



**FIRST CAPITAL EQUITIES LIMITED**

**INTERIM FINANCIAL INFORMATION  
FOR THE HALF YEAR ENDED**

**DECEMBER 31, 2007**

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## FIRST CAPITAL EQUITIES LIMITED

### COMPANY INFORMATION

<b>Board of Directors</b>	Mian Ehsan ul Haq <i>Chairman &amp; Chief Executive Officer</i> Farooq Bin Habib Ashraf Liaquat Ali Khan Suhail Ahmed Ahsan Zia Mazhar Abbas Muhammad Zubair Khalid
<b>Chief Financial Officer</b>	Mazhar Abbas
<b>Audit Committee</b>	Muhammad Zubair Khalid Suhail Ahmed Ahsan Zia
<b>Company Secretary</b>	Syed Akbar Naqi
<b>Auditors</b>	Ford Rhodes Sidat Hyder & Co. Chartered Accountants
<b>Legal Advisers</b>	Tassawur Ali Hashmi Advocates, Karachi
<b>Bankers</b>	ABN AMRO Bank Limited Arif Habib Bank Limited Askari Bank Limited Bank Alfalah Limited Faysal Bank Limited Habib Metropolitan Bank Limited JS Bank Limited KASB Bank Limited MCB Bank Limited Mybank Limited NIB Bank Limited Soneri Bank Limited Standard Chartered Bank (Pakistan) Limited United Bank Limited
<b>Registered Office</b>	103-C/II, Gulberg-III Lahore, Pakistan Tele: +92-42-5757591-4 Fax: +92-42-5757590, 5877920
<b>Corporate Office</b>	4 <sup>th</sup> Floor, Block B, C & D Lakson Square Building No.1 Sarwar Shaheed Road, Karachi Tele: +92-21-111 226 226 Fax: +92-21-5656710
<b>Registrar and Shares Transfer Office</b>	Corplink (Pvt.) Limited Wings Arcade, 1-K, Commercial Model Town, Lahore

## DIRECTORS' REVIEW

In the course of the half year ending December 31st, 2007, the Karachi Stock Exchange 100 Index traded within a broad range of 2,860 points. Volatile movements brought about a low of 11,955 points and a high of 14,815 points, closing 2% higher than the preceding period of June 2007. A leading contributor to this instability was the emergency declared on November 3rd, 2007, and the assassination of Ms. Bhutto in Rawalpindi on December 27th, 2007.

During the six months under review, the average volumes traded daily on the KSE-100 index were 258 million shares, translating to Rs. 25 billion (US\$ 413 million) daily turnover, marking a growth of 52% in shares and an increase of 29% in rupee terms on a YoY basis. Turnover on the futures counter recorded a daily average of 51 million shares (Rs. 8 billion or US\$ 131 million). The Continuous Funding System (CFS) averaged 11% during 1HFY08 versus that of 15% in the previous year. The annualized weighted average rate on ready future spreads was recorded at 5% as against 9% during 1HFY07.

## FINANCIAL HIGHLIGHTS

Particulars	December 2007	December 2006	(Increase)	(Increase)
	Rupees in millions*			% Age
Brokerage Income	353.7	139.5	214.2	154
Gain on Investments	72.9	29.2	43.7	150
Profit after Taxation	254.0	73.1	180.9	247
Earnings per Share	2.94	0.97	1.97	203

\* All figures are Rupees in Millions except Earnings per Share

Your company's brokerage income has grown exponentially over the last 6 months crossing the Rs. 350 million mark. This in-turn has enhanced the annualized return on equity to 39% as compared to 22% in the corresponding period last year. Our successful track record to-date is due to FCEL's outstanding team whose focus and drive sets new standards in the industry, thereby positioning themselves as market leaders. These shared values compel us to constantly strive towards efficiencies accrediting your company with a PACRA rating of "A" for long term and "A-1" for short term.

In this rapidly changing and evolving market place, your company has applied for regulatory approvals for Real Estate Investment Trusts (REITs), Commodity Brokerage and Investment Finance Services to capitalize on opportunities that broaden the scope of financial activities, enabling us to mobilize capital and compete beyond the stock brokerage business.

The Board of Directors wish to place on record their appreciation to the shareholders along with the regulator and the Karachi and Lahore Stock Exchange (Guarantee) Limited for their continued support. Most importantly, the Board would like to extend its appreciation to every member of the FCEL family whose loyalty and dedication has been the principal basis your company outperforms the market and gives you the edge over your competitors. This team is a unique asset who never compromise on the quality of their work.

Finally, I take great pleasure in announcing the re-election of the existing board for a further period of three years.

For and on behalf of the Board

Lahore  
February 27, 2008

  
Mian Ehsan UI Haq  
Chief Executive Officer

**FIRST CAPITAL EQUITIES LIMITED  
REPORT TO THE MEMBERS ON REVIEW OF  
INTERIM FINANCIAL INFORMATION**

**Introduction**

We have reviewed the accompanying interim condensed balance sheet of **First Capital Equities Limited** as at **December 31, 2007** and the related interim condensed statement of income, interim condensed statement of changes in equity and interim condensed cash flow, together with the notes forming part thereof (herein after referred to as "interim financial information") for the half year then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information 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 interim financial information 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 interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.

Place : Lahore  
Date : February 27, 2008

**FORD RHODES SIDAT HYDER & CO.  
CHARTERED ACCOUNTANTS**

**FIRST CAPITAL EQUITIES LIMITED  
INTERIM CONDENSED BALANCE SHEET  
AS AT DECEMBER 31, 2007**

	Note	Un-Audited December 31, 2007 Rupees	Audited June 30, 2007 Rupees
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property and equipment	4	222,003,308	164,150,662
Stock exchange membership card and room		40,700,000	40,700,000
Investment - available for sale	5	121,767,150	33,159,280
Long term loan - Unsecured, considered good		10,190,000	10,190,000
Long term deposits and advances	6	144,730,924	80,636,489
		<u>539,391,382</u>	<u>328,836,431</u>
<b>CURRENT ASSETS</b>			
Trade debts - Unsecured		792,066,597	219,273,835
Investments	7	657,624,060	586,020,087
Advances, deposits, prepayments and other receivables	8	270,700,619	967,247,994
Advance income tax		39,264,425	37,895,807
Placements	9	2,028,992,000	1,158,750,000
Interest accrued		28,153,634	13,322,216
Cash and bank balances		354,938,000	145,267,054
		<u>4,171,739,335</u>	<u>3,127,776,993</u>
<b>TOTAL ASSETS</b>		<u><u>4,711,130,717</u></u>	<u><u>3,456,613,424</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Authorised share capital</b>	10	<u>900,000,000</u>	<u>650,000,000</u>
<b>Issued, subscribed and paid up share capital</b>	11	<u>864,252,000</u>	<u>540,157,500</u>
<b>Share Premium</b>		<u>90,026,250</u>	<u>90,026,250</u>
<b>Unappropriated Profit</b>		<u>598,585,943</u>	<u>668,631,335</u>
<b>TOTAL EQUITY</b>		<u>1,552,864,193</u>	<u>1,298,815,085</u>
<b>NON - CURRENT LIABILITIES</b>			
Long term financing - Secured		-	3,240,000
Staff retirement benefits		<u>15,801,138</u>	<u>14,047,408</u>
		<u>15,801,138</u>	<u>17,287,408</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		277,598,285	421,952,126
Liabilities against repurchase agreements - Secured	12	814,992,000	923,750,000
Short term borrowings - Secured	13	1,978,458,609	752,325,328
Current portion of long term financing		-	5,040,000
Interest accrued		51,697,110	19,798,677
Current maturity of liabilities against assets subject to finance lease		-	110,072
Provision for taxation		<u>19,719,382</u>	<u>17,534,728</u>
		<u>3,142,465,386</u>	<u>2,140,510,931</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	14	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>4,711,130,717</u></u>	<u><u>3,456,613,424</u></u>

The annexed notes from 1 to 18 form an integral part of this interim financial information.

Lahore

  
Chief Executive

  
Director

**FIRST CAPITAL EQUITIES LIMITED**  
**INTERIM CONDENSED PROFIT AND LOSS ACCOUNT - (Un-audited)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2007**

Note	SIX MONTHS ENDED		THREE MONTHS ENDED	
	December 31, 2007	December 31, 2006	December 31, 2007	December 31, 2006
	Rupees	Rupees	Rupees	Rupees
<b>INCOME</b>				
Brokerage income	353,715,548	139,492,740	210,871,874	65,750,496
Capital loss	(149,822)	(49,600)	-	(43,609)
Income on continuous funding system placements	31,558	6,694,600	-	5,270,976
Other operating income	106,761,635	70,568,053	64,006,446	44,382,235
	<u>460,358,919</u>	<u>216,705,793</u>	<u>274,878,320</u>	<u>115,360,098</u>
Unrealized gain / (loss) on re-measurement of investments at fair value through profit or loss	73,146,141	29,209,123	74,591,154	(379,686)
	<u>533,505,060</u>	<u>245,914,916</u>	<u>349,469,474</u>	<u>114,980,412</u>
<b>EXPENDITURE</b>				
Operating expenses	135,090,281	87,775,674	75,002,411	47,684,772
Finance cost	115,553,546	58,995,487	71,504,970	30,085,484
	<u>250,643,827</u>	<u>146,771,161</u>	<u>146,507,381</u>	<u>77,770,256</u>
<b>PROFIT BEFORE TAXATION</b>	<u>282,861,233</u>	<u>99,143,755</u>	<u>202,962,093</u>	<u>37,210,156</u>
Taxation	28,812,125	26,066,590	16,269,071	13,663,171
<b>PROFIT AFTER TAXATION</b>	<u>254,049,108</u>	<u>73,077,165</u>	<u>186,693,022</u>	<u>23,546,985</u>
<b>EARNINGS PER SHARE - BASIC AND DILUTED</b>	16	2.94	0.97	2.16
				0.31

The annexed notes from 1 to 18 form an integral part of this interim financial information.

Lahore

*[Signature]*  
Chief Executive

*[Signature]*  
Director

**FIRST CAPITAL EQUITIES LIMITED**  
**INTERIM CONDENSED CASH FLOW STATEMENT - (Un-audited)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2007**

	SIX MONTHS ENDED	
	December 31, 2007	December 31, 2006
	Rupees	Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Funds generated from operations</b>		
Profit before taxation	282,861,233	99,143,755
<b>Add: Items not involved in movement of funds</b>		
Depreciation	8,444,718	5,023,398
Unrealised gain on re-measurement of investments at fair value through profit or loss	(73,146,141)	(29,209,123)
Provision for doubtful debts written back	-	(8,104,202)
Dividend income	(927,469)	(5,639,145)
Interest accrued	(105,000,903)	(52,780,061)
Interest expense	115,553,546	58,995,487
Gain on sale of property and equipment	(170,000)	(474,078)
Gain on foreign currency translation	(22,000)	-
Provision for gratuity	2,722,980	1,851,077
	<u>(52,545,269)</u>	<u>(30,336,647)</u>
	<u>230,315,964</u>	<u>68,807,108</u>
<b>Decrease / (Increase) in current assets</b>		
Investments at fair value through profit or loss	(5,101,831)	(54,365,289)
Trade debts - Unsecured	(572,792,762)	(162,564,551)
Advances, deposits, prepayments and other receivables	703,213,373	(43,854,599)
	<u>125,318,780</u>	<u>(260,784,439)</u>
<b>(Decrease) / increase in current liabilities in trade and other payables</b>	<u>(144,353,841)</u>	<u>465,307</u>
<b>Cash generated from / (used in) operations</b>	<u>211,280,903</u>	<u>(191,512,024)</u>
Dividend received	927,469	5,599,145
Interest received	90,169,485	52,997,091
Finance cost paid	(83,655,113)	(54,741,486)
Gratuity paid	(969,250)	(306,560)
Taxes paid	(27,996,089)	(25,384,748)
<b>Net cash generated from / (used in) operating activities</b>	<u>189,757,405</u>	<u>(213,348,582)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(66,297,364)	(13,356,242)
Proceeds from sale of property and equipment	170,000	1,280,000
Investments available for sale	(88,607,870)	-
Placements	(870,242,000)	(132,358,480)
Long term deposits and advances	(64,094,435)	(484,000)
<b>Net cash used in investing activities</b>	<u>(1,089,071,669)</u>	<u>(144,918,722)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Liabilities against assets subject to finance lease	(110,072)	(187,322)
Long term finance obtained	(8,280,000)	(2,520,000)
Liabilities against repurchase agreements	(108,758,000)	95,000,000
Short term borrowings	1,226,133,281	251,642,849
<b>Net cash generated from financing activities</b>	<u>1,108,985,209</u>	<u>343,935,527</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>209,670,945</u>	<u>(14,331,777)</u>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<u>145,267,054</u>	<u>240,366,410</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>354,938,000</u>	<u>226,034,633</u>

The annexed notes from 1 to 18 form an integral part of this interim financial information.

Lahore

*[Signature]*  
Chief Executive

*[Signature]*  
Director

**FIRST CAPITAL EQUITIES LIMITED  
INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY - (Un-audited)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2007**

	Issued, sub- scribed and paid up capital	Capital reserves		Revenue reserve	Total
		Share premium	Reserve for issue of bonus shares	Un-appropriated profit	
Rupees					
<b>Balance as at June 30, 2006</b>	<b>240,070,000</b>	-	-	<b>434,486,555</b>	<b>674,556,555</b>
Transfer to reserve for issue of bonus shares	-	-	120,035,000	(120,035,000)	-
Bonus shares issued - 50% during the period	120,035,000	-	(120,035,000)	-	-
Profit for the half year ended December 31, 2006	-	-	-	73,077,165	73,077,165
<b>Balance as at December 31, 2006</b>	<b>360,105,000</b>	-	-	<b>387,528,720</b>	<b>747,633,720</b>
Right shares issued - 50% at a premium of Rs. 5/- during the period	180,052,500	90,026,250	-	-	270,078,750
Profit for the half year ended June 30, 2007	-	-	-	281,102,615	281,102,615
<b>Balance as at June 30, 2007</b>	<b>540,157,500</b>	<b>90,026,250</b>	-	<b>668,631,335</b>	<b>1,298,815,085</b>
Transfer to reserve for issue of bonus shares	-	-	324,094,500	(324,094,500)	-
Bonus shares issued - 60% during the period	324,094,500	-	(324,094,500)	-	-
Profit for the half year ended December 31, 2007	-	-	-	254,049,108	254,049,108
<b>Balance as at December 31, 2007</b>	<b>864,252,000</b>	<b>90,026,250</b>	-	<b>598,585,943</b>	<b>1,552,864,193</b>

The annexed notes 1 to 18 form an integral part of this interim financial information.

Lahore

  
Chief Executive

  
Director

**FIRST CAPITAL EQUITIES LIMITED  
NOTES TO THE INTERIM FINANCIAL INFORMATION - (Un-audited)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2007**

**1 THE COMPANY AND ITS OPERATIONS**

First Capital Equities Limited, (the "Company") was incorporated on January 26, 1995 as private limited company, under the Companies Ordinance, 1984. The Company was converted into Public Limited Company on June 18, 1997 and is listed on Lahore Stock Exchange. The principal activities of the Company include share brokerage and conducting / publishing business research.

The registered office of the Company is located at 103 C-II, Gulberg III, Lahore.

**2 BASIS OF PREPARATION**

This interim financial information is unaudited and is being presented to the shareholders as required under section 245 of the Companies Ordinance, 1984 and has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting".

**3 ACCOUNTING POLICIES**

The accounting policies adopted for the preparation of this interim financial information are consistent with those applied in the preparation the annual audited financial statements for the year ended June 30, 2007.

**4 PROPERTY AND EQUIPMENT**

Note	July 01, 2007 to December 31, 2007 Rupees	July 01, 2006 to June 30, 2007 Rupees	
	Written down value at the beginning of the period / year	164,150,662	58,038,663
4.1	Add : Additions during the period / year	66,297,364	126,107,780
	Less : Disposals during the period / year	(317,000)	(1,754,615)
	Less : Depreciation charged / adjusted during the period / year	(8,127,718)	(18,241,166)
	Written down value at the end of the period / year	<b>222,003,308</b>	<b>164,150,662</b>

**4.1 Additions during the period / year**

Land - Freehold	-	97,912,075
Land - Leasehold	36,087,800	-
Building on freehold land	-	2,540,000
Office Floor & Building	23,879,000	-
Leasehold improvement	-	363,522
Computers	1,200,993	5,758,618
Office equipment	1,467,195	2,430,661
Furniture & fixture	1,729,986	2,252,512
Motor vehicles	1,932,390	14,850,392
	<b>66,297,364</b>	<b>126,107,780</b>

	December 31, 2007	June 30, 2007
	Rupees	Rupees
<b>5 INVESTMENTS AVAILABLE FOR SALE</b>		
Equity securities - unquoted (at cost)	<u>121,767,150</u>	<u>33,159,280</u>

This represents 13,005,697 (June 30, 2007 : 4,144,910) ordinary shares of Rs. 10/- each in Total Media Limited (TML), incorporated in Pakistan. As at balance sheet date the Company's interest in TML stands at 30.26% (June 30, 2007 : 48.02% ). However, the said percentage of share holding has not resulted in creation of a significant influence over the operations of the Total Media Limited (TML), as per criteria laid down in International Accounting Standard 28 "Investment in Associates", as the company does not have the power to participate in financial and operating policy decisions of TML. Accordingly this investment, classified as "available for sale", is being accounted for at cost.

## 6 LONG TERM DEPOSITS AND ADVANCES

It includes an amount of Rs. 57,005,000/- (June 30, 2007: Rs 38,190,000/-) paid as advance for leasehold properties and Rs. 84,815,428/- (June 30, 2007: Rs. 39,583,993/-) paid as advance for investment properties.

	Note	December 31, 2007	June 30, 2007
		Rupees	Rupees
<b>7 INVESTMENTS</b>			
Available for sale	7.1	-	6,644,000
At fair value through profit or loss	7.2	<u>657,624,060</u>	<u>579,376,087</u>
		<u>657,624,060</u>	<u>586,020,087</u>

7.1 The Company has disposed off its investment in Equity Partner Securities Limited (EPSL), a private limited company incorporated in Bangladesh, at a price of USD 110,000 during the period.

## 7.2 INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Note	December 31, 2007	June 30, 2007
		Rupees	Rupees
Carrying value / cost of investments	7.2.1	<u>584,477,919</u>	359,645,949
Add: Unrealised gain on remeasurement of investments		<u>73,146,141</u>	<u>219,730,138</u>
		<u>657,624,060</u>	<u>579,376,087</u>

7.2.1 This includes 14,252,061 shares of WorldCall Telecom Limited for which the Company has entered into a share purchase agreement with Oman Telecommunication Company Limited (S.A.O.G.) at a price of Rs. 25 per share and accordingly valued its investment at this agreed price.

## 8 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

This includes an amount of Rs. 206,956,147 (June 2007: Rs. 909,146,666) as exposure deposited with the Karachi Stock Exchange (Guarantee) Limited under the Exposure Rules and Rs. 28,701,533 (June 2007: Rs. 28,701,533) with Karachi Stock Exchange (Guarantee) Limited against disputed claim of Mr. Aslam Motiwala.

## 9 PLACEMENTS

	December 31, 2007	June 30, 2007
	Rupees	Rupees
Secured - Considered good		
Securities purchased under the resale agreements of quoted shares - Parent Company	325,000,000	170,000,000
Securities purchased under the resale agreements of quoted shares - Related Party	1,094,140,000	350,000,000
Securities purchased under the resale agreements of quoted shares - Others	<u>609,852,000</u>	<u>638,750,000</u>
	<u>2,028,992,000</u>	<u>1,158,750,000</u>

## 10 AUTHORISED SHARE CAPITAL

The authorised share capital of the Company has been increased to Rs. 900,000,000/- divided into 90,000,000 ordinary shares of Rs. 10/- each from Rs. 650,000,000/- divided into 65,000,000 ordinary shares of Rs. 10/- each as approved by the shareholders in Annual General Meeting held on October 30, 2007.

## 11 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

	December 31, 2007	June 30, 2007	December 31, 2007	June 30, 2007
	Number of shares		Rupees	Rupees
<b>Shares issued against cash consideration</b>				
Ordinary shares of Rs. 10/- each fully paid	<u>40,012,250</u>	40,012,250	<u>400,122,500</u>	400,122,500
<b>Shares issued against consideration other than cash</b>				
Issued bonus shares of Rs. 10/- each fully paid	<u>46,412,950</u>	14,003,500	<u>464,129,500</u>	140,035,000
	<u>86,425,200</u>	<u>54,015,750</u>	<u>864,252,000</u>	<u>540,157,500</u>

The shareholders in their meeting held on October 30, 2007 approved bonus share issue in the proportion of sixty (60) shares for every hundred (100) shares held i.e. 60 %, for the year ended June 30, 2007.

	December 31, 2007 Rupees	June 30, 2007 Rupees
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**12 LIABILITIES AGAINST REPURCHASE AGREEMENT - SECURED**

Payable to financial institution	814,992,000	923,750,000
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This represents the amount payable to financial institution under the repurchase agreement against the securities given under the arrangement. The effective interest rate is 11.00 % to 14.50 % per annum (June 30, 2007: 12.75 % to 15 %) and is for a period of one to three months.

	December 31, 2007 Rupees	June 30, 2007 Rupees
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**13 SHORT TERM BORROWING - SECURED**

	1,978,458,609	752,325,328
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These facilities are obtained from various commercial banks under mark up arrangements amounting to Rs. 3,700 million (June 30, 2007 : Rs. 1,350 million). These facilities carry mark up at the rate ranging from 1 - 6 months KIBOR plus 1.8 % to 3 % (June 30, 2007: 2 % to 4.25 %) per annum with floor limits ranging from 11.8% to 13% per annum (June 30, 2007: 10 % to 13.5 %) payable quarterly and are secured against pledge of shares of listed companies.

**14 CONTINGENCIES AND COMMITMENTS**

There is no change in contingencies and commitments disclosed in the annual financial statements for the year ended June 30, 2007 except for the following commitments:

	December 31, 2007 Rupees	June 30, 2007 Rupees
Leasehold properties	70,295,000	89,110,000
Investment properties	223,604,303	277,087,965
Forward purchase commitment - shares	1,352,729,575	-
Forward sale commitment - shares	1,891,681,425	-

**15 TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise parent company, related group companies, local associated undertakings, directors, key management personnel and their close family members. Transactions with related parties and associated undertakings other than remuneration and benefits to key management personnel under the terms of their employment are as follows:

Six Months Ended December 31, 2007				
Associated Company	Parent Company	Fellow Subsidiary	Key management personnel of the entity, its parents and their close family members	Related Party
Rupees				

Brokerage Income	-	297,223	-	838,506	16,182,504
Repurchase agreement arrangement fee	-	572,917	-	-	269,542
Placement entered	-	1,660,000,000	-	-	2,041,040,000
Income earned on placement	-	14,695,718	-	-	40,382,693
Interest on long term loan	815,200	-	-	-	-

Six Months Ended December 31, 2006				
Associated Company	Parent Company	Fellow Subsidiary	Key management personnel of the entity, its parents and their close family members	Related Party
Rupees				

Brokerage Income	-	1,999,464	16,000	137,650	16,092,888
Repurchase agreement arrangement fee	-	564,584	-	-	375,000
Placement entered	-	1,455,000,000	-	-	1,290,000,000
Income earned on placement	-	13,216,573	-	-	29,910,646
Interest on long term loan	1,086,933	-	-	-	-

July 01, 2007 to December 31, 2007 Rupees	July 01, 2007 to December 31, 2006 Rupees
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*(Restated)*

**16 EARNINGS PER SHARE - BASIC AND DILUTED**

Profit after taxation attributable to ordinary share holders - Rupees	254,049,108	73,077,165
Weighted average number of ordinary shares - Number	86,425,200	75,344,913
Earnings per share - Basic Rupees per share	2.94	0.97

**16.1** No figure for diluted earnings per share has been disclosed as the Company has not issued any instrument which would have an impact on earnings per share, when exercised.

**16.2** Earnings per share of Rs 2.03 for period ended December 31, 2006 has been restated after taking into account the bonus element in the issue of 18,005,250 right shares at a rate of Rs 15/- per share and 32,409,450 bonus shares issued by the Company.

**17 DATE OF AUTHORIZATION**

This interim financial information was authorized for issue by the Board of Directors on February 27, 2008.

**18 GENERAL**

Figures have been rounded off to the nearest rupee.

Lahore

  
Chief Executive

  
Director