

Financial Statements

For the period ended June 30, 2009



**PAK BRUNEI INVESTMENT
COMPANY LIMITED**

Financial Statements

for the period ended June 30, 2009

AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim balance sheet of Pak Brunei Investment Company Limited ("the Company") as at June 30, 2009 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity for the half year then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended June 30, 2009 and 2008 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2009.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements as at June 30, 2009 are not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.

M. Yousuf Adil Saleem & Co
Chartered Accountants

Karachi
Date: October 26, 2009

PAK BRUNEI INVESTMENT COMPANY LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT JUNE 30, 2009

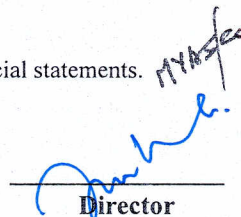
	June 30, 2009 (Un-audited)	December 31, 2008 (Audited)
Note	----- (Rupees in '000) -----	
ASSETS		
Cash and balances with treasury banks	5,872	4,267
Balances with other banks	204,674	14,870
Lendings to financial institutions	7 1,004,556	1,519,299
Investments (a)	8 4,024,301	2,687,585
Advances	9 1,357,796	1,062,744
Operating fixed assets	10 43,441	44,334
Deferred tax assets-net	35,833	27,236
Other assets	244,601	168,558
	6,921,074	5,528,893
LIABILITIES		
Bills payable	-	-
Borrowings	1,109,189	186,154
Deposits and other accounts	11 223,000	-
Sub-ordinated loans	-	-
Liabilities against assets subject to finance lease	19,065	20,710
Deferred tax liabilities-net	-	-
Other liabilities	72,671	40,869
	1,423,925	247,733
NET ASSETS	5,497,149	5,281,160
REPRESENTED BY		
Share capital	12 5,000,000	5,000,000
Reserves	118,013	72,602
Unappropriated profit (b)	472,052	290,407
	5,590,065	5,363,009
Deficit on revaluation of securities-net of tax	(92,916)	(81,849)
	5,497,149	5,281,160
CONTINGENCIES AND COMMITMENTS	13	

- (a) The investments in listed equity securities held as available-for-sale are valued at prices quoted on stock exchanges as at June 30, 2009. Out of the total decline in value of Rs. 92.15 million (December 31, 2008: Rs. 143 million) on such investments, an amount of Rs. 46.65 million (December 31, 2008: Rs. 72 million) has been recognised in the profit and loss account and the remaining amount has been reflected as deficit in equity in accordance with the option provided in the State Bank of Pakistan (SBP) BSD Circular No.4 dated February 13, 2009.
- (b) Had the entire amount of decline in value been recognized in the profit and loss account, the unappropriated profit would have been lower by Rs. 45.5 million (December 31, 2008: Rs. 72 million). See note 8.2.

The annexed notes 1 to 18 form an integral part of these interim condensed financial statements.


Chief Executive


Director


Director

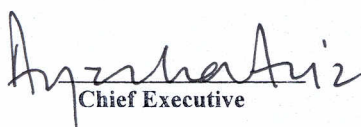

Chairman

PAK BRUNEI INVESTMENT COMPANY LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2009

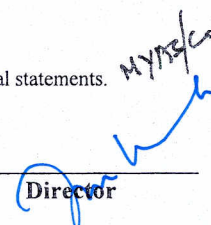
Note	Quarter Ended June 30, 2009	Half Year Ended June 30, 2009	Quarter Ended June 30, 2008	Half Year Ended June 30, 2008
----- (Rupees in '000) -----				
Mark-up / Return / Interest earned	195,657	397,233	152,796	266,087
Mark-up / Return / Interest expensed	13,304	17,104	39,697	60,068
Net mark-up / Interest income	182,353	380,129	113,099	206,019
Provision against non-performing loans and advances	-	-	-	-
Provision for diminution in the value of investments (a)	61,085	84,150	-	-
Bad debts written off directly	-	-	-	-
	61,085	84,150	-	-
Net mark-up / interest income after provisions	121,268	295,979	113,099	206,019
NON MARK-UP/ INTEREST INCOME				
Fee, commission and brokerage income	6,426	8,689	13,205	22,311
Dividend income	1,952	2,897	-	3,361
Gain on sale of securities	60,919	113,022	1,798	26,318
Unrealized gain / (loss) on revaluation of investments classified as held for trading	(1,466)	(789)	(248)	-
Other income	2	2	14	14
Total non-mark-up / interest income	67,833	123,821	14,769	52,004
	189,101	419,800	127,868	258,023
NON MARK-UP/ INTEREST EXPENSES				
Administrative expenses	34,122	66,307	33,805	64,143
Other provisions / write offs	18,750	25,000	-	-
Other charges	50	50	-	-
Total non-mark-up / interest expenses	52,922	91,357	33,805	64,143
	136,179	328,443	94,063	193,880
Extra ordinary / unusual items	-	-	-	-
PROFIT BEFORE TAXATION	136,179	328,443	94,063	193,880
Taxation - Current	51,139	117,453	25,567	60,340
- Prior years	-	-	-	-
- Deferred	(15,801)	(16,066)	(271)	(2,851)
	35,338	101,387	25,296	57,489
PROFIT AFTER TAXATION (b)	100,841	227,056	68,767	136,391
Unappropriated profit brought forward	416,622	290,407	180,218	112,594
Profit available for appropriation	517,463	517,463	248,985	248,985
Earnings per share - Basic and diluted (in Rupees) (b)	0.20	0.45	0.17	0.34

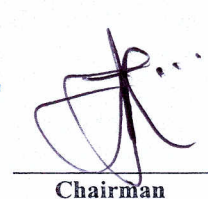
- (a) The investments in the listed equity securities and mutual funds held as available-for-sale are valued at prices quoted on stock exchanges as at June 30, 2009. Out of the total decline in value of Rs. 92.15 million (December 31, 2008: Rs. 143 million) on such investments, an amount of Rs. 46.65 million (December 31, 2008: 72 million) has been recognized in the profit and loss account and the remaining amount has been reflected as deficit in equity in accordance with the option provided in the State Bank of Pakistan (SBP) BSD Circular No.4 dated February 13, 2009.
- (b) Had the entire amount of decline in value been recognized in the profit and loss account, the profit for the year and the earnings per share would have been lower by Rs. 45.5 million and Rs.0.09 respectively. See note 8.2.

The annexed notes 1 to 18 form an integral part of these interim condensed financial statements.


Chief Executive


Director


Director


Chairman

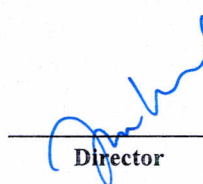
PAK BRUNEI INVESTMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2009

	Quarter Ended June 30, 2009	Half Year Ended June 30, 2009	Quarter Ended June 30, 2008	Half Year Ended June 30, 2008
-----Rupees in '000-----				
Profit after taxation for the period	100,841	227,056	68,767	136,391
Components of comprehensive income not transferred to equity				
Surplus / (deficit) on revaluation of investments- available for sale	(33,209)	(3,597)	(37,798)	(39,935)
• Deferred tax on revaluation of investments - available for sale	6,117	7,470	-	3,206
	(27,092)	3,873	(37,798)	(36,729)
Total comprehensive income for the period	73,749	230,929	30,969	99,662

The annexed notes 1 to 18 form an integral part of these interim condensed financial statements.


 Chief Executive


 Director


 Director



 Chairman

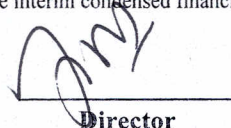
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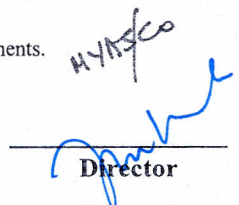
PAK BRUNEI INVESTMENT COMPANY LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2009

Note	Half year ended June 30, 2009	Half year ended June 30, 2008
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	328,443	193,880
Less: Dividend Income	2,897	3,361
	<u>325,546</u>	<u>190,519</u>
Adjustments for non-cash charges		
Depreciation	4,913	3,068
Provision for diminution in the value of investments	84,150	-
Other provisions / reversals	25,000	-
Amortization	1,018	365
Unrealized loss on revaluation of held for trading securities	789	-
Loss on sale of fixed assets	-	610
Finance charges on leased assets	1,275	1,038
	<u>117,145</u>	<u>5,081</u>
	442,691	195,600
Decrease / (increase) in operating assets		
Lendings to financial institutions	514,743	(2,471,038)
Held -for-trading securities	(15,441)	99,315
Advances	(295,052)	(643,290)
Other assets	(101,043)	(63,002)
	<u>103,207</u>	<u>(3,078,015)</u>
Increase / (Decrease) in operating liabilities		
Borrowings	923,035	1,894,549
Deposits and other accounts	223,000	200,000
Other liabilities (excluding current taxation)	27,086	509,459
	<u>1,173,121</u>	<u>2,604,008</u>
	1,719,019	(278,407)
Financial charges paid	(1,336)	(828)
Income tax paid	(112,676)	(60,854)
	<u>1,605,007</u>	<u>(340,089)</u>
Net cash flows from / used in operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Net investments in available-for-sale securities	(1,409,812)	(907,138)
Dividend income received	2,897	3,361
Investments in operating fixed assets	(5,038)	(669)
Proceeds from disposal of fixed assets	-	10,853
Net cash used in investing activities	<u>(1,411,953)</u>	<u>(893,593)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of lease obligations	(1,645)	(1,280)
Proceeds from issue of share capital	-	1,000,000
Net cash flows used in / from financing activities	<u>(1,645)</u>	<u>998,720</u>
Increase / (Decrease) in cash and cash equivalents	<u>191,409</u>	<u>(234,962)</u>
Cash and cash equivalents at beginning of the period	19,137	267,721
Cash and cash equivalents at end of the period	<u>210,546</u>	<u>32,759</u>

The annexed notes 1 to 18 form an integral part of these interim condensed financial statements.


Chief Executive


Director

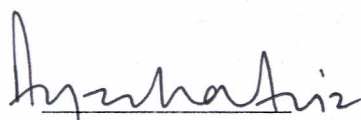

Director


Chairman

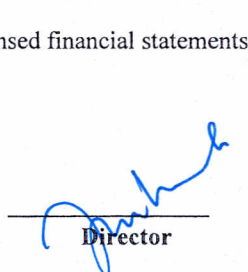
PAK BRUNEI INVESTMENT COMPANY LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2009

	Share capital	Statutory reserve	Unappropriated profit	Total
	(Rupees in '000)			
Balance as at January 01, 2008	3,000,000	28,149	112,594	3,140,743
Changes in equity during the half year ended June 30, 2008				
Total comprehensive income for the half year ended June 30, 2008	-	-	136,391	136,391
Contribution by and distribution to owners and appropriation of statutory reserve;				
Issue of Share Capital	1,000,000	-	-	1,000,000
Transfer to statutory reserve	-	27,278	(27,278)	-
Balance as at June 30, 2008	4,000,000	55,427	221,707	4,277,134
Changes in equity during the half year ended December 31, 2008				
Total comprehensive income for the half year ended December 31, 2008	-	-	85,875	85,875
Contribution by and distribution to owners and appropriation of statutory reserve;				
Issue of Share Capital	1,000,000	-	-	1,000,000
Transfer to statutory reserve	-	17,175	(17,175)	-
Balance as at December 31, 2008	5,000,000	72,602	290,407	5,363,009
Changes in equity during the half year ended June 30, 2009				
Total comprehensive income for the half year ended June 30, 2009	-	-	227,056	227,056
Contribution by and distribution to owners and appropriation of statutory reserve;				
Transfer to statutory reserve	-	45,411	(45,411)	-
Balance as at June 30, 2009	5,000,000	118,013	472,052	5,590,065

The annexed notes 1 to 18 form an integral part of these interim condensed financial statements.


 Chief Executive


 Director


 Director


 Chairman

PAK BRUNEI INVESTMENT COMPANY LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED JUNE 30, 2009

1. STATUS AND NATURE OF BUSINESS

Pak Brunei Investment Company Limited (the Company) is incorporated as an un-listed public limited company under the Companies Ordinance 1984. The State Bank of Pakistan (SBP) granted the 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 objective interalia 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 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 Company is situated at Khadija towers, Plot No. 11/5, Block No. 2, Scheme No. 5, Clifton, Karachi, Pakistan.

2. STATEMENT OF COMPLIANCE

- 2.1** These condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Ordinance, 1984, the requirements of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 or directives issued by the Securities and Exchange Commission of Pakistan and the State Bank of Pakistan. Wherever the requirements of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962, or the directives issued by the State Bank of Pakistan and the Securities and Exchange Commission of Pakistan differ with the requirements of IFRS, the requirements of the Companies Ordinance, 1984, the Banking Companies Ordinance, 1962 or the requirements of the said directives shall prevail.
- 2.2** The SECP has approved the adoption of International Accounting Standard 39, "Financial Instruments: Recognition and Measurement" and International Accounting Standard 40, "Investment Property". The requirements of these standards have not been taken into account for the purpose of these financial statements as the implementation of the said standards has been deferred by SBP, vide BSD circular letter number 11 dated September 11, 2002, for Non Banking Financial Institutions in Pakistan 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 DFIs. Accordingly, the requirements of these standards have not been considered in the preparation of these financial statements. However, investments have been classified and valued in accordance with the requirements of various circulars issued by SBP.
- 2.3** During the current period, International Accounting Standard 1 (Revised), Presentation of Financial Statements (IAS 1) became effective from January 1, 2009. The application of this standard has resulted in certain increased disclosures only.

Other new standards, amendments and interpretations that were mandatory for accounting periods beginning on or after January 1, 2009 and are not considered to be relevant or have any significant effect on the company's operations, are not detailed in these condensed interim financial statements.

- 2.4** These condensed interim financial statements are un-audited but subject to limited scope review by the external auditors of the Company and are being submitted to shareholders in accordance with section 245 of the Companies Ordinance, 1984.

3. BASIS OF PRESENTATION

- 3.1** The disclosures made in these condensed interim financial statements have, however been limited based on the format prescribed by the State Bank of Pakistan vide BSD Circular Letter No. 2 dated May 12, 2004 and International Accounting Standard 34, Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and these financial statements should be read in conjunction with the financial statements of the Company for the year ended December 31, 2008.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation followed in preparation of these condensed interim financial statements are same as those applied in preparing the most recent annual financial statements of the Company together with the following policy:

4.1 Net Investment in Finance Lease

Leases, where the company transfers substantially all the risks and rewards incidental to the ownership of an asset to the lessee are classified as finance leases. A receivable is recognized at an amount equal to the present value of the minimum lease payments, including guaranteed residual value, if any. Finance lease receivables are included in advances to the customer.

Financing method is used in accounting for income from lease financing. Under this method, the unearned lease income (excess of the sum of total lease rentals and estimated residual value over the cost of leased assets) is deferred and taken to income over the term of the lease period on an effective rate of return on the outstanding net investment in lease. Unrealized income on classified leases is recognized on receipt basis.

5. ESTIMATES

The preparation of condensed interim financial information requires management to make judgment, 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 judgments made by the management in applying the accounting policies and the key sources of estimation uncertainty were the same as those applied to financial statements for the year ended December 31, 2008.

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, 2008.

	June 30, 2009 (Un-audited)	December 31, 2008 (Audited)
Note	----- (Rupees in '000) -----	

7. LENDINGS TO FINANCIAL INSTITUTIONS

Repurchase agreement lendings (Reverse Repo)	7.2	22,757	-
Placements	7.3	-	100,000
Term deposit receipts (TDRs)	7.4	959,299	1,344,299
Certificate of Musharika	7.5	22,500	75,000
		<u>1,004,556</u>	<u>1,519,299</u>

7.1 All lendings of the Company are in local currency.

7.2 This represents short-term lending to a financial institution against government security. It carries mark-up at a rate of 13.00% (December 31, 2008: NIL) per annum and is maturing on July 2, 2009.

7.3 Placement as on June 30, 2009 is NIL (December 31, 2008: 18% per annum and due for maturity within 1 week).

7.4 The profit rate on these TDRs ranges between 10.98% and 16.10% (December 31, 2008: 10.13% to 19.00%) per annum. All TDRs are due for maturity within 2 to 40 months. (December 2008 within 1 to 46 months).

7.5 The profit rate on certificate of musharika is 14.75% (December 31, 2008: 11.11%). It will mature within 2 months (December 31, 2008: Maturity within 2 months).

8. INVESTMENTS

		Held by Bank	Given as collateral	Total
	Rupees in '000.....		
Current period (June 30, 2009) - Unaudited	8.1	<u>2,963,746</u>	<u>1,060,555</u>	<u>4,024,301</u>
Prior year corresponding period - Audited (December 31, 2008)	8.1	<u>2,440,389</u>	<u>247,196</u>	<u>2,687,585</u>

June 30, 2009 (Un-audited)			December 31, 2008 (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

Ordinary shares of listed companies	15,441	-	15,441	-	-	-
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Available- for- sale securities

Market Treasury Bills	31,708	1,010,144	1,041,852	196,974	247,196	444,170
Pakistan Investment Bonds	-	46,997	46,997	46,696	-	46,696
Ordinary Shares of listed companies	426,780	-	426,780	281,591	-	281,591
Term Finance Certificates and SUKUK	2,722,719	-	2,722,719	2,083,263	-	2,083,263
Mutual Funds	28,840	-	28,840	28,840	-	28,840
	<u>3,210,047</u>	<u>1,057,141</u>	<u>4,267,188</u>	<u>2,637,364</u>	<u>247,196</u>	<u>2,884,560</u>
Investment at cost	3,225,488	1,057,141	4,282,629	2,637,364	247,196	2,884,560
Less: Provision for diminution in value of Investments	(165,888)	-	(165,888)	(108,921)	-	(108,921)
Investments (net of provisions)	3,059,600	1,057,141	4,116,741	2,528,443	247,196	2,775,639
Deficit on revaluation of held-for-trading securities	(789)	-	(789)	-	-	-
Deficit on revaluation of available-for-sale securities	(95,065)	3,414	(91,651)	(88,054)	-	(88,054)
Total investments (net of provision)	<u>2,963,746</u>	<u>1,060,555</u>	<u>4,024,301</u>	<u>2,440,389</u>	<u>247,196</u>	<u>2,687,585</u>

8.2 The Karachi Stock Exchange (Guarantee) Limited (“KSE”) placed a “Floor Mechanism” on the market value of securities based on the closing prices of securities prevailing as on August 27, 2008. Under the “Floor Mechanism“, the individual security price of equity securities could vary within normal circuit breaker limit, but not below the floor price level. The mechanism was effective from August 28, 2008 and remained in place until December 15, 2008. Consequent to the introduction of “Floor Mechanism” by KSE, the market volume declined significantly during the period from August 27, 2008 to December 15, 2008. There were lower floors on a number of securities at December 31, 2008. The equity securities had been valued at prices quoted on the KSE on December 31, 2008.

Furthermore, SBP BSD Circular No. 4 dated February 13, 2009 had allowed to follow Securities and Exchange Commission of Pakistan (SECP) notification vide SRO 150 (1)/2009 dated February 13, 2009 allowing that the impairment loss, if any, recognized as on December 31, 2008 due to valuation of listed equity investments held as 'Available for Sale' to quoted market prices may be shown under the equity. As a result 50% of total impairment of Rs. 143 million was charged to profit and loss account and the remaining amount was deferred to be taken to profit and loss account on quarterly basis during the year ended December 31, 2009.

The impairment loss as of June 30, 2009, based on the above discussions and the market values as of that date have been determined at Rs.92.15 million after quarterly adjustments as required, out of which Rs. 46.65 million have been charged to profit and loss account and the remaining impairment loss of Rs. 45.5 million will be taken to profit and loss account in the remaining two quarters of 2009.

The full recognition of impairment loss based on the market values as at June 30, 2009 would have had the following effect on these financial statements:

	June 30, 2009
	Rupees in '000
Increase in 'Provision for diminution in the value of investments'	45,500
Decrease in tax charge for the year	-
Decrease in 'Profit for the year - after tax'	<u>45,500</u>
	Rupees
Decrease in 'Earnings per share (basic and diluted)'	<u>0.09</u>
	Rupees in '000
Decrease in ' Deficit on revaluation of assets (available for sale securities)'	<u>45,500</u>
Decrease in 'Unappropriated profit'	<u>45,500</u>

June 30, 2009 (Un-audited) December 31, 2008 (Audited)
----- (Rupees in '000) -----

Note

9. ADVANCES

Loans, cash credits, running finances, etc. in Pakistan		1,322,202	1,062,744
Net Investment in Finance Lease - in Pakistan	9.1	35,594	-
		1,357,796	1,062,744
Advances - gross		-	-
Less: Provision for non-performing advances		-	-
		1,357,796	1,062,744
		1,357,796	1,062,744

9.1 NET INVESTMENT IN FINANCE LEASE

	June 30, 2009				December 31, 2008			
	Not later than one year	Later than one and less than five years	Over five years	Total	Not later than one year	Later than one and less than five years	Over five years	Total
Lease rentals receivable	3,238	49,849	-	53,087	-	-	-	-
Residual value	-	3,500	-	3,500	-	-	-	-
Minimum lease payments	3,238	53,349	-	56,587	-	-	-	-
Financial charges for future periods	(3,238)	(17,755)	-	(20,993)	-	-	-	-
Present value of minimum lease payments	-	35,594	-	35,594	-	-	-	-
		-	35,594	35,594	-	-	-	-
		-	35,594	35,594	-	-	-	-

9.1.1 The lease is a syndicated lease provided executed for a term of 5 years. Security deposit has been obtained up to 10% of the cost of investment at the time of disbursement. The rate of return is the 6 months KIBOR plus 5% per annum. Markup is payable quarterly in arrears. The asset is insured in favour of the Company.

10. OPERATING FIXED ASSETS

During the current period, additions to and disposals from operating fixed assets amounted to Rs. 5,038 thousand (2008: Rs. 28,599 thousand) and Rs. NIL (2008: Rs. 12,764 thousand), respectively.

June 30, 2009 (Un-audited) December 31, 2008 (Audited)
----- (Rupees in '000) -----

11. DEPOSITS AND OTHER ACCOUNTS

Financial Institutions

Remunerative deposits		200,000	-
Others		23,000	-
		223,000	-
		223,000	-

11.1 These deposits are placed with the Company at an interest rate of 13% to 13.30%. The tenor of these deposits is 3 months and 1 year respectively.

June 30, 2009 (Un-audited) December 31, 2008 (Audited)
----- (Rupees in '000) -----

12. SHARE CAPITAL

Authorized Capital

600,000,000	(2008: 600,000,000) Ordinary shares of Rs. 10 each	6,000,000	6,000,000
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Issued, subscribed and paid up

500,000,000	(2008: 500,000,000) Ordinary shares of Rs. 10 each fully paid in cash	5,000,000	5,000,000
		5,000,000	5,000,000

June 30, 2009 (Un-audited) ----- (Rupees in '000) -----	December 31, 2008 (Audited)
--	--

13. CONTINGENCIES AND COMMITMENTS

13.1 Transaction related contingent liability

Standby letter of credit		<u>424,424</u>	<u>447,707</u>
Underwriting of shares	13.1.1	<u>200,000</u>	<u>-</u>

13.1.1 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.

13.2	Commitments to extend credit	<u>461,932</u>	<u>150,000</u>
13.3	Commitments for the acquisition of software	<u>800</u>	<u>1,187</u>

14. BASIC AND DILUTED EARNINGS PER SHARE

	Quarter Ended June 30, 2009 (Un-audited)	Half Year Ended June 30, 2009 (Un-audited)	Quarter Ended June 30, 2008 (Un-audited)	Half Year Ended June 30, 2008 (Un-audited)
Profit after taxation for the period attributable to ordinary shareholders (Rupees in '000)	<u>100,841</u>	<u>227,056</u>	<u>68,767</u>	<u>136,391</u>
Weighted average number of ordinary shares outstanding during the period (in '000)	<u>500,000</u>	<u>500,000</u>	<u>400,000</u>	<u>396,154</u>
Basic and diluted earnings per share (Rupees)	<u>0.20</u>	<u>0.45</u>	<u>0.17</u>	<u>0.34</u>

15. **SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES**

The segment analysis with respect to business activity is as follows:-

	Corporate Finance	Trading & Sales	Commercial Banking	Total
.....Rupees in '000.....				
June 30, 2009 - un-audited				
Total income	8,689	458,261	54,104	521,054
Total expenses	1,356	182,811	8,444	192,611
Net income	7,333	275,450	45,660	328,443
June 30, 2008 - un-audited				
Total income	22,311	267,540	28,240	318,091
Total expenses	8,712	104,472	11,027	124,211
Net income	13,599	163,068	17,213	193,880

16. **RELATED PARTY TRANSACTIONS**

The Company has related party relationship with its associated undertakings, employee contribution plans, and its key management personnel (including their associates). There are no transactions with key management personnel other than under the terms of employment.

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

	For the half year ended June 30, 2009 (Un-Audited)		For the year ended December 31, 2008 (Audited)	
	Key management personnel	Other related parties	Key management personnel	Other related parties
.....Rupees in '000.....				
Advances				
As at beginning of the year / period	25,465	-	7,024	-
Given during the period	4,967	-	20,453	-
Repaid during the period	(2,352)	-	(2,012)	-
As at end of the period / year	28,080	-	25,465	-

17. **DATE OF AUTHORIZATION FOR ISSUE**

25 OCT 2009

The interim condensed financial statements were authorized for issue on ----- by the Board of Directors of the Company.


18. **GENERAL**

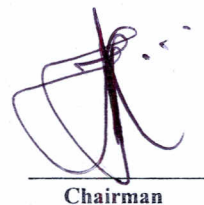
18.1 Figures have been rounded-off to the nearest thousand rupees.


Chief Executive


Director

MYRS/Co


Director


Chairman