



PAK BRUNEI INVESTMENT COMPANY LTD.

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

FOR THE HALF YEAR ENDED JUNE 30, 2016

PAK BRUNEI INVESTMENT COMPANY LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION - (UN-AUDITED)
AS AT JUNE 30, 2016

June 30, 2016
(Un-audited)
(US \$ in '000)

December 31, 2015
(Audited)

June 30, 2016
(Un-audited)
(Rupees in '000)

December 31, 2015
(Audited)

ASSETS

865	977
1,111	4,660
-	-
135,436	160,131
109,045	97,838
459	474
948	635
7,152	14,288
255,016	279,003

Cash and balances with treasury banks
Balances with other banks
Lendings to financial institutions
Investments - net
Advances - net
Operating fixed assets
Deferred tax assets - net
Other assets

98,570	102,304
116,295	487,887
-	-
7 14,180,145	16,765,721
8 11,417,009	10,243,680
9 48,095	49,584
99,243	66,529
10 748,782	1,495,943
26,700,139	29,211,648

LIABILITIES

-	-
121,289	138,907
29,449	40,289
-	-
-	-
-	-
7,291	6,765
158,029	185,962
96,987	93,042

Bills payable
Borrowings from financial institutions
Deposits and other accounts
Sub-ordinated loans
Liabilities against assets subject to finance lease
Deferred tax liabilities - net
Other liabilities

-	-
11 12,698,964	14,543,592
12 3,083,289	4,218,289
-	-
-	-
-	-
763,331	708,302
16,545,584	19,470,183
10,154,555	9,741,465

NET ASSETS

REPRESENTED BY

57,307	57,307
11,242	10,176
28,381	25,943
96,930	93,425
58	(383)
96,987	93,042

Share capital
Reserves
Unappropriated profit
Deficit on revaluation of assets - net of deferred tax

13 6,000,000	6,000,000
1,177,032	1,065,388
2,971,500	2,716,198
10,148,532	9,781,586
6,023	(40,121)
10,154,555	9,741,465

CONTINGENCIES AND COMMITMENTS


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, 2016

Half Year Ended June 30, 2016	Half Year Ended June 30, 2015		Quarter Ended June 30, 2016	Half Year Ended June 30, 2016	Quarter Ended June 30, 2015	Half Year Ended June 30, 2015
(US \$ in '000)			(Rupees in '000)			
7,982	9,931	Mark-up / return / interest earned	395,004	835,720	441,961	1,039,764
5,296	6,888	Mark-up / return / interest expensed	253,766	554,510	299,133	721,214
2,686	3,043	Net mark-up / interest income	141,238	281,210	142,828	318,550
449	673	(Reversal)/provision against non-performing loans and advances	45,885	47,890	70,353	70,455
273	(2)	(Reversal)/Provision for diminution in the value of investments	26,420	28,587	684	(191)
-	-	Bad debts written off directly	-	-	-	-
722	671		72,305	75,637	71,037	70,264
1,963	2,371	Net mark-up / interest income after provisions	68,933	205,573	71,791	248,286
NON MARK-UP/ INTEREST INCOME						
976	401	Fee, commission and brokerage income	37,805	102,179	17,155	42,011
171	265	Dividend income	7,460	17,874	12,329	27,709
4,208	4,714	Gain on sale of securities - net	380,738	440,629	166,991	493,538
-	-	Unrealized gain on revaluation of investments classified as held for trading	860	(130)	(1,529)	(15,369)
(1)	(147)	Other income	250	1,343	51	51
12	0					
5,366	5,233	Total non-markup / interest income	427,113	561,795	194,997	547,940
7,329	7,605		496,046	767,368	266,788	796,226
NON MARK-UP/ INTEREST EXPENSES						
1,995	1,842	Administrative expenses	109,950	208,926	93,478	192,853
-	-	Other provisions / write off's	-	-	-	-
-	-	Other charges	-	-	-	-
1,995	1,842	Total non-markup / interest expenses	109,950	208,926	93,478	192,853
5,334	5,763		386,096	558,442	173,310	603,343
2,528	-	Share of profit/(loss) of associates	121,650	264,639	142,823	374,065
7,861	5,763	PROFIT BEFORE TAXATION	507,746	823,081	316,133	977,408
2,380	2,649	Taxation - Current	147,218	249,226	188,010	277,341
352	232	- Prior years	36,885	36,885.00	24,248	24,248
(286)	(843)	- Deferred	(23,220)	(29,976)	(88,299)	(88,299)
2,446	2,037		160,883	256,135	123,959	213,290
5,415	3,725	PROFIT AFTER TAXATION	346,863	566,946	192,174	764,118

---US Dollar---

0.0090 0.0122

Earnings Per Share - Basic and Diluted (Rupees)

15

-----Rupees-----

0.58 0.94 0.32 1.27

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, 2016

Half Year Ended June 30, 2016 <u>(US \$ in '000)</u>	Half Year Ended June 30, 2015		Quarter Ended June 30, 2016	Half Year Ended June 30, 2016	Quarter Ended June 30, 2015	Half Year Ended June 30, 2015
			<u>(Rupees in '000)</u>			
5,415	3,725	Profit after taxation for the period	346,863	566,946	192,174	764,118
-	-	Other comprehensive income - net	-	-	-	-
-	-	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	-	-	-	-
<u>5,415</u>	<u>3,725</u>	Comprehensive income transferred to equity	<u>346,863</u>	<u>566,946</u>	<u>192,174</u>	<u>764,118</u>
		Components of comprehensive income not reflected in equity				
444	(1,426)	Surplus / (deficit) on revaluation of 'available-for-sale securities' - net of tax*	(208,303)	46,491	(340,743)	(149,315)
<u>5,859</u>	<u>2,299</u>	Total comprehensive income for the period	<u>138,560</u>	<u>613,437</u>	<u>(148,569)</u>	<u>614,803</u>

* (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 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 CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2016

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Half Year Ended June 30, 2016 (US\$ in '000)	Half Year Ended June 30, 2015		Half year ended June 30, 2016 (Rupees in '000)	Half year ended June 30, 2015 (Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES				
7,861	9,335	Profit before taxation	823,081	977,408
(171)	(265)	Less: Dividend income	(17,874)	(27,709)
<u>7,691</u>	<u>9,071</u>		<u>805,206</u>	<u>949,699</u>
Adjustments for non-cash charges				
102	80	Depreciation	10,695	8,373
7	13	Amortisation	736	1,379
449	673	Provision against non performing advances	47,050	70,455
273	(2)	Provision for diminution in the value of investments	28,587	(191)
-	-	Gain on sale of investments	-	-
(11,73)	(0,14)	Gain on sale of property & equipment	(1,228)	(15)
-	-	Interest income on investments	-	-
-	-	Return on bank balance	-	-
1	553	Unrealized gain on revaluation of investments classified as held for trading	138	57,851
-	-	Unrealized loss on interest rate swap contracts	-	-
-	-	Finance charges on leased assets	-	-
<u>821</u>	<u>1,317</u>		<u>85,970</u>	<u>137,832</u>
<u>8,512</u>	<u>10,387</u>		<u>891,176</u>	<u>1,087,531</u>
(Increase) decrease in operating assets				
-	(11,805)	Lendings to financial institutions	-	(1,235,939)
(12,349)	(40,919)	Held-for-trading securities	(1,292,905)	(4,284,212)
(11,666)	(15,356)	Advances	(1,230,379)	(1,607,792)
6,318	2,894	Other assets (excluding advance taxation)	661,473	302,966
<u>(17,687)</u>	<u>(65,186)</u>		<u>(1,851,811)</u>	<u>(6,824,997)</u>
Increase in operating liabilities				
(17,618)	(93,608)	Borrowings from financial institutions	(1,844,628)	(9,800,780)
(10,840)	29,696	Deposits and other accounts	(1,135,000)	3,109,220
526	(4,824)	Other liabilities (excluding current taxation)	55,029	(505,070)
<u>(27,933)</u>	<u>(68,736)</u>		<u>(2,924,599)</u>	<u>(7,196,630)</u>
<u>(37,108)</u>	<u>(123,535)</u>		<u>(3,885,234)</u>	<u>(12,934,076)</u>
<u>(2,116)</u>	<u>(1,281)</u>	Financial charges paid	-	-
<u>(39,224)</u>	<u>(124,816)</u>	Income tax paid	(221,859)	(134,144)
		Net cash flows from operating activities	(4,106,793)	(13,068,220)
CASH FLOWS FROM INVESTING ACTIVITIES				
44,210	109,475	Net investments in available-for-sale securities	4,628,764	11,461,988
(91)	-	Net investments in held-to-maturity securities	(9,308)	-
(6,748)	-	Net investment in Associates	(706,465)	-
180	906	Dividend income received	18,807	94,820
(95)	(246)	Investment in operating fixed assets	(9,922)	(25,797)
17	31	Sale proceeds from disposal of property and equipment	1,792	3,249
<u>37,473</u>	<u>110,165</u>	Net cash used in investing activities	3,923,468	11,534,260
CASH FLOWS FROM FINANCING ACTIVITIES				
-	-	Payments of lease obligations	-	-
(1,910)	(1,910)	Dividend paid	(200,000)	(200,000)
<u>(1,910)</u>	<u>(1,910)</u>	Net cash flows from financing activities	(200,000)	(200,000)
<u>(3,661)</u>	<u>(16,561)</u>	Increase / (decrease) in cash and cash equivalents	(383,325)	(1,733,960)
<u>5,637</u>	<u>28,287</u>	Cash and cash equivalents at beginning of the period	590,191	2,961,616
<u>1,976</u>	<u>11,725</u>	Cash and cash equivalents at end of the period	206,866	1,227,656

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, 2016

	Share capital	Statutory reserve	Unappropriated profit	Total
	(Rupees in '000)			
Balance as at January 01, 2015	6,000,000	878,000	2,174,895	9,052,895
Comprehensive income - Profit after taxation for the six months ended June 30, 2015	-	-	764,118	764,118
Transfer to statutory reserve	-	148,426	(148,426)	-
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)
Balance as at June 30, 2015	6,000,000	1,026,426	2,590,587	9,617,013
Comprehensive income - Profit after taxation for the six months ended December 31, 2015	-	-	164,573	164,573
Transfer to statutory reserve	-	38,962	(38,962)	-
Balance as at December 31, 2015	6,000,000	1,065,388	2,716,198	9,781,586
Comprehensive income - Profit after taxation for the six months ended June 30, 2016	-	-	566,946	566,946
Transfer to statutory reserve	-	111,644	(111,644)	-
Final cash dividend for the year ended December 31, 2015 declared subsequent to the year end at Re. 0.33 per share	-	-	(200,000)	(200,000)
Balance as at June 30, 2016	6,000,000	1,177,032	2,971,500	10,148,532

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
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED JUNE 30, 2016

1. STATUS AND NATURE OF BUSINESS

The Group comprises of Pak Brunei Investment Company Limited (the "holding company" or "parent") and its subsidiaries, Primus Investment Management Ltd. and Awwal Modaraba Management Ltd. 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 Companies

Primus Investment Management Limited

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.

Awwal Modaraba Management Limited

Awwal Modaraba Management Limited is a public unlisted company incorporated in Pakistan on June 05, 2014 under the Companies Ordinance, 1984. The registered office of the Company is situated at 6th Floor, Horizon Vista, Plot No. Commercial-10, Block No. 4, Scheme No. 5, Clifton, Karachi, Pakistan. The objectives of the Company is to carry on the business of modaraba floatation and management in Pakistan and to initiate, sponsor, promote, float, organize, manage, administer and operate modaraba companies, modaraba funds, multipurpose and specific purpose modaraba and modarabas of all types and description as per Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980.

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 companies for the period ended June 30, 2016. The accounting policies used by the subsidiaries in preparation of their financial statements are consistent with that of the holding company, wherever possible.

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. 104.70 to US Dollars has been used for both 2015 and 2016, as it was the prevalent rate as on June 30, 2016.

3. STATEMENT OF COMPLIANCE

3.1 These consolidated condensed interim financial statements of the Company for the period ended June 30, 2016 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 IFRS 10 "Consolidated Financial Statements" was made applicable from periods beginning on or after January 01, 2015 vide S.R.O 633(I)/2014 dated July 10, 2014 by Securities and Exchange Commission of Pakistan (SECP). However, vide S.R.O 56(I) /2016 dated January 28, 2016, SECP has directed that the requirements of consolidation under section 237 of the Companies Ordinance 1984 and IFRS-10 "Consolidated Financial Statements" are not applicable in case of investment by companies in mutual funds established under trust structure. Accordingly, the requirements of this standard have not been considered in the preparation of the consolidated condensed interim financial information.

3.4 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, 2015.

4. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended December 31, 2015.

5. ACCOUNTING ESTIMATES AND JUDGEMENTS

The estimates/judgments and associated assumptions used in the preparation of these 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, 2015.

6. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the financial statements of the Company for the year ended December 31, 2015.

7. INVESTMENTS - net

	Note	Held by Company	Given as collateral (Rupees in '000)	Total
Current period (June 30, 2016) - Un-audited	7.1	10,188,367	3,991,778	14,180,145
Prior year (December 31, 2015) - Audited	7.1	11,476,726	5,288,995	16,765,721
Prior year corresponding period (June 30, 2015) - Un-audited		13,731,030	2,384,838	16,115,868

June 30, 2016 (Un-audited)			December 31, 2015 (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	-	-	-	-	-	-
Pakistan Investment Bonds	-	1,463,367	1,463,367	5,828	-	5,828
Ordinary shares of listed companies	3,435	-	3,435	168,069	-	168,069
	3,435	1,463,367	1,466,802	173,897	-	173,897

Available- for- sale securities

Market Treasury Bills	648,753	1,065,891	1,714,644	737,760	480,243	1,218,003
Pakistan Investment Bonds	214,545	1,401,068	1,615,613	877,849	4,808,752	5,686,601
Ordinary shares of listed companies	795,444	-	795,444	854,393	-	854,393
Ordinary shares of un-listed companies	40,581	-	40,581	146,001	-	146,001
Term Finance Certificates and Sukuks	1,354,962	-	1,354,962	2,461,249	-	2,461,249
Mutual Funds	217,239	-	217,239	1,000	-	1,000
Preference Shares	67,260	-	67,260	67,260	-	67,260
	3,338,784	2,466,959	5,805,743	5,145,512	5,288,995	10,434,507

Held-to-maturity securities

Commercial paper	215,465	-	215,465	205,957	-	205,957
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Investment in associates	6,950,850	-	6,950,850	6,244,385	-	6,244,385
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Investments at cost	10,508,534	3,930,326	14,438,860	11,769,751	5,288,995	17,058,746
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Less: Provision for diminution in value of Investments	(287,355)	-	(287,355)	(258,766)	-	(258,766)
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Investments (net of provisions)	10,221,179	3,930,326	14,151,505	11,510,985	5,288,995	16,799,980
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Surplus on revaluation of held-for-trading securities	485	115	600	(7,019)	-	(7,019)
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(Deficit) / surplus on revaluation of available-for-sale securities - net	(33,297)	61,337	28,040	(27,240)	-	(27,240)
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Total investments at market value	10,188,367	3,991,778	14,180,145	11,476,726	5,288,995	16,765,721
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		June 30, 2016 (Un-audited) ----- (Rupees in '000) -----	December 31, 2015 (Audited)
8. ADVANCES - net			
Loans, cash credits, running finances, etc. - In Pakistan		8,507,856	8,088,942
Advances under State Bank of Pakistan (SBP):			
- Long-Term Finance Facility (LTFF) Scheme		1,440,377	951,045
- Power Plants Using Renewable Energy (PPRE) Scheme		171,778	172,582
- Financing for Storage of Agriculture Produce (FFSAP) Scheme		89,462	17,672
Net investment in finance lease - in Pakistan		1,410,959	1,169,812
Advances - gross		<u>11,620,432</u>	<u>10,400,053</u>
Provision for non-performing advances - Specific	8.1	<u>(202,692)</u>	<u>(155,854)</u>
Provision for non-performing advances - General		<u>(731)</u>	<u>(519)</u>
		<u>(203,423)</u>	<u>(156,373)</u>
Advances - net of provision		<u><u>11,417,009</u></u>	<u><u>10,243,680</u></u>

8.1 Advances include Rs. 439.547 million (December 31, 2015: Rs. 311.707 million), which have been placed under non-performing status as detailed below:

	June 30, 2016 (Un-audited)				
	Rupees in '000				
	Non-performing loans			Provision Required	Provision Held
<u>Category of Classification</u>	Domestic	Overseas	Total		
Other assets especially mentioned	2,346	-	2,346	235	235
Substandard	125,494	-	125,494	31,375	31,375
Doubtful	-	-	-	-	-
Loss	311,707	-	311,707	171,082	171,082
	<u>439,547</u>	<u>-</u>	<u>439,547</u>	<u>202,692</u>	<u>202,692</u>

	December 31, 2015 (Audited)				
	Rupees in '000				
	Non-performing loans			Provision Required	Provision Held
<u>Category of Classification</u>	Domestic	Overseas	Total		
Other assets especially mentioned	-	-	-	-	-
Substandard	-	-	-	-	-
Doubtful	311,707	-	311,707	155,854	155,854
Loss	-	-	-	-	-
	<u>311,707</u>	<u>-</u>	<u>311,707</u>	<u>155,854</u>	<u>155,854</u>

9. OPERATING FIXED ASSETS

Additions during the six months period ended June 30, 2016 amounted to Rs.9.639 million (2015: Rs.25.75 million) while disposals had a cost of Rs.1.437 million (2015: Rs.10.47 million) and written down value of Rs.0.150 million (2015: Rs.3.23 million).

	Note	June 30, 2016 (Un-audited)	December 31, 2015 (Audited)
----- (Rupees in '000) -----			
10. OTHER ASSETS			
Income / mark-up accrued in local currency		294,373	427,245
Advances, deposits and other prepayments		97,247	106,583
Advance tax (payment less provision)		129,294	193,812
Dividend receivable		31,993	1,125
Receivable from associates		57,377	51,779
Receivable against sale of assets		-	7,484
Receivable against sale of shares		179,553	-
Unrealised gain on forward contracts		-	7,915
Pre-IPO investment in Awwal Modaraba - related party			750,000
Others		8,945	-
		<u>798,782</u>	<u>1,545,943</u>
Less: Provision held against advances, deposits and other prepayments		<u>(50,000)</u>	<u>(50,000)</u>
Other assets (net of provision)		<u>748,782</u>	<u>1,495,943</u>

11. BORROWINGS FROM FINANCIAL INSTITUTIONS

Secured

Borrowings from State Bank of Pakistan under:

- Long-Term Finance Facility (LTFF) Scheme	1,424,824	910,491
- Power Plants Using Renewable Energy (PPRE) Scheme	165,069	172,582
- Financing for Storage of Agriculture Produce (FFSAP) Scheme	89,462	17,672

Repurchase agreement borrowings (Repo)	3,836,925	5,162,632
Borrowing from banks	2,999,500	2,250,000
	<u>8,515,780</u>	<u>8,513,377</u>

Unsecured

Letters of placement	4,183,184	6,030,215
	<u>12,698,964</u>	<u>14,543,592</u>

12. DEPOSITS AND OTHER ACCOUNTS

Certificate of investment - remunerative	12.1	<u>3,083,289</u>	<u>4,218,289</u>
------------------------------------------	------	------------------	------------------

12.1 These deposits are placed with the Company at an interest rate of 6.00% to 7.00% per annum (December 31, 2015: 6.00% to 7.40% per annum). These are repayable within 2 months to 5 months (December 31, 2015: 1 month to 10 months).

June 30, December 31,
2016 2015
(Un-audited) (Audited)

13. SHARE CAPITAL

ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

June 30, 2016 (Un-audited) ----- (Number of shares) -----	December 31, 2015 (Audited)		Note	June 30, 2016 (Un-audited) ----- (Rupees in '000) -----	December 31, 2015 (Audited) ----- (Rupees in '000) -----
<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, 2015: 299,996,000 and 4,001 shares) respectively on behalf of Government of Pakistan and remaining 300,000,000 shares (December 31, 2015: 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, 2015, except as follows:

	June 30, 2016 (Un-audited) ----- (Rupees in '000) -----	December 31, 2015 (Audited) ----- (Rupees in '000) -----
14.1 Commitments for trading in government securities Sale (repo)	<u>3,839,598</u>	<u>5,183,360</u>
14.2 Commitments to extend credit	<u>6,632,169</u>	<u>3,468,396</u>
14.3 Other commitments		
sale of shares	<u>-</u>	<u>169,891</u>
sale of Govt. securities	<u>-</u>	<u>5,183,360</u>
purchase of Modaraba certificates	<u>-</u>	<u>250,000</u>

15. EARNINGS PER SHARE - BASIC AND DILUTED

	Quarter Ended June 30, 2016	Half Year Ended June 30, 2016	Quarter Ended June 30, 2015	Half Year Ended June 30, 2015
	----- (Un-audited) -----			
Profit after taxation for the period attributable to ordinary shareholders (Rupees in '000)	<u>346,863</u>	<u>566,946</u>	<u>192,174</u>	<u>764,118</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>0.58</u>	<u>0.94</u>	<u>0.32</u>	<u>1.27</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) -----		
June 30, 2016 - Un-audited			
Total income	102,180	1,137,320	419,467
Total expenses	66,783	539,501	232,886
Net income	35,397	601,103	186,581
Segment assets (gross)	-	15,887,569	11,709,364
Segment non performing loans	-	2,346	-
Investment provided for	-	357,584	-
Segment provision held	-	287,591	202,456
Segment liabilities	-	9,439,403	7,120,431
Segment Return on Assets (ROA) (%)	-	6.95%	3.69%
Segment Return on net Assets (ROA) (%)	-	12.08%	3.75%
Segment cost of funds (%)	-	9.45%	9.45%
June 30, 2015 - Un-audited			
Total income	42,010	1,599,670	348,372
Total expenses	23,330	825,160	164,154
Net income	18,680	774,510	184,218
Segment assets (gross)	-	18,701,776	8,512,156
Segment non performing loans	-	283,787	-
Investment provided for	-	324,767	-
Segment provision held	-	313,431	-
Segment liabilities	-	11,565,149	5,380,668
Segment Return on Assets (ROA) (%)	-	5.12%	5.06%
Segment Return on net Assets (ROA) (%)	-	11.85%	3.76%
Segment cost of funds (%)	-	8.91%	8.91%

17. RELATED PARTY TRANSACTIONS

The Company has related party relationship with:

- associates (collective investment schemes of Primus Investment Management Ltd. and Modaraba fund managed by Awwal Modaraba)
- its employee defined benefit plan and defined contribution plan;
- its key management personnel;
- state controlled entities i.e. the entities which are owned and / or controlled by the Government of Pakistan and the Government of Brunei or where these governments may exercise significant influence
- 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, 2016 (Un-audited)				For the year ended December 31, 2015 (Audited)			
	Key management personnel	Other related parties	State controlled entities	Associates	Key management personnel	Other related parties	State controlled entities	Associates
Advances								
At beginning of the period / year	67,983	540,232	53,466	-	49,513	566,259	160,825	-
Given during the period	3,420	297,916	18,068	-	24,102	105,981	9,514	-
Transfer to / from other related party	(21,687)	21,687	-	-	6,991	(6,991)	-	-
Repaid during the period	(12,354)	(68,148)	(15,622)	-	(12,623)	(125,017)	(116,873)	-
At end of the period	37,362	791,687	55,912	-	67,983	540,232	53,466	-
Borrowings								
At beginning of the period	-	-	6,605,818	630,000	-	-	15,880,124	690,000
Received during the period	-	-	158,703,321	950,000	-	-	207,469,362	2,645,000
Redemption during the period	-	-	(160,170,889)	(630,000)	-	-	(216,743,668)	(2,705,000)
At end of the period	-	-	5,138,250	950,000	-	-	6,605,818	630,000
Placements								
At beginning of the period	-	-	-	-	-	-	-	-
Placements made during the period	-	-	2,868,769	-	-	-	19,307,119	-
Placements matured during the period	-	-	(2,868,769)	-	-	-	(19,307,119)	-
At end of the period	-	-	-	-	-	-	-	-
Investments								
At beginning of the period	-	187,309	7,063,565	6,872,342	-	338,989	15,508,620	4,952,497
Investments made during the period	-	207,766	37,742,736	13,213,284	-	734,186	44,042,066	27,692,032
Redemption during the period	-	(281,864)	(39,860,691)	(12,929,939)	-	(885,866)	(52,487,121)	(25,772,187)
At end of the period	-	113,211	4,945,610	7,155,687	-	187,309	7,063,565	6,872,342

For the half year ended June 30, 2015
(Un-audited)

For the half year ended June 30, 2016
(Un-audited)

	Key management personnel	Other related parties	State controlled entities	Associates	Key management personnel	Other related parties	State controlled entities	Associates
Mark-up / return / interest earned	888	7,840	322,168	-	1,171	28,165	527,822	-
Mark-up / return / interest expensed	-	-	132,030	18,912	21	-	290,507	-
Gain on sale of securities - net	-	8,035	460,636	238,481	-	16,979	492,276	-
Dividend Income	-	-	4,970	32,590	-	899	7,572	-
Salaries and other benefits	58,780	-	-	-	64,718	-	-	-
Contribution to Provident Fund	2,956	-	-	-	2,683	-	-	-
Contribution to Gratuity Fund	1,477	-	-	-	1,594	-	-	-
Re-imbursment of expenses	2,443	-	-	20,445	2,264	-	-	-

(Rupees in '000)

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 2016. Outlook on the assigned rating is "Stable".

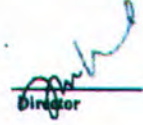
18.2 Figures have been rounded-off to the nearest thousand rupees.

19. DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue on 05-September-2016 by Board of Directors of the Company.


Chief Executive


Director


Director


Chairman