



PAK BRUNEI INVESTMENT COMPANY LTD.

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

FOR THE PERIOD ENDED SEPTEMBER 30, 2012

PAK BRUNEI INVESTMENT COMPANY LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2012

September 30, 2012 (Un-audited) ----- (US \$ in '000') -----	December 31, 2011 (Audited)		September 30, 2012 (Un-audited)	December 31, 2011 (Audited)	Note
			----- (Rupees in '000') -----		
ASSETS					
457	1,850	Cash and balances with treasury banks	43,227	174,790	
1,081	5,948	Balances with other banks	102,115	562,085	
-	6,644	Lendings to financial institutions	-	627,841	7
217,232	272,406	Investments - net	20,528,416	25,742,364	8
62,225	49,171	Advances - net	5,880,245	4,646,661	9
606	360	Operating fixed assets	57,311	34,067	
-	-	Deferred tax assets-net	-	-	
9,675	8,013	Other assets	914,270	757,208	
291,276	344,392		27,525,584	32,545,016	
LIABILITIES					
-	-	Bills payable	-	-	
168,066	247,191	Borrowings	15,882,225	23,359,531	
29,533	10,360	Deposits and other accounts	2,790,883	979,018	
-	-	Sub-ordinated loans	-	-	
-	-	Liabilities against assets subject to finance lease	-	-	
1,828	4	Deferred tax liabilities-net	172,734	383	
2,793	2,944	Other liabilities	263,908	278,181	
202,220	260,499		19,109,750	24,617,113	
89,056	83,893	NET ASSETS	8,415,834	7,927,903	
REPRESENTED BY					
63,492	63,492	Share capital	6,000,000	6,000,000	10
5,426	4,224	Reserves	512,788	399,204	
19,712	16,897	Unappropriated profit	1,862,829	1,596,812	
88,631	84,614		8,375,617	7,996,016	
426	(721)	Deficit on revaluation of assets - net of tax	40,217	(68,113)	
89,056	83,893		8,415,834	7,927,903	

CONTINGENCIES AND COMMITMENTS 11

The annexed notes 1 to 15 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 SEPTEMBER 30, 2012

September 30, 2012 ----- (US \$ in '000') -----	September 30, 2011	Note	September 30, 2012 ----- (PKR in '000') -----	September 30, 2011 -----
25,953	17,957	Mark-up / Return / Interest earned	2,452,525	1,696,920
18,896	10,124	Mark-up / Return / Interest expensed	1,785,645	956,753
<u>7,057</u>	<u>7,832</u>	Net mark-up / Interest income	<u>666,880</u>	<u>740,167</u>
(191)	129	(Reversal)/Provision against non-performing loans and advances	(18,013)	12,199
(207)	584	Provision for diminution in the value of investments	(19,570)	55,221
-	-	Bad debts written off directly	-	-
<u>(398)</u>	<u>713</u>		<u>(37,583)</u>	<u>67,420</u>
<u>7,455</u>	<u>7,119</u>	Net mark-up / interest income after provisions	<u>704,463</u>	<u>672,747</u>
NON MARK-UP/ INTEREST INCOME				
385	701	Fee, commission and brokerage income	36,349	66,201
743	669	Dividend income	70,242	63,233
1,680	619	Gain on sale of securities	158,715	58,537
-	-	Unrealized gain / (loss) on revaluation of		
44	(49)	investments classified as held for trading	4,166	(4,656)
5	2	Other income	499	203
<u>2,857</u>	<u>1,942</u>	Total non-mark-up / interest income	<u>269,971</u>	<u>183,518</u>
<u>10,311</u>	<u>9,061</u>		<u>974,434</u>	<u>856,265</u>
NON MARK-UP/ INTEREST EXPENSES				
1,624	1,583	Administrative expenses	153,433	149,619
-	-	Other provisions / write offs - net	-	-
9	3	Other charges	808	243
<u>1,632</u>	<u>1,586</u>	Total non-mark-up / interest expenses	<u>154,241</u>	<u>149,862</u>
<u>8,679</u>	<u>7,475</u>		<u>820,193</u>	<u>706,403</u>
-	-	Extra ordinary/unusual items	-	-
<u>8,679</u>	<u>7,475</u>	PROFIT BEFORE TAXATION	<u>820,193</u>	<u>706,403</u>
777	3,035	Taxation - Current	73,425	286,832
-	-	- Prior years	-	-
1,769	(568)	- Deferred	167,167	(53,719)
<u>2,546</u>	<u>2,467</u>		<u>240,592</u>	<u>233,113</u>
<u>6,133</u>	<u>5,008</u>	PROFIT AFTER TAXATION	<u>579,601</u>	<u>473,290</u>
Attributable to :				
		Equity holders of the Company	579,601	473,290
		Non-controlling interest	-	-
			<u>579,601</u>	<u>473,290</u>
<u>16,897</u>	<u>11,780</u>	Unappropriated profit brought forward	<u>1,596,812</u>	<u>1,113,241</u>
<u>23,031</u>	<u>16,789</u>	Profit available for appropriation	<u>2,176,413</u>	<u>1,586,531</u>
<u>0.0102</u>	<u>0.0083</u>	Earnings per share - Basic and diluted (in Rupees)	<u>0.97</u>	<u>0.79</u>

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The annexed notes 1 to 15 form an integral part of these consolidated financial statements.

PAK BRUNEI INVESTMENT COMPANY LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND PERIOD ENDED SEPTEMBER 30, 2012

September 30, 2012	September 30, 2011		September 30, 2012	September 30, 2011
----- (US \$ in '000') -----			----- (PKR in '000') -----	
6,133	5,008	Profit after taxation for the period	579,601	473,290
-	-	Other comprehensive income	-	-
<u>6,133</u>	<u>5,008</u>	Total comprehensive income for the period	<u>579,601</u>	<u>473,290</u>

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 15 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 SEPTEMBER 30, 2012

Period Ended September 30, 2012 ----- (US \$ in '000') -----	Period Ended September 30, 2011		Period Ended September 30, 2012 ----- (Rupees in '000) -----	Period Ended September 30, 2011
CASH FLOWS FROM OPERATING ACTIVITIES				
8,679	7,475	Profit before taxation	820,192	706,403
743	212	Less: Dividend Income	70,242	20,037
<u>7,936</u>	<u>7,263</u>		<u>749,950</u>	<u>686,366</u>
Adjustments				
67	19	Depreciation	6,346	1,794
18	5	Amortization	1,673	489
(191)	(2)	(Reversal)/Provision against Non Performing Loans & Advances	(18,013)	(149)
(207)	-	(Reversal)/Provision for diminution in value of investments	(19,570)	-
(177)	-	Interest income on investments	(16,737)	-
(9)	-	Gain on sale of investments	(843)	-
(0)	-	Loss/(Gain) on sale of fixed assets	(1)	-
3	-	Return on bank balances	269	-
(45)	2	Unrealized loss/(Gain) on investments classified as HFT	(4,271)	220
-	-	Financial charges	-	-
1	-	Unrealized loss/(Gain) on derivative	105	-
<u>(540)</u>	<u>25</u>		<u>(51,042)</u>	<u>2,354</u>
<u>7,396</u>	<u>7,288</u>		<u>698,908</u>	<u>688,720</u>
(Increase) / decrease in operating assets				
6,644	(7,657)	Landings to financial institutions	627,841	(723,540)
73,150	(2,372)	Held -for-trading securities	6,912,637	(224,134)
(12,863)	(1,016)	Advances	(1,215,571)	(95,974)
527	(91)	Other assets (excluding current taxation)	49,793	(8,594)
<u>67,457</u>	<u>(11,135)</u>		<u>6,374,700</u>	<u>(1,052,242)</u>
Increase in operating liabilities				
(79,125)	(234)	Borrowings	(7,477,306)	(22,100)
19,173	12,857	Deposits and other accounts	1,811,865	1,215,000
(178)	1,196	Other liabilities (excluding current taxation)	(16,833)	112,978
<u>(60,130)</u>	<u>13,819</u>		<u>(5,682,274)</u>	<u>1,305,878</u>
<u>14,723</u>	<u>9,972</u>		<u>1,391,334</u>	<u>942,356</u>
-	-	Financial charges paid	-	-
(3,289)	(675)	Income tax paid	(310,853)	(63,819)
<u>11,434</u>	<u>9,297</u>	Net cash from operating activities	<u>1,080,481</u>	<u>878,537</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
(16,198)	(3,542)	Net investments in available-for-sale securities	(1,530,687)	(334,726)
(11)	-	Net investments in held-to-maturity securities	(1,052)	(2,564)
962	15	Dividend income received	90,881	1,460
(3)	-	Return on bank deposit	(269)	-
(327)	(3)	Investments in operating fixed assets	(30,945)	(323)
1	-	Proceeds from disposal of fixed assets	58	-
<u>(15,577)</u>	<u>(3,530)</u>	Net cash used in investing activities	<u>(1,472,014)</u>	<u>(336,153)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
-	-	Payments of lease obligations	-	-
(2,116)	-	Payment of dividend	(200,000)	-
-	-	Proceeds from issue of share capital	-	-
<u>(2,116)</u>	<u>-</u>	Net cash flows from financing activities	<u>(200,000)</u>	<u>-</u>
<u>(6,260)</u>	<u>5,767</u>	Increase/(Decrease) in cash and cash equivalents	<u>(591,533)</u>	<u>542,384</u>
<u>7,798</u>	<u>1,701</u>	Cash and cash equivalents at beginning of the period	<u>736,875</u>	<u>160,772</u>
<u>1,538</u>	<u>7,468</u>	Cash and cash equivalents at the end of the period	<u>145,342</u>	<u>703,156</u>

The annexed notes 1 to 15 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 SEPTEMBER 30, 2012

	Share capital	Statutory reserve	Unappropriated profit	Total
	----- (Rupees in '000) -----			
Balance as at January 01, 2011	6,000,000	278,311	1,113,241	7,391,552
Comprehensive income:				
Profit after taxation for the period ended September 30, 2011	-	-	473,290	473,290
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	473,290	473,290
Transfer to statutory reserve		94,658	(94,658)	-
Transactions with owners:				
Issue of Share Capital	-	-	-	-
Balance as at September 30, 2011	6,000,000	372,969	1,491,873	7,864,842
Balance as at October 01, 2011	6,000,000	372,969	1,491,873	7,864,842
Comprehensive income:				
Profit after taxation for the period ended December 31, 2011	-	-	131,174	131,174
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	131,174	131,174
Transfer to statutory reserve		26,235	(26,235)	-
Balance as at December 31, 2011	6,000,000	399,204	1,596,812	7,996,016
Balance as at January 01, 2012	6,000,000	399,204	1,596,812	7,996,016
Comprehensive income:				
Profit after taxation for the period ended September 30, 2012	-	-	579,601	579,601
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	579,601	579,601
Transfer to statutory reserve		115,920	(115,920)	-
Final cash dividend for the year ended December 31, 2011 declared subsequent to the year end at Rs.0.33 per share			(200,000)	(200,000)
Balance as at September 30, 2012	6,000,000	515,124	1,860,493	8,375,617

The annexed notes 1 to 15 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 SEPTEMBER 30, 2012

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 AND CONSOLIDATION

2.1 Basis of presentation

These consolidated financial statements have been prepared from the information available in the un-audited financial statements of the holding company and subsidiary company for the period ended September 30, 2012. The accounting policies used by the subsidiary in preparation of their financial statements are consistent with that of the holding company.

2.2 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).

2.3 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. 94.50 to US Dollars has been used for both 2011 and 2012, as it was the prevalent rate as on September 30, 2012.

3. STATEMENT OF COMPLIANCE

- 3.1** These consolidated condensed interim financial statements of the Company for the period ended September 30, 2012 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, 2011.

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, 2011.

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, 2011.

	September 30, 2012 (Un-audited)	December 31, 2011 (Audited)
Note	----- (Rupees in '000) -----	-----

7. LENDINGS TO FINANCIAL INSTITUTIONS

Repurchase agreement lendings	7.2	-	462,841
Term deposit receipts (TDRs)	7.3	-	165,000
		<u>-</u>	<u>627,841</u>

7.1 All lendings of the Company are in local currency.

7.2 These are short-term lendings to various financial institutions against government securities. These carry mark-up @ NIL (December 31, 2011: 11.85%) per annum and maturing on NIL (December 31, 2011 : 6 days)

7.3 The profit rate on these TDRs is NIL (December 31, 2011: 12.00% to 14.50%). All TDRs are due to maturity within NIL (December 31, 2011: 1 month).

8. INVESTMENTS

		Held by Bank	Given as collateral	Total
.....Rupees in '000'				
Current period (September 30, 2012) - Un-audited	8.1	<u>7,310,253</u>	<u>13,218,163</u>	<u>20,528,416</u>
Prior year - Audited (December 31, 2011)	8.1	<u>5,801,830</u>	<u>19,940,534</u>	<u>25,742,364</u>
Prior year corresponding period - Un-Audited (September 30, 2011)		<u>6,637,019</u>	<u>10,703,286</u>	<u>17,340,305</u>

September 30, 2012 (Un-audited)			December 31, 2011 (Audited)		
Held by the Company	Given as collateral	Total	Held by the Company	Given as collateral	Total
----- (Rupees in '000) -----			----- (Rupees in '000) -----		

8.1 Investments by type:

Held-for-trading securities

Market Treasury Bills	516,964	-	516,964	260,792	6,977,094	7,237,886
Pakistan Investment Bonds	-	-	-	194,855	-	194,855
Ordinary shares of listed companies	-	-	-	7,837	-	7,837
	516,964	-	516,964	463,484	6,977,094	7,440,578

Available- for- sale securities

Market Treasury Bills	904,630	13,202,279	14,106,909	255,771	12,985,868	13,241,639
Pakistan Investment Bonds	-	-	-	340,549	-	340,549
Ordinary shares of listed companies	421,419	-	421,419	620,040	-	620,040
Ordinary shares of unlisted companies	121,375	-	121,375	100,000	-	100,000
Term Finance Certificates and SUKUK	2,629,783	-	2,629,783	3,312,763	-	3,312,763
Mutual funds	2,678,836	-	2,678,836	978,890	-	978,890
Preference shares	85,625	-	85,625	21,500	-	21,500
	6,841,668	13,202,279	20,043,947	5,629,513	12,985,868	18,615,381

Held- to- maturity securities

Term Finance Certificates and SUKUK	191,458	-	191,458	190,406	-	190,406
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Investment at cost	7,550,090	13,202,279	20,752,369	6,283,403	19,962,962	26,246,365
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Less: Provision for diminution in value of Investments

	(261,049)	-	(261,049)	(409,752)	-	(409,752)
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Investments (net of provisions)	7,289,041	13,202,279	20,491,320	5,873,651	19,962,962	25,836,613
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Surplus/(Deficit) on revaluation of held-for-trading securities	4,271	-	4,271	(3,731)	(9,829)	(13,560)
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Surplus/(Deficit) on revaluation of available-for-sale securities	16,941	15,884	32,825	(68,090)	(12,599)	(80,689)
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Total investments (Net of Provision)	7,310,253	13,218,163	20,528,416	5,801,830	19,940,534	25,742,364
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September 30, December 31,
2012 2011
(Un-audited) (Audited)
----- (Rupees in '000) -----

9. ADVANCES

Loans, cash credits, running finances, etc. in Pakistan	4,414,357	3,337,302
LTFF scheme under State Bank of Pakistan	798,035	767,211
Margin financing - In Pakistan	88,200	88,000
Net investment in finance lease - inPakistan	582,352	474,860
	<u>5,882,944</u>	<u>4,667,373</u>
Advances - gross		
Less: Provision for non-performing advances - specific	(2,699)	(1,723)
Provision for non-performing advances - general	-	(18,989)
	<u>(2,699)</u>	<u>(20,712)</u>
Advances - net of provision	<u>5,880,245</u>	<u>4,646,661</u>

9.1 Advances include Rs. 2.699 million (December 31, 2011 : Rs. 2.99 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	2,699	-	2,699	2,699	2,699
	<u>2,699</u>	<u>-</u>	<u>2,699</u>	<u>2,699</u>	<u>2,699</u>

9.2 Movement of Provision

	September 30, 2012			December 31, 2011		
	Specific	General	Total	Specific	General	Total
	----- (Rupees in '000) -----					
Opening balance	1,723	18,989	20,712	1,684	5,845	7,529
Charge for the period	1,268	-	1,268	1,089	13,144	14,233
Reversals	(292)	(18,989)	(19,281)	(1,050)	-	(1,050)
Closing Balance	<u>2,699</u>	<u>-</u>	<u>2,699</u>	<u>1,723</u>	<u>18,989</u>	<u>20,712</u>

10. SHARE CAPITAL

	September 30, 2012 (Un-audited)	December 31, 2011 (Audited)
	----- (Rupees in '000) -----	
Authorized Capital		
600,000,000 (2011: 600,000,000) Ordinary shares of Rs. 10 each	<u>6,000,000</u>	<u>6,000,000</u>
Issued, subscribed and paid up Capital		
600,000,000 (2011: 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, 2012 (Un-audited)	December 31, 2011 (Audited)
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----- (Rupees in '000) -----

11. CONTINGENCIES AND COMMITMENTS

11.1 Transaction-related Contingent liability

Standby letter of credit

<u>152,293</u>	<u>158,884</u>
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11.2 Other Contingencies

11.2.1 In the year 2009, Burj Bank Limited (formerly Dawood Islamic Bank Limited) filed a legal suit amounting to Rs.200 million for damages against the Company for alleged non performance of underwriting commitment to issue shares at a premium. Legal advisors of the Company are of the opinion that the possibility of the Company being subject to any liability in relation to the suit is negligible.

11.2.2 Income tax returns for the tax years 2007 to 2011 have been filed by the Company on due dates that are deemed to be assessed by the Commissioner Inland Revenue under the provisions of section 120 of the Income Tax Ordinance, 2001.

There is no change in tax status in respect of tax years 2008, 2009 and 2010 as disclosed in the annual financial statements for the year ended December 31, 2011.

During the period, assessment for tax year 2011 was also amended and a tax demand of Rs.55.547 million created which was reduced to Rs.52.091 million after issuance of rectified order under section 221 of the Income Tax Ordinance, 2001. The Company has already paid for Rs. 33.381 million on account of tax liability for the tax year 2010. An appeal is currently being filed before the Commissioner Inland Revenue (Appeals)

An appeal filed with the CIR(A) against the rectified order levying WWF in the tax year 2009 was decided in favour of the Company. However, the tax department has filed an appeal with the Appellate Tribunal Inland Revenue against the aforesaid decision of CIR(A). In 2011, the CIR(A) deleted the levy of WWF. The unrecognised amount relating to WWF is Rs.11.234 million at the period end.

September 30, 2012 (Un-audited)	December 31, 2010 (Audited)
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----- (Rupees in '000) -----

11.3 Commitments for the acquisition of fixed assets

<u>-</u>	<u>28,134</u>
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11.4 Commitments to extend credit

<u>1,049,060</u>	<u>392,750</u>
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11.5 Commitments for trading in government securities

Sale of T-bills

193,028	-
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Purchases (reverse repo)

-	464,944
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Sale (repo)

<u>13,240,127</u>	<u>20,502,275</u>
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12. BASIC AND DILUTED EARNINGS PER SHARE

	Period Ended September 30, 2012 (Un-audited)	Period Ended September 30, 2011 (Un-audited)
Profit after taxation for the period attributable to ordinary shareholders (Rupees in '000)	579,601	473,290
Weighted average number of ordinary shares outstanding during the period (in '000)	600,000	600,000
Basic and diluted earnings per share (Rupees)	0.97	0.79

13. RELATED PARTY TRANSACTIONS

The Company has related party relationships with its subsidiary namely Primus Investment Management Ltd., its employee contribution plans, its key management personnel and other related parties including Pakistan Mercantile Exchange Ltd., Nimir Industrial Chemicals Ltd. and Haq bahu Sugar Mills (Pvt) Ltd. due to common directorship. There are no transactions with key management personnel other than under the terms of employment.

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

	For the period ended September 30, 2012 (Un-audited)		For the year ended December 31, 2011 (Audited)	
	Key management personnel	Other related parties	Key management personnel	Other related parties
----- (Rupees in '000) -----				
Advances				
At beginning of the period / year	23,286	474,000	20,063	-
Given during the period / year	6,652	-	8,263	479,000
Repaid during the period / year	(13,713)	-	(5,040)	(5,000)
At end of the period / year	<u>16,225</u>	<u>474,000</u>	<u>23,286</u>	<u>474,000</u>
Investments				
At beginning of the period / year	-	15,000	-	-
Investments made during the period / year	-	12,956	-	15,000
Redemption during the period / year	-	(3,462)	-	-
At end of the period / year	<u>-</u>	<u>24,494</u>	<u>-</u>	<u>15,000</u>
	For the period ended September 30, 2012 (Un-audited)		For the period ended September 30, 2011 (Un-audited)	
	Key management personnel	Other related parties	Key management personnel	Other related parties
----- (Rupees in '000) -----				
Mark-up / return / interest earned	<u>530</u>	<u>51,501</u>	<u>579</u>	<u>295</u>
Mark-up / return / interest expensed	<u>-</u>	<u>1,342</u>	<u>-</u>	<u>-</u>
Salaries and other benefits	<u>51,653</u>	<u>-</u>	<u>52,332</u>	<u>22,128</u>
Contribution to Provident Fund	<u>2,121</u>	<u>-</u>	<u>2,413</u>	<u>1,039</u>
Re-imburement of expenses	<u>6,508</u>	<u>-</u>	<u>7,342</u>	<u>6,589</u>

14. GENERAL

14.1 Credit Rating

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 Credit Rating Agency Limited, SBP approved rating agency. Outlook on the assigned rating is "Stable".

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

15. DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue on **09-May-2013** by Board of Directors of the Group

Chief Executive

Director

Director

Chairman