

**Pak Brunei Investment  
Company Limited**

Condensed Interim Financial Statements  
for the six month period  
ended June 30, 2011

## REVIEW REPORT TO THE MEMBERS ON CONDENSED INTERIM FINANCIAL STATEMENTS

### *Introduction*

We have reviewed the accompanying condensed interim statement of financial position of **Pak Brunei Investment Company Limited (the Company)** as at June 30, 2011 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and the relevant notes for the six-month period then ended (hereinafter referred to as "condensed interim financial statements"). Management is responsible for the preparation and presentation of the condensed interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

### *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 of condensed interim financial statements 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 of and for the six-month period ended June 30, 2011 are not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

### *Other matter*

The figures of the condensed interim profit and loss account and the condensed interim statement of comprehensive income for the quarters ended June 30, 2011 and 2010 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended June 30, 2011.

M. Yousuf Adil Saleem & Co  
Chartered Accountants

Karachi

Date: 27 AUG 2011

PAK BRUNEI INVESTMENT COMPANY LIMITED  
 CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
 AS AT JUNE 30, 2011

June 30, 2011  
 (Un-audited)  
 ----- (US \$ in '000) -----

December 31, 2010  
 (Audited)

June 30, 2011  
 (Un-audited)  
 Note ----- (Rupees in '000) -----

December 31, 2010  
 (Audited)

ASSETS

700	360
3,728	1,518
6,845	14,279
177,093	115,244
43,667	28,818
205	245
365	-
10,231	7,335
<u>242,834</u>	<u>167,799</u>

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

59,954	30,803
319,258	129,969
6 586,135	1,222,727
7 15,164,411	9,868,363
8 3,739,212	2,467,643
9 17,529	21,013
31,260	-
876,077	628,093
<u>20,793,836</u>	<u>14,368,611</u>

LIABILITIES

-	-
133,144	69,408
17,155	9,856
-	-
-	-
-	580
3,179	2,207
<u>153,478</u>	<u>82,051</u>
<u>89,356</u>	<u>85,748</u>

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

-	-
11,401,102	5,943,385
10 1,469,000	844,000
-	-
-	-
-	49,667
272,178	189,000
<u>13,142,280</u>	<u>7,026,052</u>
<u>7,651,556</u>	<u>7,342,559</u>

NET ASSETS

REPRESENTED BY

70,069	70,069
4,018	3,250
16,074	13,001
<u>90,161</u>	<u>86,320</u>
(805)	(572)
<u>89,356</u>	<u>85,748</u>

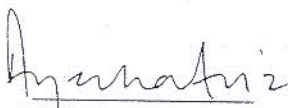
Share capital  
 Reserves  
 Unappropriated profit  
 Deficit on revaluation of assets - net of deferred tax

11 6,000,000	6,000,000
344,101	278,311
1,376,403	1,113,241
<u>7,720,504</u>	<u>7,391,552</u>
12 (68,948)	(48,993)
<u>7,651,556</u>	<u>7,342,559</u>

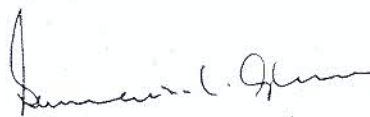
CONTINGENCIES AND COMMITMENTS

13

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



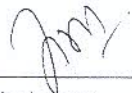
Chief Executive



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, 2011

Half Year Ended June 30, 2011  
Half Year Ended June 30, 2010  
---- (US \$ in '000) ----

Quarter Ended June 30, 2011  
Half Year Ended June 30, 2011  
Quarter Ended June 30, 2010  
Half Year Ended June 30, 2010  
Note ----- (Rupees in '000) -----

11,724	9,339	Mark-up / return / interest earned	517,028	1,003,948	404,392	799,729
6,079	4,362	Mark-up / return / interest expensed	280,910	520,569	189,144	373,494
5,645	4,977	Net mark-up / interest income	236,118	483,379	215,248	426,235
146	13	(Reversal) / provision against non-performing loans and advances	12,663	12,514	(10,834)	1,148
332	884	Provision for diminution in the value of investments	28,433	28,433	77,178	75,733
-	-	Bad debts written off directly	-	-	-	-
478	897		41,096	40,947	66,344	76,881
5,167	4,080	Net mark-up / interest income after provisions	195,022	442,432	148,904	349,354

NON MARK-UP/ INTEREST INCOME

332	486	Fee, commission and brokerage income	21,022	28,441	38,100	41,577
400	13	Dividend income	14,183	34,220	18	1,143
589	759	Gain on sale of securities - net	17,579	50,455	16,203	65,001
302	-	Unrealized gain on revaluation of investments classified as held for trading	25,157	25,893	-	-
2	2	Other income	11	184	480	143
1,625	1,260	Total non-markup / interest income	77,952	139,193	54,801	107,864
6,792	5,340		272,974	581,625	263,705	457,218

NON MARK-UP/ INTEREST EXPENSES

1,159	1,018	Administrative expenses	47,524	99,214	44,975	87,142
-	-	Other provisions / write offs	-	-	-	-
11	2	Other charges	(40)	916	-	202
1,170	1,020	Total non-markup / interest expenses	47,484	100,130	44,975	87,344
5,622	4,320	Extra ordinary / unusual items	225,490	481,495	158,730	369,874
-	-		-	-	-	-
5,622	4,320	PROFIT BEFORE TAXATION	225,490	481,495	158,730	369,874

2,772	1,577	Taxation - Current	160,534	237,336	63,130	135,012
-	-	- Prior years	-	-	-	-
(990)	(59)	- Deferred	(92,473)	(84,793)	(7,015)	(5,079)
1,782	1,518		68,061	152,543	56,115	129,933
3,840	2,802	PROFIT AFTER TAXATION	157,429	328,952	102,615	239,941

-----US Dollar-----

0.0064 0.0048

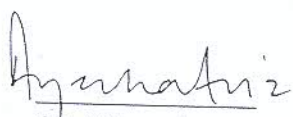
Earnings Per Share - Basic and Diluted (Rupees)

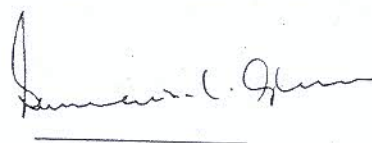
14


-----Rupees-----

0.26 0.55 0.17 0.41

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

  
Chief Executive

  
Director

  
Director

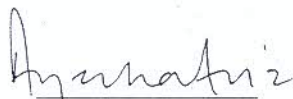
  
Chairman

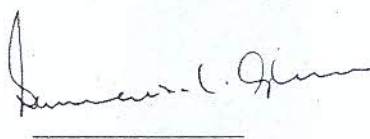
PAK BRUNEI INVESTMENT COMPANY LIMITED  
 CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
 FOR THE QUARTER AND HALF YEAR ENDED JUNE 30, 2011

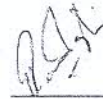
Half Year Ended June 30, 2011 ----- (US \$ in '000) -----	Half Year Ended June 30, 2010		Quarter Ended June 30, 2011 ----- (Rupees in '000) -----	Half Year Ended June 30, 2011	Quarter Ended June 30, 2010	Half Year Ended June 30, 2010
3,840	2,802	Profit after taxation for the period	157,429	328,952	102,615	239,941
-	-	Other comprehensive income	-	-	-	-
<u>3,840</u>	<u>2,802</u>	Total comprehensive income for the period	<u>157,429</u>	<u>328,952</u>	<u>102,615</u>	<u>239,941</u>

Deficit / surplus 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 18 form an integral part of these condensed interim financial statements.

  
 Chief Executive

  
 Director

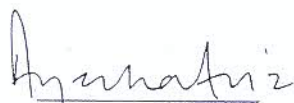
  
 Director

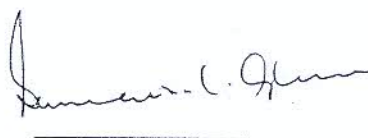
  
 Chairman

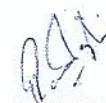
PAK BRUNEI INVESTMENT COMPANY LIMITED  
 CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
 FOR THE HALF YEAR ENDED JUNE 30, 2011


Half Year Ended June 30, 2011	Half Year Ended June 30, 2010		Half year ended June 30, 2011	Half year ended June 30, 2010
(US \$ in '000)			(Rupees in '000)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
5,623	4,319	Profit before taxation	481,495	369,874
(400)	(13)	Less: Dividend income	(34,220)	(1,143)
5,223	4,306		447,275	368,731
Adjustments for non-cash charges				
42	56	Depreciation	3,559	4,837
12	14	Amortization	1,020	1,173
146	13	Provision against non performing advances	12,514	1,148
332	884	Provision for diminution in the value of investments	28,433	75,733
-	126	Transfer from fixed assets to staff loans	-	10,788
-	(2)	Gain on sale of fixed assets	-	(134)
(302)	-	Unrealized gain on revaluation of investments classified as held for trading	(25,893)	-
11	2	Unrealized loss on interest rate swap contracts	916	200
-	13	Finance charges on leased assets	-	1,113
241	1,106		20,549	94,858
5,464	5,412		467,824	463,589
(Increase) / decrease in operating assets				
7,434	10,875	Lendings to financial institutions	636,592	931,259
(2,623)	183	Held-for-trading securities	(224,567)	15,671
(14,996)	(11,001)	Advances	(1,284,083)	(941,983)
(3,921)	(1,931)	Other assets (excluding advance taxation)	(335,759)	(165,380)
(14,106)	(1,874)		(1,207,817)	(160,433)
Increase in operating liabilities				
63,736	28,699	Borrowings from financial institutions	5,457,717	2,457,496
7,299	1,763	Deposits and other accounts	625,000	151,000
857	747	Other liabilities (excluding current taxation)	73,382	63,975
71,892	31,209		6,156,099	2,672,471
63,250	34,747		5,416,106	2,975,627
-	(15)	Financial charges paid	-	(1,268)
1,606	(2,432)	Income tax paid	137,434	(208,251)
61,644	32,300	Net cash flows from operating activities	5,278,672	2,766,108
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
(59,443)	(38,693)	Net investments in available-for-sale securities	(5,090,109)	(3,313,312)
362	13	Dividend income received	30,972	1,143
(13)	(51)	Investment in operating fixed assets	(1,095)	(4,382)
-	12	Sale proceeds from disposal of property and equipment	-	993
(59,094)	(38,719)	Net cash used in investing activities	(5,060,232)	(3,315,558)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
-	(188)	Payments of lease obligations	-	(16,118)
-	5,839	Issue of right shares	-	500,000
-	5,651	Net cash flows from financing activities	-	483,882
2,550	(768)	Increase / (decrease) in cash and cash equivalents	218,440	(65,568)
1,878	2,520	Cash and cash equivalents at beginning of the period	160,772	215,784
4,428	1,752	Cash and cash equivalents at end of the period	379,212	150,216

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

  
 Chief Executive

  
 Director

  
 Director

  
 Chairman