

Un-audited Financial Statements

For the period ended 31 March 2012

Condensed Interim Statement of Financial Position As at 31 March 2012

ASSETS	Note	31 March 2012 (Un-audited) (Rupees in '000)	31 December 2011 (Audited) (Rupees in '000)
Cash and balances with treasury banks		12,134	9,143
Balances with other banks		24,785	20,675
Lendings to financial institutions		-	
Investments	7	9,989,724	8,974,337
Advances	8	3,214,890	2,475,156
Operating fixed assets	9	57,028	48,060
Deferred tax assets - net		80,756	80,756
Other assets	10	344,560	236,992
		13,723,877	11,845,119
LIABILITIES			
Bills payable		-	-
Borrowings from financial institutions	11	5,357,199	3,695,484
Deposits and other accounts		265,000	260,000
Sub-ordinate loans		-	_
Liabilities against assets subject to finance lease		i .	-
Deferred tax liabilities		-	120
Other liabilities		137,370	158,938
TO COMPANY		5,759,569	4,114,422
NET ASSETS		7,964,308	7,730,697
REPRESENTED BY			
Share capital	12	6,000,000	6,000,000
Reserves		355,673	327,714
Unappropriated profit		1,422,699	1,310,862
		7,778,372	7,638,576
Surplus on revaluation of assets - net of tax		185,936	92,121
		7,964,308	7,730,697

CONTINGENCIES AND COMMITMENTS

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

Chairman

Managing Director and Chief Executive Officer Director

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Condensed Interim Profit and Loss Account (Un-audited)

For the Quarter ended 31 March 2012

Mark-up / return / interest earned Mark-up / return / interest expensed Net mark-up / interest income Provision / (reversal) against non-performing loans and advances (Reversal) against / provision for diminution / impairment in value of investments Bad debts written-off directly Net mark-up / interest income after provisions NON MARK-UP / INTEREST INCOME Fee, commission and brokerage income Dividend income Income from dealing in foreign currencies Gain on sale of securities - net Gain on sale of fixed assets Unrealised gain / (loss) on revaluation of 'held for trading' securities Other income Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges Total non mark-up / interest expenses	344,399 129,953 214,446 - (7,725) - (7,725) 222,171 4,082 11,016 - 15,186 253 2,795	(Rupees in '000) 314,702 80,846 233,856 9,312 9,312 224,544 4,641 9,845 32,378 (3,949)
Mark-up / return / interest expensed Net mark-up / interest income Provision / (reversal) against non-performing loans and advances (Reversal) against / provision for diminution / impairment in value of investments Bad debts written-off directly Net mark-up / interest income after provisions NON MARK-UP / INTEREST INCOME Fee, commission and brokerage income Dividend income Income from dealing in foreign currencies Gain on sale of securities - net Gain on sale of fixed assets Unrealised gain / (loss) on revaluation of 'held for trading' securities Other income Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges	129,953 214,446 - (7,725) - (7,725) 222,171 4,082 11,016 - 15,186 253	9,312 - 9,312 224,544 4,641 9,845 32,378
Provision / (reversal) against non-performing loans and advances (Reversal) against / provision for diminution / impairment in value of investments Bad debts written-off directly Net mark-up / interest income after provisions NON MARK-UP / INTEREST INCOME Fee, commission and brokerage income Dividend income Income from dealing in foreign currencies Gain on sale of securities - net Gain on sale of fixed assets Unrealised gain / (loss) on revaluation of 'held for trading' securities Other income Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges	214,446 - (7,725) - (7,725) 222,171 4,082 11,016 - 15,186 253	9,312 - 9,312 224,544 4,641 9,845 32,378
Provision / (reversal) against non-performing loans and advances (Reversal) against / provision for diminution / impairment in value of investments Bad debts written-off directly Net mark-up / interest income after provisions NON MARK-UP / INTEREST INCOME Fee, commission and brokerage income Dividend income Income from dealing in foreign currencies Gain on sale of securities - net Gain on sale of fixed assets Unrealised gain / (loss) on revaluation of 'held for trading' securities Other income Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges	(7,725) - (7,725) 222,171 4,082 11,016 - 15,186 253	9,312 9,312 224,544 4,641 9,845 32,378
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Net mark-up / interest income after provisions NON MARK-UP / INTEREST INCOME Fee, commission and brokerage income Dividend income Income from dealing in foreign currencies Gain on sale of securities - net Gain on sale of fixed assets Unrealised gain / (loss) on revaluation of 'held for trading' securities Other income Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges	- (7,725) 222,171 4,082 11,016 - 15,186 253	9,312 224,544 4,641 9,845 32,378
Net mark-up / interest income after provisions NON MARK-UP / INTEREST INCOME Fee, commission and brokerage income Dividend income Income from dealing in foreign currencies Gain on sale of securities - net Gain on sale of fixed assets Unrealised gain / (loss) on revaluation of 'held for trading' securities Other income Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges	4,082 11,016 - 15,186 253	224,544 4,641 9,845 32,378
NON MARK-UP / INTEREST INCOME Fee, commission and brokerage income Dividend income Income from dealing in foreign currencies Gain on sale of securities - net Gain on sale of fixed assets Unrealised gain / (loss) on revaluation of 'held for trading' securities Other income Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges	4,082 11,016 - 15,186 253	224,544 4,641 9,845 32,378
NON MARK-UP / INTEREST INCOME Fee, commission and brokerage income Dividend income Income from dealing in foreign currencies Gain on sale of securities - net Gain on sale of fixed assets Unrealised gain / (loss) on revaluation of 'held for trading' securities Other income Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges	4,082 11,016 - 15,186 253	4,641 9,845 32,378
Fee, commission and brokerage income Dividend income Income from dealing in foreign currencies Gain on sale of securities - net Gain on sale of fixed assets Unrealised gain / (loss) on revaluation of 'held for trading' securities Other income Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges	11,016 - 15,186 253	9,845 32,378
Dividend income Income from dealing in foreign currencies Gain on sale of securities - net Gain on sale of fixed assets Unrealised gain / (loss) on revaluation of 'held for trading' securities Other income Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges	11,016 - 15,186 253	9,845 32,378
Income from dealing in foreign currencies Gain on sale of securities - net Gain on sale of fixed assets Unrealised gain / (loss) on revaluation of 'held for trading' securities Other income Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges	15,186 253	32,378
Gain on sale of securities - net Gain on sale of fixed assets Unrealised gain / (loss) on revaluation of 'held for trading' securities Other income Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges	253	2. 13
Gain on sale of fixed assets Unrealised gain / (loss) on revaluation of 'held for trading' securities Other income Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges	253	₩
Unrealised gain / (loss) on revaluation of 'held for trading' securities Other income Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges		(3.949)
for trading' securities Other income Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges	2,795	(3 949)
Other income Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges	2,795	(3 949)
Total non mark-up / interest income NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges		(3,545)
NON MARK-UP / INTEREST EXPENSES Administrative expenses Other charges		-
Administrative expenses Other charges	33,332	42,915
Other charges		
Filed Company Company Company Company	48,852	31,659
Total non mark-up / interest expenses	3,855	4,753
	52,707	36,412
PROFIT BEFORE TAXATION	202,796	231,047
Taxation - Current	63,000	76,190
- Prior year	-	
- Deferred		_
	63,000	76,190
PROFIT AFTER TAXATION	139,796	154,857
	(Rupees)	(Rupees)
Basic and diluted earnings per share	0.23	0.26

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

Chairman Managing Director and

Chief Executive Officer

Director

Director

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the Quarter ended 31 March 2012

	31 March 2012 (Rupees in '000)	31 March 2011 (Rupees in '000)
Profit after taxation for the period	139,796	154,857
Other comprehensive income		ω ₁
Total comprehensive income for the period	139,796	154,857

Surplus / deficit on revaluation of "Available-for-Sale" securities is presented under a separate account below equity as "surplus / deficit on revaluation of assets" in accordance with the requirements specified by the Companies Ordinance, 1984 and the directive of State Bank of Pakistan vide its BSD Circular Letter No. 07, dated April 20, 2010.

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

Chairman

Managing Director and Chief Executive Officer

Director

Direct

Condensed Interim Cash Flow Statement - (Un-audited)
For the Quarter ended 31 March 2012

2012		31 March	31 March
CASH FLOW FROM OPERATING ACTIVITIES Profit before taxation 202,796 171,975 Dividend income (11,016) (185) Income (11,016) (185) 171,790 Adjustments for: Use (11,016) 131 Depreciation 4,093 1,316 Amortisation 145 505 (Reversal) / provision against diminution in the value of investments (7,725) 9,444 Gain on sale of fixed assets (253) . Unrealised surplus on revaluation of 'held for trading' securities (2,795) . Unrealised surplus on revaluation of 'held for trading' securities (2,795) . Unrealised surplus on revaluation of 'held for trading' securities (2,795) . Unrealised surplus on revaluation of 'held for trading' securities (2,795) . Unrealised surplus on revaluation of 'held for trading' securities (2,795) . Unrealised surplus on revaluation of 'held for trading' securities (2,795) . (Increase) in operating assets (3,797) (132,000) Unrealised surplus on revaluation of 'held for trading' securities		2012	2011
Profit before taxation 202,796 171,975 Dividend income (11,016) (185) Dividend income (11,016) (185) Adjustments for: 191,780 171,790 Depreciation 4,093 1,316 Amortisation 145 505 (Reversal) / provision against diminution in the value of investments (7,725) 9,444 Gain on sale of fixed assets (253) 1 Unrealised surplus on revaluation of 'held for trading' securities (2,795) - Unrealised surplus on revaluation of 'held for trading' securities (3,635) 11,265 (Increase) in operating assets 2 (132,000) Lendings to financial institutions - (132,000) Loans and advances (739,734) (194,676) Others assets (103,783) (359,573) Increase / (decrease) in operating liabilities 1,661,715 403,798 Deposits and other accounts 1,661,715 403,798 Deposits and other accounts 93,161 (94,097) Income tax paid (69,285)		(Rupees in '000)	(Rupees in '000)
Dividend income			
Adjustments for: Depreciation		202,796	171,975
Depreciation	Dividend income	(11,016)	(185)
1,316		191,780	171,790
Amortisation (Reversal) / provision against diminution in the value of investments (Reversal) / provision against diminution in the value of investments (Reversal) / provision against diminution in the value of investments (Increase) (Increas			
Reversal / provision against diminution in the value of investments 7,725 9,444 Gain on sale of fixed assets (253) Unrealised surplus on revaluation of 'held for trading' securities (2,795) Gain on sale of fixed assets (2,795) Increase in operating assets (185,245 183,055 Lendings to financial institutions (132,000) Loans and advances (739,734) (194,676) Others assets (103,783) (359,573) Gain of the financial institutions (843,517) (686,249) Increase / (decrease) in operating liabilities Borrowings from financial institutions 1,661,715 403,798 Deposits and other accounts 5,000 Other liabilities (excluding current taxation) (15,282) 5,299 Other liabilities (excluding current taxation) (15,282) 5,299 Income tax paid (69,285) (61,012) Net cash flows from operating activities 923,876 (155,109) CASH FLOW FROM INVESTING ACTIVITIES Net investments (911,052) (939,025) Dividend income received 7,230 185 Sale proceeds from sale of operating fixed assets 1,555 Investments in operating fixed assets (14,508) (1,131) Net cash flows used in investing activities (916,775) (939,971) CASH FLOW FROM FINANCING ACTIVITIES Increase / (decrease) in cash and cash equivalents 7,101 (1,095,080) Cash and cash equivalents at beginning of the period 29,818 2,323,263		4,093	1,316
Casin on sale of fixed assets		145	505
Unrealised surplus on revaluation of 'held for trading' securities (2,795)	(Reversal) / provision against diminution in the value of investments	(7,725)	9,444
(6,535) 11,265 185,245 183,055 185,245 183,055 185,245 183,055 185,245 183,055 185,245 183,055 185,245 183,055 185,245 183,055 185,245 183,055 185,245 183,055 185,245 183,055 185,245 183,055 183,055 185,245 183,055 183,0		(253)	*
(6,535) 11,265 185,245 183,055 185,245 183,055 185,245 183,055 185,245 183,055 185,245 183,055 185,245 183,055 185,245 183,055 185,245 183,055 185,245 183,055 185,245 183,055 185,245 183,055 183,055 185,245 183,000 184,676 184,677 184,676 184,677 184,676 184,677 184,6	Unrealised surplus on revaluation of 'held for trading' securities	(2,795)	- 1
Clincrease in operating assets		(6,535)	11,265
Cash Flow From Investring activities Cash Flow Investring Activities Cash Flow Investments Cash flows used in investing activities Cash Flows used in investing activities Cash flows used in investing activities Cash and cash equivalents at beginning of the period Cash and cash equivalents at beginning of the period Cash flow From Financial first littlens Cash and cash equivalents at beginning of the period Cash (103,783) Cash (103,783) Cash (103,783) Cash (103,783) Cash (103,798)		185,245	183,055
Cash FLOW FROM INVESTING ACTIVITIES Cash and cash equivalents at beginning of the period Cash and cash equivalents at beginning of the period Cash and cash equivalents at beginning of the period Cash and cash equivalents at beginning of the period Cash and cash equivalents at beginning of the period Cash and cash equivalents at beginning of the period Cash (103,783) (194,676) (193,783) (194,676) (194,676) (194,097) (194,097)	We are the control of		
Loans and advances Others assets (739,734) (194,676) (103,783) (359,573) Others assets (843,517) (686,249) Increase / (decrease) in operating liabilities (843,517) (686,249) Borrowings from financial institutions 1,661,715 403,798 Deposits and other accounts 5,000 - Other liabilities (excluding current taxation) (15,282) 5,299 Income tax paid (91,651,433) 409,097 Income tax paid (69,285) (61,012) Net cash flows from operating activities 923,876 (155,109) CASH FLOW FROM INVESTING ACTIVITIES (911,052) (939,025) Dividend income received 7,230 185 Sale proceeds from sale of operating fixed assets 1,555 - Investments in operating fixed assets (14,508) (1,131) Net cash flows used in investing activities (916,775) (939,971) CASH FLOW FROM FINANCING ACTIVITIES - - Increase / (decrease) in cash and cash equivalents 7,101 (1,095,080) Cash and cash equivalents at beginning of the period 29,818 2,323,263	Lendings to financial institutions	-	(132,000)
Others assets (103,783) (359,573) Increase / (decrease) in operating liabilities (843,517) (686,249) Borrowings from financial institutions 1,661,715 403,798 Deposits and other accounts 5,000 - Other liabilities (excluding current taxation) (15,282) 5,299 Income tax paid (69,285) (64,097) Income tax paid (69,285) (61,012) Net cash flows from operating activities 923,876 (155,109) CASH FLOW FROM INVESTING ACTIVITIES (911,052) (939,025) Dividend income received 7,230 185 Sale proceeds from sale of operating fixed assets 1,555 - Investments in operating fixed assets (14,508) (1,131) Net cash flows used in investing activities (916,775) (939,971) CASH FLOW FROM FINANCING ACTIVITIES - - Increase / (decrease) in cash and cash equivalents 7,101 (1,095,080) Cash and cash equivalents at beginning of the period 29,818 2,323,268		(739,734)	992 0 00
Increase / (decrease) in operating liabilities Borrowings from financial institutions 1,661,715 403,798 Deposits and other accounts 5,000 - Other liabilities (excluding current taxation) (15,282) 5,299 1,651,433 409,097 1,651,43 409,097 1,651,433 409,097 1,651,433 409,097 1,61,413 409,097 1,61,413 409,097 1,61,413 409,097	Others assets	(103,783)	
Borrowings from financial institutions Deposits and other accounts Other liabilities (excluding current taxation) Total liabi		(843,517)	Manager Manage
Deposits and other accounts Other liabilities (excluding current taxation) Other liabilities (excluding current taxation) Income tax paid In	Increase / (decrease) in operating liabilities		
Deposits and other accounts Other liabilities (excluding current taxation) (15,282) 5,299 1,651,433 409,097 1,651,433 1,651	Borrowings from financial institutions	1,661,715	403,798
1,651,433 409,097 993,161 (94,097) 100 (69,285) (61,012) 100 (69,285) (61,012) 100 (69,285) (61,012) 100 (1,052) (5,000	_
Income tax paid (94,097) Net cash flows from operating activities 923,876 (155,109) CASH FLOW FROM INVESTING ACTIVITIES Net investments (911,052) Dividend income received 7,230 185 Sale proceeds from sale of operating fixed assets 1,555 Investments in operating fixed assets (14,508) (1,131) Net cash flows used in investing activities (916,775) (939,971) CASH FLOW FROM FINANCING ACTIVITIES Increase / (decrease) in cash and cash equivalents 7,101 (1,095,080) Cash and cash equivalents at beginning of the period 29,818 2,323,263	Other liabilities (excluding current taxation)	(15,282)	5,299
Income tax paid Net cash flows from operating activities CASH FLOW FROM INVESTING ACTIVITIES Net investments Dividend income received Sale proceeds from sale of operating fixed assets Investments in operating fixed assets Investments in operating fixed assets Investments in investing activities CASH FLOW FROM FINANCING ACTIVITIES Increase / (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of the period (69,285) (916,712) (923,876 (939,025) (93		1,651,433	409,097
Net cash flows from operating activities CASH FLOW FROM INVESTING ACTIVITIES Net investments Dividend income received Sale proceeds from sale of operating fixed assets Investments in operating fixed assets Investments in operating fixed assets Investments in investing activities CASH FLOW FROM FINANCING ACTIVITIES CASH FLOW FROM FINANCING ACTIVITIES Increase / (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of the period Cash and cash equivalents at beginning of the period Cash Strome Strom		993,161	(94,097)
CASH FLOW FROM INVESTING ACTIVITIES Net investments Dividend income received Sale proceeds from sale of operating fixed assets Investments in operating fixed assets Investments in operating fixed assets (14,508) Net cash flows used in investing activities (916,775) (939,025) 185 - (14,508) (1,131) CASH FLOW FROM FINANCING ACTIVITIES		(69,285)	(61,012)
Net investments Dividend income received Sale proceeds from sale of operating fixed assets Investments in operating fixed assets Investments in operating fixed assets (14,508) Net cash flows used in investing activities (916,775) CASH FLOW FROM FINANCING ACTIVITIES Cash and cash equivalents at beginning of the period (911,052) (939,025) (1,555) (14,508) (1,131) (1,095,080) (1,095,080) (29,818) (1,095,080)	Net cash flows from operating activities	923,876	(155,109)
Dividend income received Sale proceeds from sale of operating fixed assets Investments in operating fixed assets Investments in operating fixed assets Net cash flows used in investing activities CASH FLOW FROM FINANCING ACTIVITIES Increase / (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of the period (31,025) (333,025) (1,330) (1,131) (1,131) (1,095,080) (1,095,080) (1,095,080) (1,095,080)	CASH FLOW FROM INVESTING ACTIVITIES		
Dividend income received Sale proceeds from sale of operating fixed assets Investments in operating fixed assets Investments in operating fixed assets Net cash flows used in investing activities CASH FLOW FROM FINANCING ACTIVITIES Increase / (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of the period (31,025) (333,025) (1,330) (1,131) (1,131) (1,095,080) (1,095,080) (1,095,080) (1,095,080)	Net investments	(911.052)	(020.025)
Sale proceeds from sale of operating fixed assets Investments in operating fixed assets Net cash flows used in investing activities CASH FLOW FROM FINANCING ACTIVITIES Increase / (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of the period 183 (1,131) (1,131) (1,095,080) (1,095,080) (29,818) (1,095,080)			
Investments in operating fixed assets Net cash flows used in investing activities (916,775) CASH FLOW FROM FINANCING ACTIVITIES Increase / (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of the period (1,095,080) 29,818 2,323,263			103
Net cash flows used in investing activities (916,775) (939,971) CASH FLOW FROM FINANCING ACTIVITIES Increase / (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of the period 29,818 2,323,263			/1 121\
CASH FLOW FROM FINANCING ACTIVITIES Increase / (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of the period 29,818 2,323,263			Andrewson to the control of the cont
Increase / (decrease) in cash and cash equivalents Cash and cash equivalents at beginning of the period 29,818 2,323,263		(310,773)	(333,371)
Cash and cash equivalents at beginning of the period 29,818 2,323,263	CASH FLOW FROM FINANCING ACTIVITIES	-	-
Cash and cash equivalents at beginning of the period 29,818 2,323,263	Increase / (decrease) in cash and cash equivalents	7,101	(1,095,080)
	Cash and cash equivalents at end of the period	36,919	**************

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

Chairman

Managing Director and Chief Executive Officer

Director

Condensed Interim Statement of Changes in Equity (Un-audited)

For the Quarter ended 31 March 2012

	Share capital	Statutory reserves (Rupe	Unappropriated profit es in '000)	Total
Balance as at 01 January 2011	6,000,000	279,204	1,116,823	7,396,027
Total comprehensive income for the period ended 31 March 2011	i.	*	154,857	154,857
Transfer to statutory reserve	-	30,971	(30,971)	25 8
Balance as at 31 March 2011	6,000,000	310,175	1,240,709	7,550,884
Total comprehensive income for the period ended 31 December 2011	-	- d	87,692	87,692
Transfer to statutory reserve	-	17,539	(17,539)	-
Balance as at 1 January 2012	6,000,000	327,714	1,310,862	7,638,576
Total comprehensive income for the period ended 31 March 2012	=	**	139,796	139,796
Transfer to statutory reserve		27,959	(27,959)	-
Balance as at 31 March 2012	6,000,000	355,673	1,422,699	7,778,372

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

Chairman

Managing Director and Chief Executive Officer Director

irector

Notes to the Condensed Interim Financial Statements (Un-audited)

For the Quarter ended 31 March 2012

1. STATUS AND NATURE OF BUSINESS

PAÏR Investment Company Limited is a Public Limited Company incorporated in Pakistan on 15 January 2007 under the Companies Ordinance, 1984. The Company has been notified as a Development Financial Institution (DFI) by the Ministry of Finance, Government of Pakistan. The Company is a 50:50 Joint Venture between Government of Pakistan and Iran Foreign Investment Company which is owned by Government of Iran. It is engaged in financing for industrial and commercial projects, capital and money market operations and other investment banking activities. Its registered office and principal office is situated at ICCI building, Clifton, Karachi

2. BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except that certain investments have been stated at revalued amounts in accordance with the directives of the State Bank of Pakistan.

3. STATEMENT OF COMPLIANCE

These financial statements are unaudited and are presented 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, 1962and the said directives have been followed.

The Disclosures made in these 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 condensed interim financial statements should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2011.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the purpose of these financial statements are the same as those applied in preparation of annual financial statements for the year ended 31 December 2011.

5. ESTIMATES

The preparation of financial statements requires management to make judgments, 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 estimating uncertainty were the same as those applied to financial statements for the year ended 31 December 2011.

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 31 December 2011.

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31 March 2012 (Un-audited)

31 December 2011

7.	INDJECTRAFAITC	Note		31 March 2012			31 December 201	.1
/.	INVESTMENTS	_		(Un-audited)			(Audited)	
			Held by	Given as	Total	Held by	Given as	Total
7.1	Investments by types		Company	collateral		Company	collateral	
					(Rupe	es in '000)		
	Held for Trading							
	Units of mutual funds and shares		139,872	-	139,872	2,607		2,607
			200,0.2		133,072	2,007		2,007
	Available for sale							
	Market treasury bills	1	257.405	2 722 222				
			357,495	3,720,000	4,077,495	179,402	3,779,000	3,958,402
	Fully paid up ordinary shares / certificates /							
	units - Listed		1,594,195	- 11	1,594,195	1,369,323	-	1,369,323
	Fully paid up ordinary shares / certificates /	9		- 11				
	units - Unlisted		296,860		296,860	296,860		296,860
	Sukuk bonds - unlisted		593,943	H.	593,943	414,776		
	Term Finance Certificates		3,512,076	- 11		201011111111111111111111111111111111111		414,776
	Toma mande del amedes	,l			3,512,076	3,262,301	- 1	3,262,301
	Hald to make the		6,354,569	3,720,000	10,074,569	5,522,662	3,779,000	9,301,662
	Held to maturity							
	Commercial paper			1.0	-	0.W	2	-
	Investments at cost		6,494,441	3,720,000	10,214,441	5,525,269	3,779,000	9,304,269
							A 15	
	Provision for diminution in value of							
	investments	7.3	(412,047)		(412.047)	(410 772)		(440 770)
		7.5	(412,047)		(412,047)	(419,772)	-	(419,772)
	Investments - net of provision				COS MARKEY SALES	SECRETARY PROPERTY		
	investments - net of provision		6,082,394	3,720,000	9,802,394	5,105,497	3,779,000	8,884,497
	Surplus / (deficit) on revaluation of 'held							
	for trading' securities		2,795	12	2,795	(879)	- #	(879)
	Surplus / (deficit) on revaluation of							
	'available for sale' securities		190,283	(5,748)	184,535	90,719		00.710
	333333333333333333333333333333333333333		150,203	(3,748)	104,333	30,719	-	90,719
		9.7	C 07F 4F0				***************************************	
		9	6,275,472	3,714,252	9,989,724	5,195,337	3,779,000	8,974,337
							31 March	31 December
7.2	Investments by segments						2012	2011
							(Unaudited)	(Audited)
							(Rupees	
	Federal Government securities						(Nupces	000)
	- Market treasury bills						4 077 405	2 000 402
							4,077,495	3,958,402
	Fully paid up ordinary shares / certificates / units	27						
		•				-		
	- Listed						1,734,067	1,371,930
	- Unlisted						296,860	296,860
						85	2,030,927	1,668,790
	Term finance certificates (TFCs)							
	- Listed					Ī	2,635,867	2,784,796
	- Unlisted						876,209	477,505
						L	3,512,076	
							3,312,076	3,262,301
	Commercial papers							
	The state of the s						-	1 86
	Sukuk bonds - unlisted					9 <u>.</u>	593,943	414,776
	Total investments at cost						10,214,441	9,304,269
	Provision for diminution in value of investments						(412,047)	(419,772)
	Investments - net of provisions						9,802,394	8,884,497
							3,002,334	0,004,437
	Surplus / (deficit) on revaluation of 'held for tradir	ng ¹ securi	ties				2 705	(070)
	Surplus on revaluation of 'available for sale' securi		0103				2,795	(879)
		ities				-	184,535	90,719
	Total investments at market value						9,989,724	8,974,337
100						-	10	
7.3	Particulars of provision for diminution in value o	f investm	ents					
	Opening balance						419,772	138,149
	(Reversal) / charge during the period / year - net						(7,725)	281,623
	Closing balance					13	412,047	
	0					=	412,047	419,772

2011
(Audited)
0)
2,574,149
18,661
2,592,810
(117,654)
2,475,156

8.1 Advances include 393 million (December 2011 : 393 million) which have been placed under non-performing status as detailed below:

Category of classification	Domestic	Overseas	Total	Provision required	Provision held
	02222		(Rupees in '000)		
Substandard		.es	=	=	ner
Doubtful	2	323	9	-	
Loss	393,141	15	393,141	117,654	117,654
	393,141		393,141	117,654	117,654

8.1.1 Particulars of provision against non-performing advances:

		31 March 2012			31 December 2011	
	Specific	General	Total	Specific	General	Total
	72		(Rupees ir	า '000)		
Opening balance	117,654	. 2	117,654	75,141	-	75,141
Charge for the period	-	14	-	42,513	-	42,513
Reversals		25.		-		2
	-	si u i	-	42,513		42,513
Amounts written off	-	Nº		-		AR I
Closing balance	117,654		117,654	117,654	-	117,654

		31 March	31 December
		2012	2011
9.	OPERATING FIXED ASSETS	(Un-audited)	(Audited)
		(Rupees	in '000)
	Operating fixed assets - Book value	57,028	48,060
	Following additions have been made to operating fixed assets during the period:		
	Additions - Cost	14,508	20,255
	Transfer from capital work in progress to fixed assets	255	496
10.	OTHER ASSETS		
	Income / mark-up accrued in local currency	230,758	201,639
	Dividend receivable	10,294	
	Security deposits	6,508	6,508
	Advances, deposits, advance rent and other prepayments	97,000	28,845
		344,560	236,992

BORROWINGS FROM FINANCIAL INSTITUTIONS

The mark-up on these borrowings range from 11.65 % to 11.90 % per annum (December 2011: 11.90 % to 12 % per annum) and are due to mature on April 2012 (December 2011: February 2012).

1	2.	ICCLIED	CHIDCCDIDED	AND DAID HE CARITAL
1	4.	ISSUED.	SUBSCRIBED	AND PAID-LIP CAPITAL

Ordinary Shares of Rs.10 each

31 March

31 December

2011

2012 (Un-audited)

(Audited)

(Number of shares)

31 March

31 December

2012 (Un-audited)

2011 (Audited)

(Rupees in '000)

1,000,000,000

1,000,000,000 Ordinary shares of Rs. 10 each

10,000,000

10,000,000

Issued, subscribed and paid-up capital Ordinary Shares of Rs.10 each

2012

(Number of shares)

600,000,000

600,000,000

Ordinary shares of Rs. 10 each issued for cash

6.000.000

6.000.000

CONTINGENCIES AND COMMITMENTS

The department of inland revenue has re-opened the assessment for the tax years 2009 and 2010 and raised an additional demand in respect of allocation of expenses against exempt capital gains and dividend income subject to tax at reduced rate.

The Company in consultation with the Tax Advisor has filed an appeal and is confident that the ultimate outcome on the matter would be in favour of the Company inter alia on the basis of the advice of the tax consultants.

31 March

31 December

2012 (Un-audited)

2011 (Audited)

(Rupees in '000)

13.2 Commitments in respect of repo transactions

3,051,966

2,497,953

13.3 Commitments to extend credit

300,000

182,023

GENERAL

Figures have been rounded off to the nearest thousand rupees.

DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue or

by the Board of Directors.

Managing Director and

Chief Executive Officer

Director