared subsequent to year end @ Rs.1.67 per share			(1,000,000)	(1,000,000)
<b>Balance as at December 31, 2013</b>	<b>6,000,000</b>	<b>697,026</b>	<b>1,568,385</b>	<b>8,265,412</b>
Balance as at January 01, 2014	6,000,000	697,026	1,568,385	8,265,411
<b>Comprehensive income:</b>				
Profit after taxation for the period ended March 31, 2014	-	-	149,506	149,506
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	149,506	149,506
Transfer to statutory reserve		24,062	(24,062)	-
Final cash dividend - December 31, 2013 declared subsequent to year end @ Re.0.33 per share			(200,000)	(200,000)
<b>Balance as at March 31, 2014</b>	<b>6,000,000</b>	<b>721,088</b>	<b>1,493,829</b>	<b>8,214,917</b>

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

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

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

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

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

**PAK BRUNEI INVESTMENT COMPANY LIMITED**  
**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2014**

**1. STATUS AND NATURE OF BUSINESS**

The Group comprises of Pak Brunei Investment Company Limited (the "holding company" or "parent" ) and a subsidiary, Primus Investment Management Limited. Brief profile of the holding company and its subsidiary is as follows:

**Holding Company**

Pak Brunei Investment Company Limited (the "holding company" or "parent" ) is 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, Plot No. Commercial-10, Block No. 4, Scheme No.5, Clifton, Karachi, Pakistan.

**Subsidiary Company**

Primus Investment Management Limited is a public unlisted company incorporated in Pakistan on August 10, 2011 under the Companies Ordinance, 1984. The registered office of the Company is situated at 4th Floor, Horizon Vista, Plot No. Commercial-10, Block No. 4, Scheme No. 5, Clifton, Karachi, Pakistan. The Company has obtained the license of an "Investment Advisor" and "Asset Management Company" (AMC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and intends to launch mutual funds in near future.

**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).

**2.2 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. 97.90 to US Dollars has been used for both 2013 and 2014, as it was the prevalent rate as on March 31, 2014.

### **3. STATEMENT OF COMPLIANCE**

- 3.1** These consolidated condensed interim financial statements of the Company for the period ended March 31, 2014 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, 2013.

### **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, 2013.

### **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, 2013.



## 7. INVESTMENTS

		<b>Held by Bank</b>	<b>Given as collateral</b>	<b>Total</b>
.....Rupees in '000'.....				
Current period (March 31, 2014) - Un-audited	7.1	<u>9,834,233</u>	<u>10,238,892</u>	<u>20,073,125</u>
Prior year - Audited (December 31, 2013)	7.1	<u>9,801,481</u>	<u>17,615,481</u>	<u>27,416,962</u>
Prior year corresponding period - Un-Audited (March 31, 2013)		<u>6,568,217</u>	<u>-</u>	<u>6,568,217</u>

March 31, 2014 (Un-audited)			December 31, 2013 (Audited)		
Held by the Company	Given as collateral	Total	Held by the Company	Given as collateral	Total
----- (Rupees in '000) -----			----- (Rupees in '000) -----		

### 7.1 Investments by type:

#### Held-for-trading securities

Market Treasury Bills	-	-	-	-	-	-
Pakistan Investment Bonds	-	-	-	-	-	-
Ordinary shares of listed companies	<b>51,896</b>	-	<b>51,896</b>	-	-	-
	<b>51,896</b>	-	<b>51,896</b>	-	-	-

#### Available- for- sale securities

Market Treasury Bills	<b>1,231,915</b>	<b>6,241,810</b>	<b>7,473,725</b>	1,156,667	16,787,541	17,944,208
Pakistan Investment Bonds	<b>42,334</b>	<b>3,854,345</b>	<b>3,896,679</b>	364,311	758,049	1,122,360
Ordinary shares of listed companies	<b>657,977</b>	-	<b>657,977</b>	312,981	-	312,981
Ordinary shares of unlisted companies	<b>124,670</b>	-	<b>124,670</b>	124,670	-	124,670
Term Finance Certificates and SUKUK	<b>2,041,790</b>	<b>85,444</b>	<b>2,127,234</b>	2,155,934	84,960	2,240,894
Mutual funds	<b>28,835</b>	-	<b>28,835</b>	28,835	-	28,835
Preference shares	<b>95,510</b>	-	<b>95,510</b>	95,510	-	95,510
	<b>4,223,031</b>	<b>10,181,599</b>	<b>14,404,630</b>	4,238,908	17,630,550	21,869,458

#### Investment in associates

	<b>5,843,214</b>	-	<b>5,843,214</b>	5,837,921	-	5,837,921
--	------------------	---	------------------	-----------	---	-----------

#### Investment at cost

	<b>10,118,141</b>	<b>10,181,599</b>	<b>20,299,740</b>	10,076,829	17,630,550	27,707,379
--	-------------------	-------------------	-------------------	------------	------------	------------

#### Less: Provision for diminution in value of Investments

	<b>(240,801)</b>	-	<b>(240,801)</b>	(243,965)	-	(243,965)
--	------------------	---	------------------	-----------	---	-----------

#### Investments (net of provisions)

	<b>9,877,340</b>	<b>10,181,599</b>	<b>20,058,939</b>	9,832,864	17,630,550	27,463,414
--	------------------	-------------------	-------------------	-----------	------------	------------

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

	<b>16,297</b>	-	<b>16,297</b>	-	-	-
--	---------------	---	---------------	---	---	---

#### Surplus/(Deficit) on revaluation of available-for-sale securities

	<b>(59,404)</b>	<b>57,293</b>	<b>(2,111)</b>	(31,383)	(15,069)	(46,452)
--	-----------------	---------------	----------------	----------	----------	----------

#### Total investments (Net of Provision)

	<b>9,834,233</b>	<b>10,238,892</b>	<b>20,073,125</b>	9,801,481	17,615,481	27,416,962
--	------------------	-------------------	-------------------	-----------	------------	------------

**March 31,**      December 31,  
**2014**              2013  
(Un-audited)      (Audited)  
----- (Rupees in '000) -----

## 8. ADVANCES

Loans, cash credits, running finances, etc. in Pakistan	5,270,434	5,125,325
LTFF scheme under State Bank of Pakistan	897,852	805,659
Margin financing - In Pakistan	-	-
Net investment in finance lease - inPakistan	941,011	873,903
	7,109,297	6,804,887
Advances - gross	7,109,297	6,804,887
Less: Provision for non-performing advances - specific	(2,537)	(2,537)
Provision for non-performing advances - general	(311)	(331)
	(2,848)	(2,868)
	7,106,449	6,802,019
Advances - net of provision	7,106,449	6,802,019

8.1 Advances include Rs. 2.537 million (December 31, 2013 : Rs. 2.537 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) -----				
Substandard	-	-	-	-	-
Doubtful	-	-	-	-	-
Loss	2,537	-	2,537	2,537	2,537
	2,537	-	2,537	2,537	2,537
	2,537	-	2,537	2,537	2,537

## 8.2 Movement of Provision

	March 31, 2014			December 31, 2013		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	2,537	331	2,868	2,638	-	2,638
Charge for the period	-	-	-	-	331	331
Reversals	-	(20)	(20)	(101)	-	(101)
Closing Balance	2,537	311	2,848	2,537	331	2,868
	2,537	311	2,848	2,537	331	2,868

## 9. SHARE CAPITAL

	<b>March 31,</b> <b>2014</b> (Un-audited) ----- (Rupees in '000) -----	December 31, 2013 (Audited) ----- (Rupees in '000) -----
<b>Authorized Capital</b>		
600,000,000 (2013: 600,000,000) Ordinary shares of Rs. 10 each	6,000,000	6,000,000
<b>Issued, subscribed and paid up Capital</b>		
600,000,000 (2013: 600,000,000) Ordinary shares of Rs. 10 each fully paid in cash	6,000,000	6,000,000
	6,000,000	6,000,000

	<b>March 31,</b> <b>2014</b> <b>(Un-audited)</b> ----- <b>(Rupees in '000)</b> -----	December 31, 2013 (Audited) -----
--	---	--

## 10. CONTINGENCIES AND COMMITMENTS

### 10.1 Transaction-related Contingent liability

Standby letter of credit

<u><u>117,657</u></u>	<u><u>117,657</u></u>
-----------------------	-----------------------

### 10.2 Other Contingencies

**10.2.1** Dawood Islamic Bank Limited filed a legal suit for damages against the Company for alleged non performance of underwriting commitment to issue shares at a premium. Legal advisors of the Company have opined that the possibility of the company being subjected to any liability in relation to the suit is negligible.

**10.2.2** There is no change in the tax status as disclosed in the consolidated financial statements for the year ended December 31, 2013.

	<b>March 31,</b> <b>2014</b> <b>(Un-audited)</b> ----- <b>(Rupees in '000)</b> -----	December 31, 2013 (Audited) -----
--	---	--

### 10.3 Commitments to extend credit

<u><u>2,110,005</u></u>	<u><u>2,080,355</u></u>
-------------------------	-------------------------

### 10.4 Commitments in respect of Govt. securities

Purchase (reverse repo)

-	-
---	---

Sale (repo)

<u><u>10,085,953</u></u>	<u><u>17,542,178</u></u>
--------------------------	--------------------------

### 10.5 Other Commitments

Purchase of Term Finance Certificates (TFCs)

<u><u>193,265</u></u>	-
-----------------------	---

Sale of T-bills

<u><u>-</u></u>	<u><u>1,590,109</u></u>
-----------------	-------------------------

## 11. BASIC AND DILUTED EARNINGS PER SHARE

	<b>Quarter Ended March 31, 2014 (Un-audited)</b>	<b>Period Ended March 31, 2014 (Un-audited)</b>	<b>Quarter Ended March 31, 2013 (Un-audited)</b>	<b>Period Ended March 31, 2013 (Un-audited)</b>
Profit after taxation for the period attributable to ordinary shareholders (Rupees in '000)	<u><u>149,506</u></u>	<u><u>149,506</u></u>	<u><u>131,697</u></u>	<u><u>131,697</u></u>
Weighted average number of ordinary shares outstanding during the period (in '000)	<u><u>600,000</u></u>	<u><u>600,000</u></u>	<u><u>600,000</u></u>	<u><u>600,000</u></u>
Basic and diluted earnings per share (Rupees)	<u><u>0.25</u></u>	<u><u>0.25</u></u>	<u><u>0.22</u></u>	<u><u>0.22</u></u>

## 12. RELATED PARTY TRANSACTIONS

The Company has related party relationship with:

- subsidiary company (Primus Investment Management Limited)
- associated company (collective investment schemes of Primus Investment Management Limited)
- its employee defined contribution plan;
- its key management personnel;
- other related parties include Maple Leaf Cement Factory Limited, Omer Jibran Engineering Industries Ltd., Nimir Industrial Chemicals Limited 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 period ended March 31, 2014 (Un-audited)				For the year ended December 31, 2013 (Audited)			
	Key management personnel	State controlled entities	Other related parties	Associate	Key management personnel	State controlled entities	Other related parties	Associates
----- (Rupees in '000) -----								
<b>Advances</b>								
At beginning of the period / year	36,726	127,852	415,723	-	23,626	153,423	693,565	-
Given during the period / year	470	-	18,068	-	20,137	-	117,570	-
Deleted during the period / year	-	-	-	-	(1,949)	-	(300,000)	-
Repaid during the period / year	(1,010)	(9,230)	(26,171)	-	(5,088)	(25,571)	(95,412)	-
At end of the period / year	<b>36,186</b>	<b>118,622</b>	<b>407,620</b>	<b>-</b>	<b>36,726</b>	<b>127,852</b>	<b>415,723</b>	<b>-</b>
<b>Borrowings</b>								
At beginning of the period / year	-	13,263,851	-	575,000	-	2,909,539	-	-
Received during the period / year	-	110,508,940	-	1,290,000	-	150,837,364	-	5,715,000
Repaid during the period / year	-	(107,002,664)	-	(1,050,000)	-	(140,483,052)	-	(5,140,000)
At end of the period / year	<b>-</b>	<b>16,770,127</b>	<b>-</b>	<b>815,000</b>	<b>-</b>	<b>13,263,851</b>	<b>-</b>	<b>575,000</b>
<b>Placements</b>								
At beginning of the period / year	-	-	-	-	-	-	-	-
Given during the period/year	-	-	-	-	-	27,896,197	-	-
Repaid during the period / year	-	-	-	-	-	(27,896,197)	-	-
At end of the period / year	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Investments</b>								
At beginning of the period / year	-	29,676	335,984	5,823,211	-	21,366	334,965	3,241,144
Investments made during the period/year	-	8,124	324,503	990,000	-	1,640,767	233,830	10,942,881
Redemption during the period / year	-	(26,348)	-	(1,662,728)	-	(1,632,457)	(232,811)	(8,360,814)
At end of the period / year	<b>-</b>	<b>11,452</b>	<b>660,487</b>	<b>5,150,483</b>	<b>-</b>	<b>29,676</b>	<b>335,984</b>	<b>5,823,211</b>

	For the period ended March 31, 2014 (Un-audited)				For the period ended March 31, 2013 (Un-audited)			
	Key management personnel	State controlled entities	Other related parties	Associate	Key management personnel	State controlled entities	Other related parties	Associates
	----- (Rupees in '000) -----							
Mark-up / return / interest earned	<u>217</u>	<u>6,027</u>	<u>32,668</u>	<u>-</u>	<u>120</u>	<u>3,724</u>	<u>20,826</u>	<u>-</u>
Mark-up / return / interest expensed	<u>-</u>	<u>204,333</u>	<u>-</u>	<u>14,983</u>	<u>-</u>	<u>253,682</u>	<u>-</u>	<u>-</u>
Gain on sale of securities-net	<u>-</u>	<u>1,136</u>	<u>390</u>	<u>7,272</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fee income	<u>-</u>	<u>493</u>	<u>164</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Dividend income	<u>-</u>	<u>2,764</u>	<u>-</u>	<u>85,055</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Salaries and other benefits	<u>14,607</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,492</u>	<u>-</u>	<u>-</u>	<u>-</u>
Re-imburement of expenses	<u>1,220</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>995</u>	<u>-</u>	<u>-</u>	<u>-</u>

### **13. GENERAL**

#### **13.1 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 JCR-VIS Credit Rating Agency Limited, SBP approved rating agency. Outlook on the assigned rating is "Stable".

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

#### **14. DATE OF AUTHORIZATION FOR ISSUE**

These consolidated condensed interim financial statements were authorized for issue on **18-May-2014** by Board of Directors of the Group.

---

**Chief Executive**

---

**Director**

---

**Director**

---

**Chairman**