



PAKISTAN KUWAIT INVESTMENT COMPANY (PRIVATE) LIMITED


**CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
(UN AUDITED)**

For the nine months period ended September 30, 2012

Pakistan Kuwait Investment Company (Private) Limited
Consolidated Condensed Interim Statement of Financial Position
As at September 30, 2012

	Note	September 30, 2012 (Un -Audited) (Rupees in '000)	December 31, 2011 (Audited)
ASSETS			
Cash and balances with treasury banks		24,257	442,766
Balances with other banks		516,532	24,653
Lendings to financial institutions		-	-
Investments	6	26,946,159	15,966,871
Advances	7	5,564,914	6,554,035
Operating fixed assets		243,553	282,125
Deferred tax assets		-	-
Other assets		511,664	660,108
		33,807,079	23,930,558
LIABILITIES			
Bills payable		-	-
Borrowings from financial institutions	8	18,074,847	9,161,654
Deposits and other accounts	9	1,658,646	1,726,601
Subordinated loans		-	-
Liabilities against assets subject to finance lease		-	-
Deferred tax liabilities		201,185	119,981
Other liabilities		314,926	334,203
		20,249,604	11,342,439
NET ASSETS		13,557,475	12,588,119
REPRESENTED BY			
Share capital		6,000,000	6,000,000
Reserves		3,114,865	3,114,865
Unappropriated profit		4,160,298	3,388,567
		13,275,163	12,503,432
Surplus on revaluation of 'available-for-sale' securities - net of tax	10	282,312	84,687
		13,557,475	12,588,119
CONTINGENCIES AND COMMITMENTS	11		

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


Deputy General Manager / Chief Financial Officer


Chief Executive


Director


Director

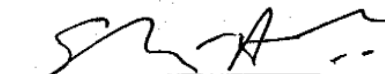
Pakistan Kuwait Investment Company (Private) Limited
 Consolidated Condensed Interim Profit and Loss Account - (Un-audited)
 For the nine months period ended September 30, 2012

	Quarter ended September 30, 2012	Nine months ended September 30, 2012	Quarter ended September 30, 2011	Nine months ended September 30, 2011
	------(Rupees in '000)-----			
Mark-up / return / interest earned	611,132	1,745,139	589,649	1,595,164
Mark-up / return / interest expensed	435,136	1,214,447	385,410	1,065,336
Net mark-up / interest income	<u>175,996</u>	<u>530,692</u>	<u>204,239</u>	<u>529,828</u>
Provision / (reversal of provision) against non-performing advances - net	14,204	27,428	(13,954)	(21,805)
Recovery of written off advances	-	-	-	(22,594)
Reversal of provision against non-performing lending to financial institution	-	(2,822)	(4,500)	(13,500)
(Reversal of provision) / provision for diminution / impairment in the value of investments	(5,008)	42,431	17,082	59,054
Bad debts written off directly	-	-	-	-
	<u>9,196</u>	<u>67,037</u>	<u>(1,372)</u>	<u>1,155</u>
Net mark-up / interest income after provisions	<u>166,800</u>	<u>463,655</u>	<u>205,611</u>	<u>528,673</u>
NON MARK-UP / INTEREST INCOME				
Fee, commission and brokerage income	-	228	1,655	3,035
Dividend income	11,736	89,854	18,497	103,376
Income from dealing in foreign currencies	-	-	-	-
Gain on sale of securities - net	86,905	181,294	15,859	241,004
Unrealised gain on revaluation of 'held-for-trading' securities	112	59	-	-
Share in results of associates	477,525	1,063,333	328,287	932,917
Other income	5,714	17,132	6,829	16,700
Total non mark-up / interest income	<u>581,992</u>	<u>1,351,900</u>	<u>371,127</u>	<u>1,297,032</u>
NON MARK-UP / INTEREST EXPENSES				
Administrative expenses	130,640	324,299	121,894	320,931
Provision for impairment on fixed assets	-	45,724	-	-
Other charges	-	262	-	-
Total non mark-up / interest expenses	<u>130,640</u>	<u>370,285</u>	<u>121,894</u>	<u>320,931</u>
Extra ordinary / unusual items	-	-	-	-
PROFIT BEFORE TAXATION	<u>618,152</u>	<u>1,445,270</u>	<u>454,844</u>	<u>1,504,774</u>
Taxation				
- Current	141,417	278,553	133,469	243,609
- Prior years	-	-	-	-
- Deferred	1,651	34,986	(29,550)	86,326
	<u>143,068</u>	<u>313,539</u>	<u>103,919</u>	<u>329,935</u>
PROFIT AFTER TAXATION	<u>475,084</u>	<u>1,131,731</u>	<u>350,925</u>	<u>1,174,839</u>
Unappropriated profit brought forward	4,527,792	3,871,145	731,754	2,510,618
Unappropriated profit carried forward	<u>5,002,876</u>	<u>5,002,876</u>	<u>1,082,679</u>	<u>3,685,457</u>
	-----Rupees-----			
Basic and diluted earning per share (On share of Rs. 25,000 each)	<u>1,980</u>	<u>4,716</u>	<u>1,462</u>	<u>4,895</u>

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


Deputy General Manager / Chief Financial Officer


Chief Executive


Director


Director

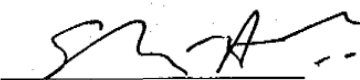
Pakistan Kuwait Investment Company (Private) Limited
 Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)
 For the nine months period ended September 30, 2012

	Quarter ended	Nine months ended	Quarter ended	Nine months ended
	September 30, 2012		September 30, 2011	
	----- (Rupees in '000) -----			
Profit for the period	475,084	1,131,731	350,925	1,174,839
Other comprehensive income	-	-	-	-
Comprehensive income transferred to equity	475,084	1,131,731	350,925	1,174,839
Component of comprehensive income not transferred to equity				
Surplus / (deficit) on revaluation of 'available-for-sale' securities - net of tax	160,913	243,841	85,888	(33,862)
Deferred tax on revaluation of 'available-for-sale' securities - net of tax	(54,943)	(46,216)	(14,333)	(29,718)
Total Comprehensive Income for the period	581,054	1,329,356	422,480	1,111,259

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 Chief Executive



 Director


 Director

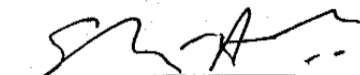
Pakistan Kuwait Investment Company (Private) Limited
 Consolidated Condensed Interim Statement of Changes in Equity - (Un-audited)
 For the nine months period ended September 30, 2012

	Share capital	Reserve Statutory	Unappropriated profit	Total
------(Rupees in '000)-----				
Balance as at January 01, 2011	6,000,000	2,992,287	2,510,618	11,502,905
Profit for the nine months period ended September 30, 2011	-	-	1,174,839	1,174,839
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	1,174,839	1,174,839
Dividend for the year ended December 31, 2010 @1,500 per share approved subsequently to year end	-	-	(360,000)	(360,000)
Balance as at September 30, 2011	6,000,000	2,992,287	3,325,457	12,317,744
Balance as at January 01, 2012	6,000,000	3,114,865	3,388,567	12,503,432
Profit for the nine months period ended September 30, 2012	-	-	1,131,731	1,131,731
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	1,131,731	1,131,731
Dividend for the year ended December 31, 2011 @1,500 per share approved subsequently to year end	-	-	(360,000)	(360,000)
Balance as at September 30, 2012	6,000,000	3,114,865	4,160,298	13,275,163

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


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 Chief Executive


 Director


 Director

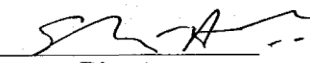
Pakistan Kuwait Investment Company (Private) Limited
 Consolidated Condensed Interim Cash Flow Statement (Un-audited)
 For the nine months period ended September 30, 2012

	September 30, 2012	September 30, 2011
	(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	1,445,270	1,504,774
Less: Dividend income	89,854	103,376
	<u>1,355,416</u>	<u>1,401,398</u>
Adjustments for:		
Depreciation	9,275	10,909
Amortization	3,781	1,173
Provision for impairment on fixed assets	45,724	-
Provision / (reversal of provision) against non-performing advances - net	27,428	(21,805)
Recovery of written off advances	-	(22,594)
Provision for diminution / impairment in the value of investments	42,431	59,054
Reversal of provision against non-performing lending to financial institution	(2,822)	(13,500)
Unrealised gain on revaluation of 'held for trading' securities	(59)	-
Share in results of associates	(1,063,333)	(932,917)
Gain on sale of operating fixed assets	(1,434)	(25)
	<u>(939,009)</u>	<u>(919,705)</u>
	416,407	481,693
Decrease / (Increase) in operating assets		
Lendings to financial institutions	2,822	263,501
'Held-for-trading' securities	(35,137)	35,713
Advances	961,693	(1,159,673)
Others assets (excluding advance taxation)	(2,673)	(172,916)
	<u>926,705</u>	<u>(1,033,375)</u>
Increase / (Decrease) in operating liabilities		
Borrowings from financial institutions	8,913,193	(3,994,328)
Deposits	(67,954)	(589,234)
Other liabilities (excluding current taxation)	(19,354)	90,401
	<u>8,825,885</u>	<u>(4,493,161)</u>
	10,168,997	(5,044,843)
Income tax paid	(84,004)	(243,199)
<i>Net cash inflow / (outflow) from operating activities</i>	<u>10,084,993</u>	<u>(5,288,042)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Net investment in 'available-for-sale' securities / subsidiaries	(10,119,410)	3,861,816
Dividend income	486,534	373,001
Investments in operating fixed assets	(20,201)	(15,501)
Sale proceeds from sale of operating fixed assets	1,454	981
<i>Net cash (outflow) / inflow from investing activities</i>	<u>(9,651,623)</u>	<u>4,220,297</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(360,000)	(360,000)
<i>Net cash outflow from financing activities</i>	<u>(360,000)</u>	<u>(360,000)</u>
Increase / (decrease) in cash and cash equivalents	<u>73,370</u>	<u>(1,427,745)</u>
Cash and cash equivalents at beginning of the period	467,419	1,461,112
Cash and cash equivalents at end of the period	<u>540,789</u>	<u>33,367</u>

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


 Deputy General Manager / Chief Financial Officer


 Chief Executive


 Director


 Director

Pakistan Kuwait Investment Company (Private) Limited

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

For the nine months period ended September 30, 2012

1. STATUS AND NATURE OF BUSINESS

- 1.1** Pakistan Kuwait Investment Company (Private) Limited ("the holding company") was incorporated in Pakistan as a Private Limited Company on March 17, 1979. The registered office is situated at 4th Floor, Block 'C', Finance and Trade Centre, Shahrah-e-Faisal, Karachi. The holding company is a 50:50 joint venture between the Governments of Pakistan and Kuwait. The objective of the holding company is to profitably promote industrial investments in Pakistan.
- 1.2** The Group has a 100% owned subsidiary, First Choice Securities Limited (FCSL). FCSL principal business includes equity brokerage, money markets and foreign exchange brokerage, equity research and corporate financial advisory services. FCSL has not started its operations.

2. BASIS OF PRESENTATION

- 2.1** These consolidated condensed interim financial statements have been prepared based on the format prescribed by the State Bank of Pakistan (SBP) vide BSD Circular Letter No. 2, dated 12 May 2004, BSD Circular letter No. 07, dated 20 April 2010 and IAS 34 "Interim Financial Reporting" and do not include all the information required in the annual financial statements. Accordingly, these consolidated condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2011.

3. STATEMENT OF COMPLIANCE

- 3.1** These consolidated condensed interim financial statements have been prepared in accordance with the requirements of International Accounting Standard 34 - "Interim Financial Reporting", as applicable in Pakistan, provisions of and directives issued under the Companies Ordinance, 1984 and the directives issued by SBP. In case requirements differ, the provisions of and directives issued under the Companies Ordinance, 1984, and directives issued by the SBP have been followed.
- 3.2** The SBP through its BSD Circular letter No. 11 dated September 11, 2002 has deferred the implementation of IAS 39 'Financial Instruments: Recognition and Measurement' and IAS 40 'Investment Property' for Non-Banking Financial Institutions (NBFIs) in Pakistan. Further, SECP has deferred the implementation of IFRS 7 'Financial Instruments: Disclosures' through SRO 411(I)/2008. Accordingly, the requirements of these International Financial Reporting Standards (IFRSs) and their respective interpretations issued by International Financial Reporting Interpretations Committee (IFRIC) and Standing Interpretations Committee (SIC), have not been considered in preparation of these financial statements. However, investments have been classified and valued in accordance with the requirements of various circulars issued by the SBP.

4. ACCOUNTING POLICIES

The accounting policies adopted for the purpose of these consolidated condensed interim financial statements are the same as those applied in preparation of annual financial statements for the year ended December 31, 2011, except as follows:

The Group has adopted the following new amended IFRS which became effective during the period.

IAS 12 – Income Taxes (Amendment) - Recovery of Underlying Assets

The adoption of the above amendments did not have any effect on the consolidated financial statements.

5. FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2011.

6. INVESTMENTS

6.1 Investments by type

	September 30, 2012			December 31, 2011		
	(Un-audited)			(Audited)		
	Held by the Group	Given as collateral	Total	Held by the Group	Given as collateral	Total
------(Rupees in '000)-----						
Held for trading securities						
Shares of listed companies	35,137	-	35,137	-	-	-
Available-for-sale securities						
Market treasury bills	4,695,329	11,883,386	16,578,715	852,049	6,031,097	6,883,146
Pakistan Investment Bonds	1,642,186	-	1,642,186	1,640,304	-	1,640,304
Shares of listed companies	1,819,860	-	1,819,860	1,393,125	-	1,393,125
Shares of unlisted companies	127,411	-	127,411	125,155	-	125,155
Listed preference shares	68,399	-	68,399	93,399	-	93,399
Listed term finance certificates	111,712	-	111,712	121,109	-	121,109
Unlisted term finance certificates	608,283	-	608,283	608,398	-	608,398
	9,073,180	11,883,386	20,956,566	4,833,539	6,031,097	10,864,636
Associates	5,922,058	-	5,922,058	5,443,111	-	5,443,111
Total investments - at cost	15,030,375	11,883,386	26,913,761	10,276,650	6,031,097	16,307,747
Less: Provision for diminution / impairment in the value of investments	(208,992)	-	(208,992)	(230,587)	-	(230,587)
Total investments - net of provisions	14,821,383	11,883,386	26,704,769	10,046,063	6,031,097	16,077,160
Surplus on revaluation of 'held-for-trading' securities	59	-	59	-	-	-
Surplus / (deficit) on revaluation of 'available-for-sale' securities	228,671	12,660	241,331	(96,986)	(13,303)	(110,289)
Total investments	15,050,113	11,896,046	26,946,159	9,949,077	6,017,794	15,966,871

7. ADVANCES

	September 30, 2012	December 31, 2011
	(Un-audited)	(Audited)
(Rupees in '000)		
In Pakistan		
Advances	5,804,418	6,622,329
Net investment in finance leases	1,365,714	1,509,496
	7,170,132	8,131,825
Provision for non-performing advances	(1,605,218)	(1,577,790)
Advances - net of provision	5,564,914	6,554,035

- 7.1 Advances include Rs.1,763.073 million (December 31, 2011: Rs 1,723.232 million) which have been placed under non-performing status as detailed below:

Category of classification	Domestic	Overseas	Total	Provision	Provision
				Required	Held
----- (Rupees in '000) -----					
Substandard	-	-	-	-	-
Doubtful	315,709	-	315,709	157,854	157,854
Loss	1,447,364	-	1,447,364	1,447,364	1,447,364
	<u>1,763,073</u>	<u>-</u>	<u>1,763,073</u>	<u>1,605,218</u>	<u>1,605,218</u>

7.2 **Particulars of provision for non-performing advances - specific**

	Note	September 30,	December 31,
		2012	2011
		(Un-audited)	(Audited)
(Rupees in '000)			
Opening balance		1,577,790	1,420,615
Charge for the period		43,998	270,662
Reversals		(16,570)	(113,487)
		27,428	157,175
Amounts written off against provisions		-	-
Closing balance		<u>1,605,218</u>	<u>1,577,790</u>

8. **BORROWINGS FROM FINANCIAL INSTITUTIONS**

		September 30,	December 31,
		2012	2011
		(Un-audited)	(Audited)
(Rupees in '000)			
Secured			
Repurchase agreement borrowings - Government securities	8.1	11,903,856	6,025,238
Borrowing from SBP under LTF-EOP	8.2	82,245	116,044
Borrowing from SBP under LTFF	8.3	320,659	248,997
Borrowing from SBP under FFSAP	8.4	18,087	21,375
Term Finance Facility	8.5	2,750,000	1,750,000
Unsecured			
Murabaha	8.6	3,000,000	1,000,000
		<u>18,074,847</u>	<u>9,161,654</u>

- 8.1 The holding company has arranged borrowings from various financial institutions against sale and repurchase of government securities. The mark-up on these finances ranges between 9.76 to 10.40 (December 31, 2011: 11.65 to 11.93) percent per annum with maturity of one day to twelve days (December 31, 2011 : three days to thirty eight days).

- 8.2 In order to facilitate the export oriented projects, SBP has introduced a scheme to refinance the fixed term loan availed from Banks / DFIs. A one time swap facility option under the Scheme (LTF-EOP) has been extended to textile sector for import of plant and machinery, allowed by the State Bank of Pakistan through their SMED Circular No.19 of 2006. The loan is repayable over a maximum period of 7.5 years from the date of first disbursement with mark-up payable at maximum of 5 percent per annum

- 8.3 This represents Long Term Finance Facility on concessional rates to promote industrial growth leading to exports. The loans availed under the facility shall be repayable within a maximum period of ten years including maximum grace period of two years with mark-up payable at maximum of 10.10 percent per annum. SBP allocates an overall yearly limit under the facility to individual PFI. The sanctioned limit was Rs. 500 million.

- 8.4** This represents Financing Facility for Storage of Agricultural Produce (FFSAP) on concessional rates to develop the agricultural produce marketing and enhance storage capacity. The loans availed under the facility shall be repayable within a maximum period of seven years including a maximum grace period of six months with mark-up payable at maximum of 6.50 percent per annum. SBP allocates an overall yearly limit to individual PFI. The sanctioned limit was Rs. 500 million.
- 8.5** The holding company has availed Long Term Finance facility. The interest rates on this facility range from 10.94 and 12.49 percent per annum (December 31, 2011: 12.35 and 12.47 percent per annum) with maturities between November 29, 2014 and September 11, 2015 (December 31, 2011: November 29, 2014 and January 1, 2015).
- 8.6** This represents finance obtained from an Islamic bank. The profit rate on the finance is 10.30 (December 31, 2011: 12.50) percent per annum with maturity on October 01, 2012 (December 31, 2011: January 16, 2012).

9. DEPOSITS AND OTHER ACCOUNTS	Note	September 30, 2012 (Un-audited) (Rupees in '000)	December 31, 2011 (Audited) (Rupees in '000)
Certificates of investment (COIs) / deposits	9.1	<u>1,658,646</u>	<u>1,726,601</u>
		<u>1,658,646</u>	<u>1,726,601</u>

- 9.1** The profit rates on these COIs / deposits range between 10.10 and 12.25 (December 31, 2011: 11.40 and 13.90) percent per annum. The COIs / deposits are due for maturity between October 01, 2012 and March 22, 2015 (December 31, 2011: January 13, 2012 and March 22, 2015).

10. SURPLUS ON REVALUATION OF 'AVAILABLE-FOR-SALE' SECURITIES-NET OF TAX	September 30, 2012 (Un-audited) (Rupees in '000)	December 31, 2011 (Audited) (Rupees in '000)
Federal government securities	85,392	(51,504)
Shares of listed companies	155,182	(58,976)
Listed term finance certificate	757	191
Share of surplus on revaluation held by associates	<u>87,218</u>	<u>194,997</u>
	<u>328,549</u>	<u>84,708</u>
Deferred Tax	<u>(46,237)</u>	<u>(21)</u>
	<u>282,312</u>	<u>84,687</u>

11. CONTINGENCIES AND COMMITMENTS

11.1 Other contingencies

There is no change in the status of other contingencies of the holding company as disclosed in note 19.1 of the consolidated financial statements for the year ended December 31, 2011.

11.2 Other commitments

11.2 Other commitments	September 30, 2012 (Un-audited) (Rupees in '000)	December 31, 2011 (Audited) (Rupees in '000)
Commitment - acquisition of software	7,194	10,452
Undisbursed sanctions for financial assistance in the form of loans and advances	<u>755,052</u>	<u>417,000</u>
	<u>762,246</u>	<u>427,452</u>

12. SEGMENT DETAILS WITH RESPECT TO BUSINESS ACTIVITIES

The segment analysis with respect to business activities is as follows :

	Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total
----- (Rupees in '000) -----						
Nine months period ended September 30, 2012 - (Un-audited)						
Total income - gross	753,579	1,077,247	228	1,250,511	15,415	3,096,980
Total mark-up / return / interest expense	(189,578)	(1,024,869)	-	-	-	(1,214,447)
Segment provision / impairment / unrealised gains	(23,373)	2,823	-	(46,428)	-	(66,978)
	(212,951)	(1,022,046)	-	(46,428)	-	(1,281,425)
Net operating income	540,628	55,201	228	1,204,083	15,415	1,815,555
Administrative expenses and other charges						(370,285)
Profit before taxation						1,445,270

Period ended September 30, 2012 - (Un-audited)

Segment assets - net	6,680,252	18,016,397	-	7,075,027	2,035,403	33,807,079
Segment non-performing loans	1,763,073	-	-	-	-	1,763,073
Segment provision required and held	1,605,218	-	-	-	-	1,605,218
Segment liabilities	3,251,526	16,562,503	-	-	435,575	20,249,604
Segment return on net assets (ROA) % *	13.11%	11.82%	-	27.15%	0.91%	-
Segment cost of funds (%) *	10.99%	11.40%	-	-	-	-

* Based on daily average assets and funds.

	Corporate Finance	Treasury	Investment Banking	Capital Markets	Others	Total
----- (Rupee in '000) -----						
Nine months period ended September 30, 2011 - (Un-audited)						
Total income - gross	799,547	923,534	860	1,154,781	13,474	2,892,196
Total mark-up / return / interest expense	(54,262)	(1,011,074)	-	-	-	(1,065,336)
Segment provision / impairment / unrealised losses	39,961	13,500	-	(54,616)	-	(1,155)
	(14,301)	(997,574)	-	(54,616)	-	(1,066,491)
Net operating income	785,246	(74,040)	860	1,100,165	13,474	1,825,705
Administrative expenses and other charges						(320,931)
Profit before taxation						1,504,774

Year ended December 31, 2011 - (Audited)

Segment assets - net	7,567,378	9,005,931	-	6,221,428	1,135,821	23,930,558
Segment non-performing loans	1,723,232	-	-	-	-	1,723,232
Segment provision required and held	1,577,790	-	-	-	-	1,577,790
Segment liabilities	2,218,139	8,751,839	-	-	372,461	11,342,439
Segment return on net assets (ROA) %	14.62%	13.18%	-	25.37%	1.49%	-
Segment cost of funds (%)	8.57%	13.09%	-	-	-	-

Under the holding company policy, capital market department assets are financed through equity funds.

13. RELATED PARTY TRANSACTIONS

The Group has related party relationship with its associates, associated undertakings, subsidiary companies, employee benefit plans, key management personnel and its directors.

The Group enters into transactions with related parties in the normal course of business. These transactions were carried out on commercial terms and at market rates.

	Nine months period ended September 30, 2012 (Un-audited) (Rupees in '000)	Nine months period ended September 30, 2011 (Un-audited) (Rupees in '000)
Expenses charged to an associate	12,644	11,802
Expenses charged by		
- associates	579	1,047
- other related party	12,151	12,744
Dividend income from related parties	440,064	340,200
Gain on sale of shares of associates	19,279	-
Mark-up earned on bank deposit with an associate	351	725
Mark-up earned on loans and advances		
- key management personnel	580	850
Mark-up expense on COIs of related parties		
- associates	4,494	8,767
- other related party	851	640
Contribution made to provident fund	11,919	11,107
Contribution made to gratuity fund	-	8,546
	September 30, 2012 (Un-audited) (Rupees in '000)	December 31, 2011 (Audited) (Rupees in '000)
Loans and advances to key management personnel		
Balance as at January 1	43,918	47,223
Disbursement during the period / year	9,888	2,175
Recovery during the period / year	(18,058)	(5,480)
Balance as at	(8,170)	(3,305)
Bank balances with an associate	35,748	43,918
Bank balances with an associate	12,944	2,194
Mark-up receivable on bank deposit with an associate	25	44
Deposits / COIs from associate & other related party		
- associates	35,000	50,000
- other related party	2,500	12,500
Mark-up payable to related party		
- associates	862	2,650
- other related party	775	1,302
Investments in		
- associates	5,922,058	5,443,111
- other related parties	500	500

Key management personnel

Key management personnel include the Managing Director, Deputy General Manager / Chief Financial Officer, Head of Corporate Finance & Investment Banking, Head of Risk Management, Head of Capital Markets & Treasury, Head of Compliance, Head of Internal Audit and the Head of Human Resources. Their salaries and other benefits amount to Rs. 42.158 million (September 30, 2011: Rs. 54.100 million) and staff retirement benefits amount to Rs. 6.350 million (September 30, 2011: Rs. 5.761 million).

14. DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue in the Board of Directors meeting held on December 09, 2012.

15. GENERAL

15.1. The figures have been rounded off to nearest thousand rupees.

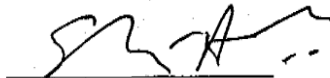
15.2. The JCR-VIS Credit Rating Company Limited has reaffirmed long term credit ratings of AAA (Triple A) and the short term rating of A1+ (A one plus) for the holding company. The Pakistan Credit Rating Agency (PACRA) has also maintained the long-term entity rating to AAA (Triple A) and the short term rating at A1+ (A one plus).



Deputy General Manager / Chief Financial Officer



Chief Executive



Director



Director