



**FIRST CAPITAL EQUITIES LIMITED**

**CONDENSED INTERIM  
FINANCIAL INFORMATION  
(UN-AUDITED)**

**SEPTEMBER 30, 2008**

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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>	Suhail Ahmed ( <i>Chairman</i> ) Muhammad Zubair Khalid 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>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, 5656725
<b>Registrar and Shares Transfer Office</b>	Corplink (Pvt.) Limited Wings Arcade, 1-K, Commercial Model Town, Lahore Tele: +92-42-5839182
<b>Bankers</b>	Arif Habib Bank Limited Askari Bank Limited Bank Alfalah Limited Bank Al-Habib Limited Faysal Bank Limited Habib Metropolitan Bank Limited JS Bank Limited KASB Bank Limited MCB Bank Limited My Bank Limited NIB Bank Limited Soneri Bank Limited Standard Chartered Bank (Pakistan) Limited The Bank of Punjab United Bank Limited

## DIRECTORS' REVIEW

The Directors of the company are pleased to present the condensed interim financial information of the company for the first quarter ended September 30, 2008.

## CAPITAL MARKET REVIEW

In its opening quarter of FY09, Pakistan market witnessed bearish trend with equity values registering 25% or 3,109 points decline. Pakistan's key index closed at 9,180 points at the end of Sep 2008 against the level of 12,289 on end-June 2008. Market capitalization plunged by 24% to PRs2.85tn from that of PRs3.76tn on June 30, 2008.

Due to the persistent decline in the equity values, the regulator decided to freeze the market at Aug 27 level of 9,144. Consequently trading activity remained subdued in the market with a steep decline in the volumes. The turnover remained significantly lower and on average only 66mn shares (PRs5bn or US\$67mn) were traded in the ready market. Likewise, the average daily volume on the futures counter was only 10mn shares (PRs1.3bn or US\$ 17mn), respectively. During the same period of last year, the average daily volumes in the ready counter were recorded at 251mn (PRs22bn or US\$354mn) and 55mn shares (PRs7.4bn or US\$121mn) in futures market.

## FINANCIAL HIGHLIGHTS

Following is the key financial highlights of your Company for the period;

Particulars	July to Sept 2008	July to Sept 2007
	Rupees	
Brokerage Income	67,806,122	142,843,674
Capital loss - net	(7,626,838)	(149,822)
Income from placements	120,232,742	42,273,553
Other operating income	104,760,467	1,470,636
Loss on remeasurement of investments at fair value through profit or loss - net	(82,758,746)	(1,445,013)
(Loss)/Profit after taxation	(41,351,453)	68,356,086
Earnings Per Share	(0.48)	0.79

Your Company has been pulling off an upward slanting performance graph for more than a decade (since the Company's conversion in public entity). However, the period under review seems to be an exception. Deteriorated market conditions, meager market volumes and loss of investor confidence have resulted in an un-precedented sluggish capital market. Keeping in view the brokerage industry problems your Company has still managed to post brokerage revenue of Rs 68 million as compared to Rs 143 million in the corresponding period (i.e., a decline of 52%). Your Company has also incurred a loss (both realized and unrealized) of Rs 91 million on its stock market investments, posting an adverse impact on your Company's Profit After Tax (PAT). PAT of your Company has decreased from Rs 68 million to a loss after tax of Rs 41 million.

However, Placement income has increased considerably from Rs 42 million to Rs 120 million showing an increase of Rs 78 million. The increase in placement income is primarily attributable to additional investments in placements and rise in KIBOR rates. Funds employed for additional investments in placements have their corresponding effect in the Finance cost of the Company. Rise in other operating income is principally attributable to the late payment charges levied on receivable balances.

Despite of inflationary pressures and rise in cost of doing business operating expenses of your Company have not been increased, thanks to the cost control measures undertaken by the management.

## FUTURE OUTLOOK

In the future ahead, as the world economy fears recession in general and Pakistan economy in particular, your Company is determined to pursue a consolidation phase by stabilizing its revenues and controlling its costs.

Your Company is completing and reviewing its options to expand in the areas of Real Estate Investment Trust, Commodity Brokerage and Investment Finance Services. Amendments in the Memorandum and Articles of Association have been made required approvals have been obtained from SECP.

Due to deteriorated Capital Market conditions your Company has also put on hold the options of raising funds through issue of securities by way of listing on KSE and/or Dubai Stock Exchange.

The Company has also initiated making investments in real estate properties to earn rentals and capital appreciation. These investment properties are still in the construction phase and shall start yielding returns in near future. This diversification will not only provide high returns but shall also sponsor sustainability in Company earnings.

## ACKNOWLEDGEMENT

The Board of Directors wish to place on record their thanks and appreciation to all the shareholders for their continued support. The Board also wishes to place on record its appreciation for the guidance and support extended by the Securities and Exchange Commission of Pakistan (SECP) as well the Lahore Stock Exchange (Guarantee) Limited and Karachi Stock Exchange (Guarantee) Limited. Finally, the Board would like to record its appreciation to all the staff members for their hard work in producing such brilliant results.

For and on behalf of the Board

Lahore  
October 29, 2008

  
Mian Ehsan Ul Haq  
Chief Executive Officer

**FIRST CAPITAL EQUITIES LIMITED  
CONDENSED INTERIM BALANCE SHEET  
AS AT SEPTEMBER 30, 2008**

	Note	(Un-Audited) September 30, 2008 Rupees	(Audited) June 30, 2008 Rupees
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property and equipment	4	499,938,659	448,876,851
Stock exchange membership card and room		40,700,000	40,700,000
Investment - available for sale		121,767,150	121,767,150
Long term deposits and advances		3,076,496	3,435,996
		<u>665,482,305</u>	<u>614,779,997</u>
<b>CURRENT ASSETS</b>			
Trade debts - Unsecured	5	2,966,613,587	2,244,411,228
Investments	6	245,972,772	328,731,518
Advances, deposits, prepayments and other receivables	7	113,172,522	1,003,544,435
Advance income tax		43,424,450	42,648,198
Placements	8	2,467,830,925	1,997,425,000
Interest accrued		14,682,995	18,278,400
Cash and bank balances		82,853,869	334,956,769
		<u>5,934,551,120</u>	<u>5,969,995,548</u>
<b>TOTAL ASSETS</b>		<u><u>6,600,033,425</u></u>	<u><u>6,584,775,545</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital		<u>900,000,000</u>	<u>900,000,000</u>
Issued, subscribed and paid up share capital		864,252,000	864,252,000
Reserves		90,026,250	90,026,250
Unappropriated Profit		596,272,979	637,624,432
<b>TOTAL EQUITY</b>		<u>1,550,551,229</u>	<u>1,591,902,682</u>
<b>NON - CURRENT LIABILITIES</b>			
Staff retirement benefits		<u>23,157,067</u>	<u>21,943,781</u>
		23,157,067	21,943,781
<b>CURRENT LIABILITIES</b>			
Trade and other payables - Unsecured		203,678,429	426,122,032
Liabilities against repurchase agreements - Secured	9	1,061,830,874	508,425,000
Short term borrowings - Secured	10	3,610,834,609	3,924,151,155
Interest accrued		129,181,035	92,430,713
Provision for taxation		20,800,182	19,800,182
		<u>5,026,325,129</u>	<u>4,970,929,082</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	12	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>6,600,033,425</u></u>	<u><u>6,584,775,545</u></u>

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

Lahore

  
Chief Executive

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Director

**FIRST CAPITAL EQUITIES LIMITED  
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (Un-Audited)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2008**

	Note	Jul - Sep 2008 Rupees	Jul - Sep 2007 Rupees
<b>INCOME</b>			
Brokerage income		67,806,122	142,843,674
Capital loss - net		(7,626,838)	(149,822)
Income from placements		120,232,742	42,273,553
Income on continuous funding system placements		-	31,558
Other operating income	11	104,760,467	1,470,636
		<u>285,172,493</u>	<u>186,469,599</u>
Loss on re-measurement of investments at fair value through profit or loss - net	6	(82,758,746)	(1,445,013)
		<u>202,413,747</u>	<u>185,024,586</u>
<b>EXPENDITURE</b>			
Operating expenses		58,758,031	60,076,870
Finance costs		180,117,454	44,048,576
		<u>238,875,485</u>	<u>104,125,446</u>
<b>(LOSS) / PROFIT BEFORE TAXATION</b>		<u>(36,461,738)</u>	<u>80,899,140</u>
Taxation		4,889,715	12,543,054
<b>(LOSS) / PROFIT AFTER TAXATION</b>		<u>(41,351,453)</u>	<u>68,356,086</u>
<b>EARNINGS PER SHARE - BASIC AND DILUTED</b>	14	<u>(0.48)</u>	<u>0.79</u>
		(2007 : restated)	

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

Lahore

  
Chief Executive

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Director

**FIRST CAPITAL EQUITIES LIMITED  
CONDENSED INTERIM CASH FLOW STATEMENT (Un-Audited)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2008**

	Jul - Sep 2008 Rupees	Jul - Sep 2007 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss) / Profit before taxation	(36,461,738)	80,899,140
<b>Add: Items not involved in movement of funds</b>		
Depreciation	5,047,562	4,108,657
Unrealised loss on re-measurement of investments at fair value through profit or loss - net	82,758,746	1,445,013
Dividend income	(218,200)	(927,469)
Interest earned	(124,592,003)	(42,711,197)
Interest expense	180,117,454	44,048,576
Gain on foreign currency translation	(1,088,120)	(22,000)
Provision for gratuity	1,213,286	1,361,490
	<u>143,238,725</u>	<u>7,303,070</u>
	106,776,987	88,202,209
<b>(Increase) / decrease in current assets</b>		
Investments at fair value through profit or loss	-	15,244,642
Trade debts - Unsecured	(722,202,359)	(457,510,146)
Advances, deposits, prepayments and other receivables	891,678,233	743,446,030
	<u>169,475,874</u>	<u>301,180,526</u>
<b>(Decrease) / increase in current liabilities in trade and other payables</b>	(222,443,603)	(42,031,387)
<b>Cash generated from operations</b>	53,809,258	347,351,348
Dividend received	-	927,469
Interest received	128,187,408	33,086,140
Finance cost paid	(143,367,132)	(39,669,970)
Taxes paid	(4,665,967)	(13,025,470)
<b>Net cash generated from operating activities</b>	33,963,568	328,669,517
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(56,109,370)	(957,873)
Investment available for sale	-	(88,602,870)
Placements	(470,405,925)	(131,000,000)
Long term deposits and advances	359,500	(36,983,597)
<b>Net cash used in investing activities</b>	(526,155,795)	(257,544,340)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Liabilities against assets subject to finance lease	-	(110,072)
Long term finance obtained	-	(1,260,000)
Liabilities against repurchase agreements	553,405,874	(289,000,000)
Short term borrowings	(313,316,546)	243,823,618
<b>Net cash generated / (used in) from financing activities</b>	240,089,328	(46,546,454)
<b>Net (decrease) / increase in cash and cash equivalents</b>	(252,102,900)	24,578,723
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	334,956,769	145,267,054
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<u>82,853,869</u>	<u>169,845,777</u>

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

Lahore

Chief Executive

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Director

**FIRST CAPITAL EQUITIES LIMITED  
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-Audited)  
FOR THE QUARTER ENDED SEPTEMBER 30, 2008**

	Issued, subscribed and paid up capital	Capital reserves		Revenue reserve	Total
		Share premium	Reserve for issue of bonus share	Unappropri- ated profit	
Rupees					
<b>Balance as at June 30, 2007</b>	540,157,500	90,026,250	-	668,631,335	1,298,815,085
Profit for the period July 2007 to September 2007	-	-	-	68,356,086	68,356,086
<b>Balance as at September 30, 2007</b>	540,157,500	90,026,250	-	736,987,421	1,367,171,171
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 period October 2007 to June 2008	-	-	-	224,731,511	224,731,511
<b>Balance as at June 30, 2008</b>	864,252,000	90,026,250	-	637,624,432	1,591,902,682
Loss for the period July 2008 to September 2008	-	-	-	(41,351,453)	(41,351,453)
<b>Balance as at September 30, 2008</b>	<u>864,252,000</u>	<u>90,026,250</u>	<u>-</u>	<u>596,272,979</u>	<u>1,550,551,229</u>

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

Lahore

Chief Executive

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Director

**FIRST CAPITAL EQUITIES LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-Audited)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2008**

**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 condensed interim financial information is un-audited and is being presented to shareholders under section 245 of Companies Ordinance, 1984 and has been prepared in accordance with the requirements of International Accounting Standards (IAS) 34 'Interim Financial Reporting'.

**3 ACCOUNTING POLICIES**

The accounting policies, judgement and estimate, adopted for the preparation of this condensed interim financial information are consistent with those applied in preparing the annual audited financial statements for the year ended June 30, 2008.

**4 PROPERTY AND EQUIPMENT**

		September 30, 2008	June 30, 2008
		Rupees	Rupees
Operating fixed assets	4.1	237,813,594	239,117,065
Capital work in progress	4.2	262,125,065	209,759,786
		<u>499,938,659</u>	<u>448,876,851</u>
		July 01, 2008 to September 30, 2008	July 01, 2007 to June 30, 2008
		Rupees	Rupees
4.1 Written down value at the beginning of the period / year		239,117,065	164,150,662
Add : Additions during the period / year	4.1.1	3,744,091	95,036,271
Less : Disposals during the period / year		-	(2,805,440)
Less : Depreciation charged / adjusted during the period / year		(5,047,562)	(17,264,428)
Written down value at the end of the period / year		<u>237,813,594</u>	<u>239,117,065</u>

	July 01, 2008 to September 30, 2008	July 01, 2007 to June 30, 2008
	Rupees	Rupees
<b>4.1.1 Additions during the period / year</b>		
Land - Leasehold	-	36,087,800
Building on leasehold land	-	-
Office premises	-	23,879,000
Leasehold improvement	-	12,314,354
Computers	3,297,555	2,415,859
Office equipment	431,536	5,324,748
Furniture & fixture	15,000	8,016,381
Motor vehicles	-	6,998,129
	<u>3,744,091</u>	<u>95,036,271</u>
	September 30, 2008	June 30, 2008
	Rupees	Rupees
<b>4.2 Capital work in progress</b>		
Advances paid for:		
Office space - Islamabad	42,804,000	33,292,000
Office space - Lahore	50,371,200	44,389,400
Office space - Karachi	14,740,000	1,000,000
Shops in commercial plaza	154,209,865	131,078,386
	<u>262,125,065</u>	<u>209,759,786</u>
<b>5 TRADE DEBTS - UNSECURED</b>		
Trade debts against purchase of shares:		
Considered good:		
Clients	2,966,416,589	2,244,176,423
Members	196,997	234,805
	<u>2,966,613,587</u>	2,244,411,228
Considered doubtful:		
Clients	81,251,172	81,251,172
Members	3,911,977	3,911,977
	<u>85,163,149</u>	85,163,149
Less: Provision for doubtful debts	5.1 (85,163,149)	(85,163,149)
	-	-
	<u>2,966,613,587</u>	<u>2,244,411,228</u>
5.1 Provision for doubtful debts		
Opening balance	85,163,149	70,013,326
Provision for doubtful debts written back	-	(3,867,036)
Charge for the period / year	-	19,016,859
Closing Balance	<u>85,163,149</u>	<u>85,163,149</u>

	<u>September 30, 2008</u>	<u>June 30, 2008</u>
	Rupees	Rupees
<b>6 INVESTMENTS</b>		
At fair value through profit or loss	<b>6.1 245,972,772</b>	328,731,518
	<u>245,972,772</u>	<u>328,731,518</u>
<b>6.1 INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS</b>		
Carrying value / cost of investments	328,731,518	337,843,654
Add: Unrealised loss on remeasurement of investments	(82,758,746)	(9,112,136)
	<u>245,972,772</u>	<u>328,731,518</u>

**7 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**

This includes an amount of Rs. 46,695,139 (June 2008: Rs. 930,110,948) as exposure deposited with the Karachi Stock Exchange (Guarantee) Limited under the Exposure Rules and Rs. 28,701,533 (June 2008: Rs. 28,701,533) with Karachi Stock Exchange (Guarantee) Limited against disputed claim of Mr. Aslam Motiwala.

	<u>September 30, 2008</u>	<u>June 30, 2008</u>
	Rupees	Rupees
<b>8 PLACEMENTS</b>		
Secured - Considered good		
Securities purchased under the resale agreements of quoted shares - Related Party	1,515,000,000	1,030,000,000
Securities purchased under the resale agreements of quoted shares - Others	952,830,925	967,425,000
	<u>2,467,830,925</u>	<u>1,997,425,000</u>

These have been placed for a period ranging from seven to ninety two days (June 2008: twenty to ninety two days) and carry mark up at rates ranging from 12.5% to 20% per annum (June 2008: 12.5% to 20% per annum). Fair value of quoted equity securities held as collateral is Rs. 3,230,153,730 (June 2008: Rs. 4,271,439,470) out of which quoted equity securities having market value of Rs. 1,061,903,695 (June 2008: Rs. 532,689,486) were further placed as collateral with financial institutions by the Company under repurchase transactions.

	<u>September 30, 2008</u>	<u>June 30, 2008</u>
	Rupees	Rupees
<b>9 LIABILITIES AGAINST REPURCHASE AGREEMENT - SECURED</b>		
Payable to financial institution	<b>1,061,830,874</b>	508,425,000
	<u>1,061,830,874</u>	<u>508,425,000</u>
<b>10 SHORT TERM BORROWING - Secured</b>	<b>3,610,834,609</b>	3,924,151,155
	<u>3,610,834,609</u>	<u>3,924,151,155</u>

This represents the amount payable to financial institutions under repurchase agreements against the securities under the arrangement. The effective interest rate is 12.5 % to 17 % per annum (June 2008: Rs. 12.5 % to 18 % per annum) and is for a period of twenty days to ninety two days (June 2008: twenty days to ninety two days).

These facilities have been obtained from various commercial banks under mark up arrangements amounting to Rs 4,950 million (June 2008: Rs 4,450 million). These facilities carry mark up at rate ranging from 1 to 6 months KIBOR plus 1.8 % to 3 % per annum payable quarterly (June 2008: 1.8 % to 4.25 % per annum) with floor limits ranging from 15.88 % to 17.20 % per annum (June 2008: 10% to 13.5% per annum). These are secured against pledge of quoted equity securities having market value of Rs. 6,036,735,754 (June 2008: Rs. 5,847,382,001).

**11 OTHER OPERATING INCOME**

	<u>July 01, 2008 to September 30, 2008</u>	<u>July 01, 2007 to September 30, 2007</u>
	Rupees	Rupees
Return on deposit accounts	4,359,260	30,044
Interest on long term loan	-	407,600
Dividend income	218,200	927,469
Late payment charges	98,984,301	-
Gain on foreign currency translation	1,088,120	22,000
Others	110,586	83,523
	<u>104,760,467</u>	<u>1,470,636</u>

**12 CONTINGENCIES AND COMMITMENTS**

There is no change in contingencies and commitments disclosed in the annual financial statements for the year ended June 30, 2008 except for the following commitments:

	<u>September 30, 2008</u>	<u>June 30, 2008</u>
	Rupees	Rupees
Capital Expenditure	269,647,425	308,272,704
Sale of Shares	1,307,528,360	1,782,101,966
Purchase of shares	1,342,646,400	2,338,809,506

### 13 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:

Three Months Ended September 30, 2008				
Associated Company	Parent Company	Fellow Subsidiary	Key management personnel of the entity, its parents and their close family members	Related Party
Rupees	Rupees	Rupees	Rupees	Rupees

Brokerage Income	-	324,843	-	87,300	4,794,095
Repurchase agreement arrangement fee	-	-	-	-	2,929,167
Placements entered and rolled over	-	-	-	-	1,140,000,000
Placements matured	-	-	-	-	655,000,000
Income earned on placements	-	-	-	-	76,212,466
Interest on long term loan	-	-	-	-	-

Three Months Ended September 30, 2007				
Rupees	Rupees	Rupees	Rupees	Rupees

Brokerage Income	-	187,548	-	81,691	6,392,740
Repurchase agreement arrangement fee	-	304,167	-	-	62,500
Placements entered and rolled over	-	170,000,000	-	-	150,000,000
Placements matured	-	155,000,000	-	-	-
Income earned on placements	-	6,084,179	-	-	15,946,379
Interest on long term loan	407,600	-	-	-	-

### 14 EARNINGS PER SHARE - BASIC AND DILUTED

	July 01, 2008 to September 30, 2008	July 01, 2007 to September 30, 2007 (Restated)
Profit after taxation attributable to ordinary share holders - Rupees	<u>(41,351,453)</u>	<u>68,356,086</u>
Weighted average number of ordinary shares - Number	<u>86,425,200</u>	<u>86,425,200</u>
Earnings per share - Basic Rupees per share	<u>(0.48)</u>	<u>0.79</u>

14.1 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.

14.2 Earnings per share of Rs 1.27 for three months ended September 30, 2007 has been restated after taking into account 32,409,450 bonus shares issued during the period by the Company.

### 15 DATE OF AUTHORIZATION

This condensed interim financial information was authorized for issue by the Board of Directors on October 29, 2008.

16 The Board of directors have proposed 25 % bonus issue i.e 25 bonus shares for every 100 shares held, for the year ended June 30, 2008 at their meeting held on September 27, 2008 for approval of the members at the Annual General Meeting to be held on October 31, 2008. This condensed interim financial information do not reflect the appropriations in this regard.

17 Comparative figures have been reclassified, wherever necessary for better presentation. However, no significant reclassification has been made during the period except that the Income from placements of Rs. 120,232,742 (July to Sept. 2007 Rs. 42,273,553) previously shown under the head "Other operating income" has been separately shown in the profit and loss account.

18 Figures have been rounded off to the nearest rupee.

Lahore

  
Chief Executive

  
Director